

OCASI – Ontario Council of Agencies Serving Immigrants

Response to Gender Wage Gap Strategy Consultation

January 2016

INTRODUCTION

OCASI – Ontario Council of Agencies Serving Immigrants is the umbrella organization for immigrant and refugee-serving agencies in Ontario, and has 230 member agencies across the province. The Council was formed in 1978 to act as a collective voice for immigrant serving agencies and to coordinate responses to shared needs and concerns. OCASI is a registered charity, and is governed by a volunteer board of directors.

OCASI welcomes the opportunity to provide this submission to the Ministry of Labour consultations on the Gender Wage Gap Strategy. The Council is encouraged by Premier Wynne's leadership and the Ontario government's commitment to closing the gender wage gap in the province.

OCASI takes that position that any government action to eliminate the gender wage gap must be developed using an anti-racism framework, or it runs the risk of excluding racialized women from potential benefits. Use of an anti-racism lens has the potential to benefit racialized men as well as women, which is urgently required in light of the growing and deepening wage inequalities experienced by that racialized Ontarians.

Comments on Gender Wage Gap Strategy Consultation Paper

OCASI is encouraged that the Consultation paper recognizes that the intersection of factors such as race, disability and sex with gender may increase the wage gap. However, having mentioned race, there is little attempt to fully apply an intersection analysis.

We note however that the paper does not acknowledge the intersection of immigration status as a factor that affects wage – both for recent (arrived in the last five years) immigrants and workers with precarious immigration status, as well as workers who do not have Canadian citizenship. We also note that while the paper mentions race and immigration at different points, that there is a tendency to conflate the two as if they are the same. Thus there is no recognition that a racialized immigrant's experience of gender wage discrimination is different from that of a non-racialized immigrant.

The Consultation paper observes that the gender wage gap has persisted despite the existence of a strong legislative framework in Ontario including the *Employment Standards Act*, the *Ontario Human Rights Code*, and the *Pay Equity Act*. OCASI notes that in addition, a racialized gender wage gap has not only persisted, but that racial disparities have become wider and deeper.

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The Wage Gap for Racialized Ontarians

Ontario's racialized residents are facing growing and deepening economic inequalities. The intersection of immigration status with gender and race is of particular concern to OCASI since racialized immigrant and refugee residents and those with uncertain immigration status face different and often greater systemic inequalities in the Ontario labour market. The following points illustrate the growing inequality trend:

- By 2031 one in three Canadians will likely be racialized (including Indigenous and people of colour), up from one in twenty in 1981.
- 2/3 of racialized persons are immigrants; 1/4 are recent arrivals in Canada.
- 44% of racialized persons aged 25 to 64 years holds a university certificate or degree compared to 25% of non-racialized persons.
- Most recent immigrants (including post-secondary graduates) experience higher unemployment and lower employment rates compared to Canadian-born residents.
- Immigrants' birthplace – a proxy for ethnicity – has the strongest influence over their earnings.
- Immigrant women are almost half of recent immigrants with a university degree, yet their labour market participation is lower.
- Young racialized men born in Canada earn significantly less compared to their non-racialized peers, often despite having higher levels of education.
- In 2006, “visible minority” (term used by Statistics Canada) Canadian workers earned 81.4 cents for every dollar paid to their “Caucasian” peers. Earnings by male ‘visible minority’ immigrants were 68.7 per cent of those of white males. Similar disparities persisted for second generation ‘visible minority’ Canadian women and men.
- Racialized residents are two to four times more likely to live in poverty.
- Between 1981 and 2000, the poverty rate among non-racialized communities in Toronto (the largest city in Canada) **dropped** by 28%, whereas over the same time period, poverty rate among racialized communities **increased** by 361%.

[Sources: ‘Snapshot of Racialized Poverty in Canada’. Employment and Social Development Canada. 2013. Sheila Block & Grace-Edward Galabuzi. “Canada’s Colour-Coded Labour Market”. Wellesley Institute. 2011.]

