Equal Worth:
Designing Effective Pay Equity Laws For Alberta

Kathleen A. Lahey
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Kathleen A. Lahey
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About the Author

Kathleen A. Lahey is Professor and Queen's National Scholar, Faculty of Law, at Queen's University, Canada, cross-appointed to the Graduate Program in Cultural Studies and to the Department of Gender Studies, and Co-director of Feminist Legal Studies Queen's. She specializes in all areas of tax law and fiscal policy, including women and taxation, economic justice, and comparative taxation. Recent works include The Alberta Disadvantage: Gender, Taxation, and Income Inequality (Parkland Institute, 2015) and “Uncovering Women in Taxation,” Osgoode Hall Law Journal (52): 427-459 (2015).
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Executive Summary

Gender pay inequalities lie at the core of women's economic inequality in Canada, and Alberta has the largest gender income gap in the country – 41% compared to the national average of 33%. In dollar terms, Alberta women working full-time, full-year are on average making $31,100 less than their male colleagues each year.

Despite a long history of progressive women's legislation and recent progress at the national level, Alberta lags well behind in gender income equality; not just compared to its provincial counterparts, but also internationally. Canada's wage gap rank is the third highest out of the OECD countries; if ranked separately, Alberta would have one of the highest pay gaps of all.

While anti-discrimination legislation ensures that women receive equal pay for equal work – that is, in the same or very similar positions – Alberta laws do not require that women receive equal pay for work of equal worth – for doing work that has the same or comparable value to that done by men.

In 2016, the difference between total market incomes for women compared to men in Alberta is projected to be 50% – with all factors and sources of income taken into account, women in Alberta are likely to earn just half of what their male counterparts will take home in a year. In addition, Alberta women are burdened with working a “double day,” averaging 35 hours of unpaid work weekly, compared to 17 hours for Alberta men.

Pay equity legislation is one of the first and most fundamental steps in reducing this gender income gap, and bringing women and men closer to income parity. The purpose of pay equity laws is to equalize women's wages to levels equivalent to men's all across the wage scale – even in situations where there may not be any male wages with which to compare. Pay equity policies address workplace equality, occupational segregation, and balance wage differentials for comparable work undertaken by women and men.

This report explores the best practices in pay equity within Canada and internationally, and finds that the most effective pay equity laws are compulsory, comprehensive in scope, and feature enforcement and ongoing oversight measures. Emphasizing these criteria, the report puts forward a model for implementation that not only delivers economic benefits to the workers who are the most vulnerable, but also provides a financial incentives to the provincial and federal governments. Pay equity legislation makes women's work “pay” for women, for their families, for their economies, and for government revenues.
However, pay equity is only one part of the equation: structural and cultural factors play a significant role in creating and maintaining gendered wage gaps. The highly gender-segregated nature of Alberta’s resource economy is also reflected in gendered wage differentials: the higher-paying jobs in the resource sector are almost completely dominated by men, while the lower-paid jobs in the service industry and care sectors still remain predominantly female. In addition, the province’s lack of effectively subsidized childcare options often limits women to part-time or poorly paid occupations, and women who have to pay for childcare still have to earn quite high incomes in order for their after-childcare incomes to “pay.”

The report finds that all of these pieces of the puzzle need to be addressed in order to make significant, lasting change. Among the recommendations urged by the report, the foremost is the need to design effective pay equity, equal pay, and workplace policies capable of significantly improving the economic status of women in Alberta. Given today’s economic challenges, a staged implementation process would soften the short-term impact of these changes while ensuring that progress is made over time.

In concert with a dedicated pay equity framework, the report also calls for revisions to Alberta’s tax system, particularly tax/transfer provisions that currently subsidize gendered economic discrimination. The tax system should treat all taxpayers as financially autonomous individuals to ensure that all women are able to secure a living wage for themselves no matter what the composition of their households may be during their lives.

Ultimately, the report encourages Alberta to strive for equality in the legal, economic, cultural, and societal spheres through law reform, education, public awareness, and role modeling: governments that have generated the highest and most durable levels of economic gender equality are those that maintain effective equality-promoting practices on a consistent basis.
1. Introduction: Making Economic Gender Equality Real in Alberta

Alberta has the largest gender income gaps in Canada: Overall, the gender income gap for Alberta is 41%, while the average for Canada as a whole is just 33%. Even when measured in terms of women’s full-time, full-year earnings, the gender earnings gap in Alberta is 37%, compared to just 28% for Canada as a whole.

Women in Alberta are paying a high price for this wage discrimination. In dollar terms, women working full-time, full-year are on average making $31,100 less than their male colleagues per year. Even modest pay equity adjustments could close those gaps by $2,500 to $3,300 in 2016 alone.

These huge and persistent gender income and wage gaps are also costing women in terms of lost income opportunities, economic security, the ability to save for their futures, and their constitutional rights to genuine sex equality.

These income and earnings gaps are also costing Canada as a whole too much. If even modest pay equity adjustments of 5% to 7.7% were put into place in 2016, the federal and provincial governments together would receive between $769 million to $1.2 billion more in tax revenues and savings in transfer payments in that one year alone.

Pay equity adjustments on their own cannot eliminate all the causes of women’s income inequalities. But the opposite is also true: without robust pay equity mechanisms, Alberta cannot fully eliminate all gendered economic inequalities.

Alberta enacted the first Canadian gender equal minimum pay law in 1917. Women should not have to wait yet another year for their government to complete the protection of their rights by also guaranteeing the right to pay equity.

Women in Alberta deserve better treatment. Emily Murphy, the first woman magistrate in Alberta, led the “Famous Five” to win the historic 1928 English Privy Council Persons Case establishing that women are “persons” in the Constitution of Canada. Decades of socially conservative governments in Alberta, however, have meant that women’s provincial equality rights have been hard won. Between the 1960s and 1980s, women in Alberta made rapid progress in closing male-female income gaps, but at the same time, had to watch Irene Murdoch go through years of grueling litigation to obtain a share of the family farm when divorcing her husband. This landmark case inspired a wave of family property law reform across Canada not because it found that
existing property law unlawfully discriminated against women, but because
the Supreme Court of Canada decided that Murdoch was not entitled to a
share of her husband's farm because she had contributed nothing but the
"routine" work expected of "any ranch wife."

Although the Supreme Court accepted Murdoch's own testimony that she
had worked right alongside her husband and routinely replaced him during
his lengthy absences over the course of their 21-year marriage – "Haying,
raking, swathing, moving, driving trucks and tractors and teams, quietening
horses, taking cattle back and forth to the reserve, dehorning, vaccinating,
branding, anything that was to be done" for up to five months on her own
some years – the Court could not perceive her work as having equal value.
Instead, they accepted her husband's description of her work as, "Oh, just
about what the ordinary rancher's wife does. Most of them can do most
anything." Nor could the divorce court see the equal value in her decades of
work, giving her just a small share of the farm in lieu of alimony at the end of
the litigation.9

Thus, while women in other parts of Canada have benefitted from the sex
equality provisions in human rights laws, the Canadian Charter of Rights
and Freedoms and the Constitution Act, 1982, the Convention to Eliminate
All Forms of Discrimination against Women in 1982,7 the 1995 Beijing
Declaration and Platform for Action,8 and Canada's 1995 Federal Plan for
Gender Equality,9 women in Alberta have had to rely primarily on access
to increased education and paid work to improve their economic positions
since the 1970s.

Throughout this period, women received little support for their efforts
from Alberta governments. In fact, women who attempted to work with the
provincial government to implement the detailed roadmap to sex equality
set out in the Beijing Platform were rebuffed in 1995, even though by that
time, Alberta women's early economic equality gains had already begun to
deteriorate.10

As a result of this history, women in Alberta now face some of the largest
gender gaps in Canada. As Chart 1 illustrates, gender wage gaps in Ontario,
Quebec, and Canada started out in 1976 at levels similar to those in Alberta.
But while wage gaps elsewhere in Canada have fallen by as much as 17
percentage points, women in Alberta have been left far behind.

When viewed in the international context, it is even clearer that women in
Alberta have been uniquely deprived of the economic benefits of increasing
equality in paid work. Overall, despite impressive equality gains, Canada
has still had one of the largest gender pay gaps in the 34-nation OECD
since 2011, often ranking third largest. Only Korea and Japan have had
If Alberta were ranked separately by the OECD, its pay gap would be one of the highest of all, and could possibly outstrip even Korea’s.

In 2015, Canada and the rest of the world agreed to include gender equality as a standalone goal in the United Nations Sustainable Development Goals that replaced the 2000–2015 Millennium Development Goals. Also during 2015, a newly elected progressive Alberta government moved quickly to create a Minister of Status of Women, and has begun taking steps to improve provincial minimum wage, childcare, and labour law policies.

One of the most serious gaps in Alberta’s equality-promoting laws is pay equity. The province does prohibit gender discrimination in employment with employment equity laws, which means that women have legal remedies for discrimination in hiring, firing, promotion, and pay raises. The province also prohibits pay discrimination with equal pay laws, which means that women who are doing the same or similar job as men, such as working as a high school administrator, must be paid the same as men in that same or a similar job.
But Alberta does not yet protect women’s rights to equal pay for work of equal value or comparable worth. For example, the lowest paid male labourer in a processing plant in Alberta earns $21.45 per hour, while the lowest paid female labourer in the food and beverage industry earns $14.50 an hour. Under equal pay laws, if the skills, judgment, experience, and training for both jobs were found to be comparable to each other, the female labourer would be entitled to be paid equally to men – in this example, $21.45 per hour, or 48% more than her current hourly wage.

This report takes a gender mainstreaming approach to the question of how Alberta’s gender pay and income gaps might best be eliminated. Section 2 demonstrates that gender pay inequalities lie at the core of women’s economic inequality in Alberta, and examines how virtually all market and government economic transactions reinforce and embed women’s inequalities through numerous channels. Most Canadian governments have responded to this reality by using government transfers to bolster women’s low incomes – a privatizing policy strategy that has taken attention away from developing paid and unpaid work policies capable of substantively and durably closing gendered market income gaps.

Section 3 turns to the question of what can be learned from other jurisdictions to design effective pay equity policies capable of significantly improving women’s rights to wage equality in Alberta. Drawing on developments in Canada and in other regions, guidelines for developing effective pay equity policies are identified for consideration in the Alberta context.

Section 4 assesses the impact that implementing pay equity laws in Alberta is likely to have on women’s earnings in the early stages. It also examines how implementing pay equity can increase government revenues, and discusses the benefits of pay equity laws for employers and possible implementation strategies.

Section 5 puts the probable impact of pay equity on women’s incomes back into the context of the total tax-transfer and childcare systems by examining the role that tax laws and childcare policies play in maintaining women’s economic inequality. Pay equity alone cannot eliminate the huge economic gender gaps that women in Alberta face; tax and childcare policies also need to change to make sure that “paid work can actually pay” for women in Alberta.

The report concludes with a series of recommendations for policies capable of substantially and durably closing gendered income gaps in the province.
2. Women’s Lives: Multiple Layers of Gender Gaps

Women’s equality movements have had many important breakthrough moments, but economic gender inequalities have been very slow to change. Gender inequalities arise from deeply embedded cultural attitudes and beliefs about women that continue to shape women’s opportunities on an ongoing and routine basis. Thus institutional, structural, and cultural barriers to economic equality need to be tackled at the same time that legislative and workplace changes are made.

Unequal pay is a fundamental sex equality problem. But pay inequalities are so intertwined with a failure to see women as equally deserving of respect, consideration, and power that only fully contextualized gender mainstreaming analysis can grapple with the multiple dimensions of this core problem.

A. The Pay Gap: The Composition of Market Incomes by Gender

Examining the composition of incomes by gender in Alberta helps identify the multiple channels through which women’s economic inequality is routinely maintained. Table 1 provides details on how market incomes of women and men differ. These market income differences then become the cause and also the justification for women’s overall economic inequality. These figures are based on microsimulation estimates for the year 2016 in Alberta.

The starting point of this analysis is income from wages and salaries, which are both women’s and men’s most important sources of income. It is striking that in Alberta, women’s average wages ($28,132) are likely to be less than half of men’s average wages ($58,080) in 2016. This means that by 2016, the average gender wage gap in the province may well have grown to 51.6%.