Several research reports, including the Law Commission of Ontario's *Final Report on Vulnerable Workers and Precarious Work*¹ mentioned in the Gender Wage Gap Strategy Consultation paper, noted that members of racialized communities and immigrants, particularly women, are over-represented in precarious employment found in non-unionized workplaces.

Structural factors

The intensified racialization and feminization of the labour market is a result of systemic racial discrimination and other structural factors which exist in our society. Studies have shown, for instance, job seekers with “foreign sounding” name are less likely to receive job interviews.²

¹ <http://www.lco-cdo.org/en/vulnerable-workers-final-report>

² <http://www.macleans.ca/education/uniandcollege/ubc-study-finds-people-with-foreign-names-face-job-discrimination/>

The Ontario Human Rights Commission (OHRC) flagged some of these factors in its submission to the Ministry of Labour Changing Workplace Review by commenting as follows:

“Discrimination based on race and related grounds can overlap or “intersect” with various other forms of discrimination, including discrimination based on creed. Some studies suggest that people of certain religious backgrounds (Muslims in particular) are particularly vulnerable to low income and unemployment across generations, in spite of their generally higher education levels.”

The policy on eliminating the Canadian Experience Barrier flags the labour market discrimination faced by internationally trained immigrants, a reality that is reflected in the wage gap they face.

Structural factors in Ontario’s economy, including the impact of globalization, corporate restructuring and loss of manufacturing have disproportionately impacted on racialized and immigrant workers, particularly women. The growing reliance on temporary employment agencies has reduced job security and stability, especially for those in low-waged jobs, while leaving workers more vulnerable to exploitation. The effectiveness of new legislation in recent years to reduce the worker vulnerability is greatly contingent on enforcement by the Minister of Labour, since workers are less likely to pursue remedies on their own initiative.

The lack of employment and wage data disaggregated by gender, as well as the other factors identified by the Consultation paper, such as race, disability and immigration status, is proving to be a significant challenge in developing a comprehensive analysis of the gender wage gap. Looking ahead, we urgently need to collect and analyze disaggregated data to truly know the impact of any public policy recommendations that are implemented and to know whether they are reducing inequalities.

Recommendations

OCASI makes the following recommendations to the Government of Ontario:

Mandatory Employment Equity: Bring back mandatory employment equity in Ontario to level the playing field for all racialized communities and other historically disadvantaged groups. Establish an Equity in Employment Secretariat which is fully mandated and adequately resourced in order to ensure merit-based employment across the province through the implementation of mandatory & comprehensive employment equity programs.

Disaggregated Data: Require all Ministries and departments to collect and track disaggregated data of their workplace in order to identify racialized and other structural and systemic disadvantage. Require all Ministries and departments to clearly identify goals and specific benchmarks and indicators to monitor the progress of the hiring, promotion, and pay as it relates to racialized and other historically disadvantaged and marginalized communities. Such measures and indicators need to be identified and captured on a cross-sectoral basis, and for labour market related differentials in particular, while establishing goals and indicators that address racialized inequity specifically.

Reform Labour Relations Act: Introduce legislative changes with a view to increase unionization, particularly in sectors with significant representation of women, racialized and immigrant workers, and to strengthen all workers’ right to collective bargaining across all industries and workplaces.

Investment in Equity: Each year, the Province of Ontario is engaged in millions of dollars worth of contract negotiations. Provincial investments, allocations and commitments can be used as leverage to make businesses across Ontario implement equity based hiring practices.

Inclusion Audit: Require both public and private employers to conduct an inclusion audit of the workplace on an annual basis in order to identify and address any obstacles to equal employment and equal pay within the workplace.

A Collaborative and Coordinating Approach to Promoting Equity in Employment: The Pay Equity Commission and the Ontario Human Rights Commission should work together to develop joint initiatives and strategies to promote equity in employment in Ontario. Such initiatives may include joint study and/or inquiry into workplace discrimination, or joint publication on related topics.

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