What factors produce this huge disparity? Several dimensions of women’s lives intersect to produce this result. The first important factor is that fewer women than men actually work for pay in Alberta, and women’s employment rates fall when their children are under age six.14

In addition, women take more time out of paid work when their children are young than men do. And as the number of children individual Alberta women have increases, statistically, their total hours of paid work will decrease with each successive child even if they remain in paid work.14
### Table 1: Composition of income, by sex, Alberta, 2016

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
<th>Both</th>
<th>Women, as % of men</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number (000s)</strong></td>
<td>1,753.5</td>
<td>1,693.7</td>
<td>3,447.2</td>
<td></td>
</tr>
<tr>
<td><strong>Number with earnings (000s)</strong></td>
<td>1,420.6</td>
<td>1,193.5</td>
<td>2,614.1</td>
<td></td>
</tr>
<tr>
<td><strong>Percent with earnings</strong></td>
<td>81%</td>
<td>70%</td>
<td>76%</td>
<td></td>
</tr>
<tr>
<td><strong>Average income from:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total income:</strong></td>
<td>$76,073</td>
<td>$41,643</td>
<td>$59,157</td>
<td>54.7%</td>
</tr>
<tr>
<td><strong>Market income:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>$58,080</td>
<td>$28,132</td>
<td>$43,366</td>
<td>48.4%</td>
</tr>
<tr>
<td>Net business income</td>
<td>$2,988</td>
<td>$1,544</td>
<td>$2,278</td>
<td>51.7%</td>
</tr>
<tr>
<td><strong>All employment income</strong></td>
<td>$61,068</td>
<td>$29,676</td>
<td>$45,644</td>
<td>48.6%</td>
</tr>
<tr>
<td>Dividends</td>
<td>$4,321</td>
<td>$1,737</td>
<td>$3,052</td>
<td>40.2%</td>
</tr>
<tr>
<td>Capital gains</td>
<td>$2,299</td>
<td>$741</td>
<td>$1,534</td>
<td>32.2%</td>
</tr>
<tr>
<td>Interest and other income</td>
<td>$878</td>
<td>$577</td>
<td>$730</td>
<td>65.7%</td>
</tr>
<tr>
<td><strong>All investment income</strong></td>
<td>$7,499</td>
<td>$3,055</td>
<td>$5,316</td>
<td>40.7%</td>
</tr>
<tr>
<td>Pension income</td>
<td>$2,773</td>
<td>$1,726</td>
<td>$2,259</td>
<td>62.2%</td>
</tr>
<tr>
<td>Other taxable income</td>
<td>$885</td>
<td>$494</td>
<td>$693</td>
<td>55.8%</td>
</tr>
<tr>
<td>Alimony, child support</td>
<td>$18</td>
<td>$496</td>
<td>$253</td>
<td>2755.6%</td>
</tr>
<tr>
<td><strong>All other income</strong></td>
<td>$3,676</td>
<td>$2,716</td>
<td>$3,204</td>
<td>73.9%</td>
</tr>
<tr>
<td><strong>Total market income</strong></td>
<td>$72,242</td>
<td>$35,447</td>
<td>$54,164</td>
<td>49.1%</td>
</tr>
<tr>
<td><strong>Federal transfer income:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OAS</td>
<td>$862</td>
<td>$1,095</td>
<td>$977</td>
<td>127%</td>
</tr>
<tr>
<td>GIS</td>
<td>$210</td>
<td>$414</td>
<td>$310</td>
<td>197.1%</td>
</tr>
<tr>
<td>Spouse’s Allowance</td>
<td>$3</td>
<td>$14</td>
<td>$8</td>
<td>466.7%</td>
</tr>
<tr>
<td>Child benefits</td>
<td>$40</td>
<td>$1,597</td>
<td>$805</td>
<td>3992.3%</td>
</tr>
<tr>
<td>CPP</td>
<td>$1,416</td>
<td>$1,359</td>
<td>$1,388</td>
<td>96%</td>
</tr>
<tr>
<td>Employment insurance</td>
<td>$411</td>
<td>$581</td>
<td>$494</td>
<td>141.4%</td>
</tr>
<tr>
<td>Federal sales tax credit</td>
<td>$115</td>
<td>$119</td>
<td>$117</td>
<td>103.5%</td>
</tr>
<tr>
<td>Other refundable tax credits</td>
<td>$55</td>
<td>$58</td>
<td>$57</td>
<td>105.8%</td>
</tr>
<tr>
<td><strong>All federal transfer income</strong></td>
<td>$3,113</td>
<td>$5,237</td>
<td>$4,157</td>
<td>168.2%</td>
</tr>
<tr>
<td><strong>Provincial transfer income:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provincial family programs (M)</td>
<td>$3</td>
<td>$75</td>
<td>$38</td>
<td>2500%</td>
</tr>
<tr>
<td>GIS provincial top-up (M)</td>
<td>$131</td>
<td>$234</td>
<td>$182</td>
<td>178.6%</td>
</tr>
<tr>
<td>Refundable provincial tax credits (M)</td>
<td>$4</td>
<td>$90</td>
<td>$46</td>
<td>2250%</td>
</tr>
<tr>
<td>Provincial social assistance (M)</td>
<td>$328</td>
<td>$442</td>
<td>$384</td>
<td>134.8%</td>
</tr>
<tr>
<td>Provincial other government income (M)</td>
<td>$252</td>
<td>$118</td>
<td>$186</td>
<td>45.8%</td>
</tr>
<tr>
<td><strong>All provincial transfer income (M)</strong></td>
<td>$717</td>
<td>$959</td>
<td>$836</td>
<td>133.8%</td>
</tr>
<tr>
<td><strong>All transfer income</strong></td>
<td>$3,830</td>
<td>$6,197</td>
<td>$4,993</td>
<td>161.8%</td>
</tr>
<tr>
<td><strong>Taxable income</strong></td>
<td>$69,485</td>
<td>$36,668</td>
<td>$53,361</td>
<td>90%</td>
</tr>
<tr>
<td><strong>Taxes:</strong></td>
<td></td>
<td></td>
<td></td>
<td>52.8%</td>
</tr>
<tr>
<td>Federal income tax payable</td>
<td>$11,071</td>
<td>$4,042</td>
<td>$7,617</td>
<td>36.5%</td>
</tr>
<tr>
<td>CPP contributions</td>
<td>$1,524</td>
<td>$1,015</td>
<td>$1,274</td>
<td>66.6%</td>
</tr>
<tr>
<td>EI contributions</td>
<td>$479</td>
<td>$336</td>
<td>$409</td>
<td>70.1%</td>
</tr>
<tr>
<td>Social benefits repayments</td>
<td>$34</td>
<td>$2</td>
<td>$8</td>
<td>5.9%</td>
</tr>
<tr>
<td>Provincial income tax payable</td>
<td>$5,040</td>
<td>$1,897</td>
<td>$3,456</td>
<td>37.6%</td>
</tr>
<tr>
<td><strong>Total taxes paid</strong></td>
<td>$18,148</td>
<td>$7,292</td>
<td>$12,814</td>
<td>40.2%</td>
</tr>
<tr>
<td><strong>After-tax income</strong></td>
<td>$57,326</td>
<td>$34,352</td>
<td>$46,344</td>
<td>59.3%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada SPSE/M, v 22.0.
The Alberta Human Rights Act requires employers to reasonably accommodate workers’ family obligations, so women do have some legal protection against discrimination based on family status. However, this right to accommodation does not effectively protect women from being fired or from experiencing significant workplace distress if they cannot obtain adequate childcare on short notice or meet inflexible scheduling requirements.¹⁶

Not surprisingly, these social and workplace expectations mean that women in Alberta spend an average of 35 hours in unpaid work each week – twice the number of hours men spend on unpaid work, and among the heaviest unpaid workloads in Canada.¹⁷ Such large unpaid work schedules constrain the time and energy that women have to spend on paid work, as compared with men. Also not surprisingly, women in Alberta have one of the highest rates of part-time work – 70% of all part-time jobs in Alberta are held by women, which means that women are able to spend less time directly engaged in paid work as compared with men in paid work.¹⁸ And even women who are classified as working full-time do not necessarily work as many hours as men. Even a few hours less paid work per week will incrementally reduce women's incomes.

In addition, as discussed in Section 3 of this report, women’s main occupations are generally lower paid than men’s main occupations. Similarly, even when women work in gender-integrated occupations, their incomes are still likely to be lower than those of the men with whom they are working.

With the exception of this last factor, pay equity, equal pay, and employment equity laws cannot directly remove all of the factors that generate large gendered earnings gaps in Alberta. The real problem is deeply embedded gendered cultural expectations, chief of which is the belief that women can and should carry heavy combined paid and unpaid workloads without significant social or government support or workplace arrangements in the private sector. Until this expectation changes, governments and private sector employers will not be pressured to redress the gendered segregation of women in low-paying occupations, their underrepresentation in higher-paying jobs, and the lack of equal pay in occupations in which substantial numbers of women and men work alongside each other.

Until cultural values and expectations about women’s worth and dignity change, large gender wage gaps in Alberta will continue to produce all the other economic gender inequalities reported in Table 1.

Because men earn more than twice women’s average earnings, men can save and invest more of their savings in acquiring income-producing capital. Thus it is not surprising that the dividend income gender gap is 60%.
Because women earn on average only half the total wages received by men, they live closer to poverty lines and have to spend more of their earnings to meet unavoidable living expenses. Thus women have considerably less discretionary income to devote to savings and investments. The gender income gap for total investment income is nearly 60% as well, reflecting women’s lower savings capacities.

In turn, because women can save less and thus own fewer capital assets, women’s shares of capital gains on the sale of capital assets are lower still. Women are likely to receive only 32% of all capital gains realized by individuals in Alberta in 2016, which means that the gender capital gains gap is 68%.

Pension income gender gaps of 37.8% are also the product of women’s low wages. This is of concern because although women can also rely on Old Age Security (OAS), Guaranteed Income Supplement (GIS), and small spousal allowances for retirement incomes, the size of pension and Canada/Quebec Pension Plan (C/QPP) contributions – and thus the size of their retirement benefits – are also set by reference to income levels. C/QPP contributions are capped, but women’s average wages are much lower than the $40,000 contribution caps, so on average, women will not receive the maximum C/QPP or other pension benefits to the same extent that men do. As a consequence of building wage gaps into pension systems, more women live in poverty during retirement than men.

Although gendered social expectations mean that women do receive most of the alimony and child support payments made in Alberta, like investment incomes, these amounts are simply too small to have much impact on women’s average total market incomes.

Thus the average total of all market income reaching women from all wages, business profits, investments, or family law allowances remain solidly just under 50% of men’s total market incomes.

Overall, this allocation of market incomes – incomes that come not from governments but from paid work and investment – means that women have only half the economic resources that men in Alberta have. At this rate, women would literally have to work two years for each year worked by men to obtain equal incomes. This is physically impossible, not the least because women already work the “double day” when their average 35 hours of unpaid work each week is brought into the picture.

As things stand now, what that means is that by Canada Day 2016, Alberta men will have earned as much income in six months as it will take Alberta women the entire year to earn.
As a consequence of building wage gaps into pension systems, more women live in poverty during retirement than men.

B. Government Transfer Incomes and Gender

Both federal and provincial governments in Canada make a variety of income transfer payments to those at risk of not having adequate sources of economic support. Because women in Alberta face such high levels of market income inequality, women will generally receive more of these transfer payments than men.

The federal and provincial transfer payments listed in Table 1 are of two basic types: income security payments and low-income supports. Income security payments such as unemployment insurance benefits and retirement benefits (OAS, GIS, and the OAS spouse's allowance) are designed to provide extra incomes during low-income events (maternity leave, paternity leave, unemployment, and retirement) and to provide additional universal and gender-equal incomes to supplement C/QPP, workplace, and private retirement savings. Low-income supports are designed to provide a constant stream of supplemental income to those living on very low incomes or bearing the extra costs of raising children.

Not surprisingly, women's average transfer incomes coming from both the provincial and federal governments are significantly higher than men's. This reflects women's higher levels of poverty and low incomes. In total, these transfer payments comprise 15% of women's total incomes but only 5% of men's.

However, it is worth noting that some transfers, such as child benefits, are paid directly to mothers instead of to fathers, but are not really “income” to mothers so much as payments they receive and manage for the benefit of their children. It is unclear whether such child benefits actually replace earned incomes that mothers receiving these payments decide they do not need to pursue, or whether the funds are used to pay for some amount of childcare. Either way, it is worth noting that child benefits enable parents to devote more income to meeting household needs.

Overall, government transfer payments do offset some of the earned income disparities that women presently face. Employers do contribute to the revenues used to fund some of these benefits – C/QPP and employment insurance benefits are co-funded by employee and employer contributions. Other transfer payments are partly funded by tax revenues paid by businesses, as well as by revenue from individuals at all income levels.
Does it perhaps make more sense for governments to prohibit wage discrimination than it does to use tax revenues to compensate those who receive lower incomes as the result of discrimination?

The question should be asked, however, whether the use of transfer payments raised from general and targeted revenues should be used to offset low incomes that are to a very great extent caused by long-standing employment discrimination. In a sense, these types of transfer payments redress low market wages by supplementing incomes of those with low wages – the majority of whom are women.

Or are there better ways of increasing women's incomes? For example, does it perhaps make more sense for governments to prohibit wage discrimination than it does to use tax revenues to compensate those who receive lower incomes as the result of discrimination?

This question is particularly important when thinking about how best to equalize income security payments that actually give smaller income security transfers to those with the lowest incomes. At the present time, child benefits go not just to parents with the lowest incomes, but to parents with incomes well over $100,000 per year, under the new federal child benefit program. If pay equity can increase more women's wages to a livable standard, then child benefits for parents with the lowest incomes could be increased with less risk of impoverishing children with middle-income parents.

C. After-Tax Incomes by Gender

Total after-tax incomes represent the final judgment by society and governments as to what women compared to men are entitled to keep out of their incomes. Not all government transfer payments are included in taxable income, and some market incomes (such as child support payments and half of net capital gains) are tax exempt.

The total tax burden set out at the bottom of Table 1 predominantly consists of income taxes payable to the federal and Alberta governments. But the employee's share of CPP and employment insurance contributions are also included in these payments, and some social benefits are clawed back into income under certain circumstances.

What is noteworthy about the bottom line figures in Table 1, however, is that to a very great extent, the combined effects of government transfers plus taxes paid do provide net economic benefits to women. Because government transfer payments go predominantly to women, the total tax/transfer systems that affect those living in Alberta do leave women as a class with 10% more after-tax income than the shares of market incomes they are able to earn themselves.
The fundamental source of women’s starkly unequal incomes in Alberta is workplace inequalities. Alberta women’s own earnings and investments (total market income) leave them with 51% less market income than men. The total tax/transfer system does reduce those market income gaps to some extent, but still leave women in Alberta with average after-tax gender income gaps of 41%

This analysis leads back to an important policy question: Is using government transfers to compensate women for economic discrimination in paid work and wealth accumulation the best way to redress gendered income inequalities in Canada?

Tax/transfer payments do not do anything to end economic discrimination against women – they just ameliorate that discrimination. In fact, using the tax/transfer system to shift after-tax incomes from men to women actually provides indirect subsidies to the very businesses that can increase their profits by underpaying women employees and possibly by sharing business, farming, and professional incomes unfairly with female colleagues as well. In addition, this system leaves women vulnerable to political decisions to reduce government transfers, such as was attempted by the previous federal government with its OAS, GIS, and SPA cuts, even though many such programs already leave many women still living in actual poverty.

The fundamental source of women’s starkly unequal incomes in Alberta is workplace inequalities. These inequalities are in turn the product of social attitudes toward the value of women’s paid work and continuing expectations that women continue to perform 67% of the unpaid work upon which families depend.

It is also important to note that increasingly generous government transfer systems have not made much headway in equalizing unpaid work hours and earned incomes between women and men in Alberta. Realistically, economic gender gaps can only be eliminated by implementing effective workplace strategies to improve women’s opportunities to earn equal incomes, qualify for equal income security benefits, and accumulate equal savings. There is a role for carefully designed tax and spending policies as well, but they have to be tailored to complement equality-promoting workplace strategies, not compensate for their absence.
3. Designing Effective Pay Equity Policies

Developing policies to eliminate gendered pay discrimination has to be done through a long-term gender mainstreaming process capable of grappling with all the factors that generate women’s overall economic inequalities.

Impressive improvements in women’s earnings have been generated directly by implementing effective pay equity programs. But it is essential to understand that no country has yet been able to eliminate all the dimensions of women’s economic inequality, which include, as a minimum, lower rates of labour force participation and full-time paid work plus high rates of occupational segregation and wage inequality for women. Macro-level policies – numbers of women in part-time or fragmented paid work, access to affordable childcare for young children, union density, and length and financing for parental leave – are all implicated.

Ending gendered economic discrimination is a long-term process, not the least because the forms and practices of gender discrimination themselves are in a state of continual change and adaptation. As Carol Bacchi has emphasized, “gender” itself as a policy marker cannot be thought of as a “fixed” or “completed” state, but is “continually worked through” in response to changing circumstances. Thus it is important to recognize, as a key policy principle, that the governments that have generated the highest and most durable levels of economic gender equality are those that have maintained effective equality-promoting practices on a consistent basis, and, at the same time, continue to assess, reassess, and adjust all related policies in order to optimize the net impact of these policies.

At a minimum, any government that wants to definitively end gender earnings inequalities should ensure that it has effective prohibitions on discriminatory hiring, firing, promotion, scheduling, hours, benefits, harassment, and unequal rates of pay for the same or similar jobs. Alberta does, on paper, have these minimum protections, but it does not enforce them as fully as it could. And, by themselves, they cannot do more than address part of the overall problem of market discrimination against women.

In addition, minimum wage laws should continue to be reviewed to ensure that full-time work can support adult life above poverty lines. Recent increases are moving in the right direction, but it will be some time before a living wage can be earned by all – especially by part-time workers. Health policies should also be reviewed to ensure that health care poverty will not undercut sustainable adult incomes. This is particularly important in Alberta, where 62% of all those working at minimum wage are women.
Pay equity policies cannot fully address all of these issues. Nor can they offset deficiencies in the design of relevant tax, transportation, and childcare policies (discussed in the next section). But until pay equity laws are implemented and enforced effectively, none of the above initiatives can solve the problem alone either. In other words, effective pay equity laws are an essential component of a comprehensive suite of workplace and economic equality laws.

A. The Functional Purposes of Pay Equity Laws

Even when comprehensive and effective workplace equality laws are in place, pay equity policies are needed because only pay equity laws can address the intersecting effects of occupational segregation and the undervaluation of “women’s work.” Although employment equity and anti-discrimination laws can redress occupational segregation, to date, they have not effectively solved that problem.

Pay equity laws are designed to provide remedies for wage differentials for work that is not the “same or similar work” for both men and women, but for work that has come to be described as “work of equal or comparable value.”

Both occupational segregation (or stratification) and unequal pay for work of equal or comparable value reflect long-standing historical systemic segregation of paid work by gender accompanied by embedded devaluation of women’s work. As Tables 2 and 3 demonstrate, these two factors generate complex patterns of structural gender discrimination. And these complex forms of discrimination are not easily addressed through individual employment or pay discrimination complaints.

In summary, these two tables reveal the multiple and complex dimensions of systemic discrimination in the Alberta paid workforce. Overall, occupational categories and specific subcategories are highly segregated by gender, with more than 20 specific occupations having more than 70% or 80% of workers of one gender or the other. There is no crossover between these occupational categories – men’s and women’s most common occupations are completely different from each other.

The pay ranges associated with those highly gender-segregated occupations are also segregated. As illustrated in Table 2, median male wages in the most common male occupations range from a bottom hourly rate of $21.00 to a top rate of $62.50. In contrast, Table 3 indicates that the range for women’s wages in the most common women’s occupations begins as low as $14.50 an hour and tops out at just $40.87.
### Table 2: Wage gaps in most common occupations for men, Alberta (full-time workers only), 2014

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Women’s median hourly wage ($)</th>
<th>Women’s earnings as % of men’s</th>
<th>Men’s median hourly wage ($)</th>
<th>Share of FT male workers as % of all FT male workers</th>
<th>Share of FT female workers in occupation (%)</th>
<th>Share of male workers in occupation as % of all FT male workers</th>
<th>Share of female workers in occupation as % of all FT male workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>All full-time workers</td>
<td>$23.08</td>
<td>77.97</td>
<td>$29.60</td>
<td>39.62</td>
<td>60.37</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Management occupations</td>
<td>$35.12</td>
<td>78.04</td>
<td>$45.00</td>
<td>30.90</td>
<td>69.10</td>
<td>10.32</td>
<td>7.03</td>
</tr>
<tr>
<td>Senior management occupations</td>
<td>$39.20</td>
<td>62.77</td>
<td>$62.50</td>
<td>37.25</td>
<td>64.71</td>
<td>0.29</td>
<td>0.25</td>
</tr>
<tr>
<td>Other management occupations</td>
<td>$34.87</td>
<td>78.47</td>
<td>$44.44</td>
<td>30.72</td>
<td>69.28</td>
<td>10.03</td>
<td>6.78</td>
</tr>
<tr>
<td>Natural and applied sciences and related occupations</td>
<td>$34.62</td>
<td>90.02</td>
<td>$38.46</td>
<td>23.82</td>
<td>76.18</td>
<td>11.44</td>
<td>5.45</td>
</tr>
<tr>
<td>Trades, transport and equipment operators and related occupations</td>
<td>$32.50</td>
<td>79.20</td>
<td>$28.41</td>
<td>6.43</td>
<td>93.57</td>
<td>34.56</td>
<td>3.62</td>
</tr>
<tr>
<td>Contractors and supervisors in trades and transportation</td>
<td>$26.00</td>
<td>72.22</td>
<td>$30.00</td>
<td>8.54</td>
<td>93.46</td>
<td>4.74</td>
<td>0.51</td>
</tr>
<tr>
<td>Construction trades</td>
<td>$25.00</td>
<td>89.29</td>
<td>$28.00</td>
<td>3.38</td>
<td>96.62</td>
<td>5.99</td>
<td>0.32</td>
</tr>
<tr>
<td>Other trades occupations</td>
<td>$25.00</td>
<td>81.57</td>
<td>$30.69</td>
<td>4.08</td>
<td>95.92</td>
<td>12.91</td>
<td>0.84</td>
</tr>
<tr>
<td>Transport and equipment operators</td>
<td>$23.00</td>
<td>85.19</td>
<td>$27.00</td>
<td>8.63</td>
<td>91.37</td>
<td>7.39</td>
<td>1.06</td>
</tr>
<tr>
<td>Trades helpers, construction, and transportation</td>
<td>$19.00</td>
<td>47.76</td>
<td>$21.00</td>
<td>14.04</td>
<td>85.96</td>
<td>3.52</td>
<td>0.88</td>
</tr>
<tr>
<td>Occupations unique to primary industry</td>
<td>$20.00</td>
<td>66.67</td>
<td>$30.00</td>
<td>16.83</td>
<td>83.17</td>
<td>9.01</td>
<td>2.78</td>
</tr>
<tr>
<td>Occupations unique to processing, manufacturing and utilities</td>
<td>$19.30</td>
<td>77.63</td>
<td>$24.86</td>
<td>19.55</td>
<td>80.61</td>
<td>4.39</td>
<td>1.62</td>
</tr>
<tr>
<td>Machine operators and assemblers in manufacturing, including supervisors</td>
<td>$20.00</td>
<td>80.00</td>
<td>$25.00</td>
<td>17.46</td>
<td>82.73</td>
<td>3.80</td>
<td>1.22</td>
</tr>
<tr>
<td>Labourers in processing, manufacturing and utilities</td>
<td>$17.00</td>
<td>79.25</td>
<td>$21.45</td>
<td>30.93</td>
<td>69.07</td>
<td>0.58</td>
<td>0.40</td>
</tr>
</tbody>
</table>

Percent of all women and men in full-time employment 69.70% 20.50%


### Table 3: Wage gaps in most common occupations for women, Alberta (full-time workers only), 2014

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Women’s median hourly wage ($)</th>
<th>Women’s earnings as % of men’s</th>
<th>Men’s median hourly wage ($)</th>
<th>Share of FT female workers in occupation (%)</th>
<th>Share of FT male workers in occupation (%)</th>
<th>Share of male workers in occupation as % of all FT male workers</th>
<th>Share of female workers in occupation as % of all FT male workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>All full-time workers</td>
<td>$23.08</td>
<td>77.97</td>
<td>$29.60</td>
<td>39.62</td>
<td>60.37</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Business, finance and administrative occupations</td>
<td>$24.00</td>
<td>87.37</td>
<td>$27.47</td>
<td>69.03</td>
<td>30.97</td>
<td>8.38</td>
<td>28.48</td>
</tr>
<tr>
<td>Professional occupations in business and finance</td>
<td>$31.25</td>
<td>78.99</td>
<td>$30.69</td>
<td>46.70</td>
<td>53.30</td>
<td>3.03</td>
<td>4.04</td>
</tr>
<tr>
<td>Financial, secretarial and administrative occupations</td>
<td>$25.00</td>
<td>84.75</td>
<td>$28.50</td>
<td>81.92</td>
<td>18.08</td>
<td>1.12</td>
<td>10.12</td>
</tr>
<tr>
<td>Clerical occupations, including supervisors</td>
<td>$21.88</td>
<td>94.07</td>
<td>$21.76</td>
<td>71.00</td>
<td>29.00</td>
<td>3.44</td>
<td>14.32</td>
</tr>
<tr>
<td>Health occupations</td>
<td>$32.00</td>
<td>110.34</td>
<td>$29.00</td>
<td>78.61</td>
<td>21.39</td>
<td>1.85</td>
<td>10.36</td>
</tr>
<tr>
<td>Professional occupations in health, nurse supervisors and registered nurses</td>
<td>$40.87</td>
<td>102.18</td>
<td>$40.00</td>
<td>75.68</td>
<td>24.32</td>
<td>1.01</td>
<td>4.80</td>
</tr>
<tr>
<td>Technical, assisting and related occupations in health</td>
<td>$24.00</td>
<td>96.00</td>
<td>$25.00</td>
<td>81.52</td>
<td>18.48</td>
<td>0.83</td>
<td>5.57</td>
</tr>
<tr>
<td>Occupations in social science, education, government service and religion</td>
<td>$30.00</td>
<td>84.67</td>
<td>$35.43</td>
<td>65.87</td>
<td>34.13</td>
<td>4.21</td>
<td>12.39</td>
</tr>
<tr>
<td>Occupations in social science, government service and religion</td>
<td>$26.92</td>
<td>89.73</td>
<td>$30.00</td>
<td>66.00</td>
<td>33.95</td>
<td>2.56</td>
<td>7.50</td>
</tr>
<tr>
<td>Teachers and professors</td>
<td>$34.62</td>
<td>87.82</td>
<td>$32.42</td>
<td>65.76</td>
<td>34.24</td>
<td>1.65</td>
<td>4.80</td>
</tr>
<tr>
<td>Occupations in art, culture, recreation and sport</td>
<td>$26.44</td>
<td>97.93</td>
<td>$27.00</td>
<td>58.11</td>
<td>41.89</td>
<td>3.59</td>
<td>2.86</td>
</tr>
<tr>
<td>Sales and service occupations</td>
<td>$15.00</td>
<td>77.92</td>
<td>$13.25</td>
<td>53.53</td>
<td>46.45</td>
<td>14.48</td>
<td>25.43</td>
</tr>
<tr>
<td>Wholesale, technical, insurance, real estate sales specialists, and retail, wholesale and grain buyers</td>
<td>$23.08</td>
<td>70.60</td>
<td>$32.69</td>
<td>32.10</td>
<td>67.90</td>
<td>3.67</td>
<td>2.65</td>
</tr>
<tr>
<td>Retail salespersons, sales clerks, cashiers, including retail trade supervisors</td>
<td>$14.93</td>
<td>82.94</td>
<td>$18.00</td>
<td>61.18</td>
<td>38.82</td>
<td>2.82</td>
<td>6.77</td>
</tr>
<tr>
<td>Chefs and cooks, and occupations in food and beverage service, including supervisors</td>
<td>$14.50</td>
<td>96.67</td>
<td>$15.00</td>
<td>56.16</td>
<td>43.84</td>
<td>1.95</td>
<td>3.82</td>
</tr>
<tr>
<td>Occupation in protective services</td>
<td>$23.15</td>
<td>61.99</td>
<td>$94.62</td>
<td>24.50</td>
<td>75.50</td>
<td>1.66</td>
<td>0.84</td>
</tr>
<tr>
<td>Childcare and home support workers</td>
<td>$17.50</td>
<td>94.89</td>
<td>$94.89</td>
<td>94.89</td>
<td>5.11</td>
<td>2.22</td>
<td>7.78</td>
</tr>
<tr>
<td>Sales and service occupations, incl. travel and accommodation, recreation and sport, and supervisors</td>
<td>$34.50</td>
<td>90.63</td>
<td>$36.00</td>
<td>58.17</td>
<td>41.83</td>
<td>4.51</td>
<td>9.14</td>
</tr>
</tbody>
</table>

Percent of all women and men in full-time employment 30.30% 79.50%


Note: X Suppressed to meet the confidentiality requirements of the Statistics Act.
Inside men’s and women’s most common occupations, it is clear that men are favoured in terms of access to those jobs and in terms of pay rates for those jobs when compared with women working in the same occupational subcategories. Men in common women’s job categories hold between 18% and 75% of those jobs. But women working in common men’s job categories only hold 3% to 37% of those jobs.

These gender hierarchies are even more pronounced when it comes to relative wage rates inside men’s and women’s most common occupations. Women working in common men’s jobs may earn as little as 63% of what men doing the same job are paid, and, at most, they will earn no more than 95% of what their male coworkers earn.

In contrast, men working in common women’s jobs will earn no less than 90% of what women holding the same jobs earn, but they can earn as much as 164% as much as what women doing the same job earn.

Overall, women working full-time in all occupations in Alberta in 2014 earned a median wage of $23.08 per hour, while men’s median wage was $29.60 per hour. Structurally, this means that women’s median wages are nearly 78% of men’s. However, when averaging these figures out over all categories of adult women, women’s lower rates of employment, greater involvement in part-time work, and longer absences from paid work mean that this 22% full-time wage gap does not reflect the full reality for all women in Alberta.

The functional purpose of pay equity laws, then, is to equalize women’s wages up to levels equivalent to men’s wages all across the wage scale. And, even more importantly, only pay equity laws can provide a method of equalizing wages in situations in which there may not even be any male wages against which to compare women’s wages.

The figures in Table 2 illustrate the problem that pay equity is designed to solve. Equal pay laws can be invoked to raise, for example, the median wage of women working in primary industry jobs from their present median hourly rate of $20 to men’s pay rates of $30 if both the women and the men are doing the same or comparable work.

But, as illustrated in Table 3, when seeking to equalize women’s pay rates in childcare and home support occupations, for example, there may be too few men doing that work at all to mark the extent to which unequal pay may be an issue. In fact, in Alberta there are too few men in these occupations to count reliably for statistical purposes. In that situation, pay equity laws require pay for jobs held predominantly by women to be compared with those held predominantly by men to determine whether the work being
done by women is of equal value or comparable worth to that being done by men. If that is found, then women’s lower wages must be adjusted up to the level of men’s.

For example, childcare and home support workers may be determined to be performing work of equal value to those employed in primary industries (fishing, farming, oil and gas, forestry). In that situation, women’s pay rates would be adjusted upward to $30 per hour, the median male rate in the primary industries comparator group.

In short, the purpose of pay equity laws is to develop workable methods of implementing systemic pay adjustments to redress discriminatory wage gaps that persist in occupationally segregated workforces. Unlike equal pay for equal work laws, pay equity laws require employers to pay workers in predominantly male and predominantly female occupations equally when they are doing work of equal, substantially similar, or comparable value.

This focus makes it possible to overcome the limits of equal pay for equal work laws, which have not been able to reach all forms of wage discrimination that exist as the result of decades of occupational segregation and undervaluation of paid work typically associated with women.

B. Pay Equity Design Issues and Options

Pay equity laws are, compared with equal pay and employment equity laws, quite complex. Each component of a pay equity law can affect how well it works:

- The scope and focus of the proposed pay equity program
- Enforcement mechanisms
- Definition of gender-predominant job categories to be examined
- Determination of value of comparable jobs across gender lines
- Measuring gender pay gaps and determining pay adjustments
- Timelines for carrying out pay adjustments and follow-up monitoring

No two pay equity systems are alike. However, over time, pay equity programs have increased in sophistication and effectiveness. And administrative choices have added to their sophistication, as governments have grappled with how best to work collaboratively with employers, experts, and civil society groups to develop pay equity laws, and to determine what levels of funding, staffing, authority, and review are most appropriate and sustainable.
This discussion draws on comparative pay equity program evaluation studies to flag key issues that shape policy outcomes, and suggests provisions that might be most appropriate in the specific context of the Alberta workforce.

**Scope and focus of pay equity programs**

Pay equity laws originally took the form of public sector employment programs used by governments to ensure that government departments, schools, agencies, services, and municipalities did not discriminate against women in paid work. It was not until the late 1980s that some jurisdictions began to extend pay equity legislation to both public and private sector employers.

The scope of pay equity programs remains a live issue today. Many private sector employers expect to profit from paying women lower wages, and do not necessarily see the overall productivity effects of equal pay as being worth the cost of pay adjustments. Indeed, neoclassical economic theory posits that raising minimum wage floors may increase unemployment. However, studies tracking the effects of pay equity programs have found that productivity does not appear to be affected, and that workers may actually become more committed to their work and opportunities for advancement when they perceive that they are being paid fairly.

These considerations have been weighed in detail by recent expert panels and inquiries, with recommendations moving in the direction of including both the public and private sectors in the scope of pay equity laws. In Canada, Ontario was the first province to take this step in the late 1980s, followed by Quebec in 1996.

While other Canadian pay equity statutes apply only to government employees and sometimes to their regulated private sectors, the influential study carried out by the International Labour Organization (ILO) in 2006 found the Quebec statute to be more effective even than the Swedish law upon which it was originally based. The first review of the Quebec pay equity policy resulted in average pay adjustments of 5.6% to women’s wages in over 1,000 workplaces, and somewhat larger adjustments in small- and medium-sized enterprises.

The extent to which employers are subject to pay equity compliance varies by the size and nature of employers. The Quebec law, which is the most comprehensive, applies to all public and private employers with 10 or more employees, and large employers (more 100 employees) are also required to develop a pay equity plan.
The focus of pay equity laws is also an important structural decision. As Hartmann and Aronson have demonstrated, the main purpose of pay equity programs affects their scope as well. Their study analyzed differences between public sector pay equity laws designed to target wage adjustments at the most undervalued common women’s jobs, as compared with laws that were part of a full-system overhaul of government-wide workplace policies but were not primarily or exclusively aimed at correcting undervaluation of women’s paid work specifically. The authors concluded that in terms of both costs and benefits, the targeted programs produced more gender pay adjustments at a lower total program cost. The systemic programs, however, produced more widespread rationalization of all pay and workplace policies, but produced lower wage adjustments for women specifically, and had higher total costs.

The last consideration is whether pay equity policies should address gender pay inequalities separately from other factors such as race, Aboriginal heritage, and disability. The nature of intersectional discrimination indicates that racialized, Aboriginal, and disabled women will benefit from pay equity programs targeted at undervalued common women’s jobs or at the largest or lowest-paid jobs, because intersecting forms of discrimination tend to suppress women’s wages further. However, it is worth noting that intersectional discrimination also produces wage suppression of male wages, making it appear that there is less gender discrimination in such comparisons.
Table 4: Median yearly wages and salaries for full-time workers by gender, broad occupational classification, and ethnic background, Alberta, 2011

As Table 4 demonstrates, depending on the composition of comparator groups, pay equity wage adjustments alone could actually be inadequate if the effects of suppression of male wages due to race, Aboriginal heritage, and disability are not also taken into consideration. These issues are crucially important in the determination of the scope of new pay equity laws.

Enforcement mechanisms

The 2006 ILO study classifies pay equity policies by basic enforcement mechanisms: compulsory compliance laws, voluntary compliance policies, and imprecise or incomplete models. Both human-rights-based pay equity laws and the proactive Quebec, Ontario, and Swedish models would be ranked as compulsory compliance laws, because they have the force of law behind them in the legislation, and there are also enforcement and sanctioning measures provided in the laws.
However, the proactive models – of which Quebec is seen as the most progressive – are considered to be superior in terms of effective compliance. Proactive laws place the burden of initiating and carrying out pay equity reviews and making wage adjustments on employers. This increases compliance levels, and also reduces government program costs.\textsuperscript{33}

Voluntary compliance policies, such as those in the UK, can have a great deal of government expertise behind them, and may thus appear to offer alternative solutions. However, the ILO study concluded that, over time, any impetus the programs originally had waned over time. In addition, voluntary compliance policies are vulnerable to tacit avoidance justified by shifts in workforce structure, such as the shift to zero-hour employment contracts and one-off contracts that create widely dispersed and rapidly changing employee groups, as occurred in the UK. This third model suffers not just from lack of enforceability, but from lack of precision sufficient to secure efficient enforcement. However, the ILO expert concluded that enforcement remains one of the least developed aspects of all pay equity laws, and needs further attention.\textsuperscript{34}

\textit{Identifying gender-predominant job categories}

Methodologically, pay equity laws are intended to redress the negative gender effects of the sex class structures of occupations – occupational segregation. Discrimination against individual workers is not the focus of such laws. Thus the focus in pay equity laws is on the size of gender wage gaps in female predominant occupations, and on finding appropriate male predominant occupations with which to compare them with in order to calibrate the size of gender wage gaps.

Canadian and international practice on this point is fairly uniform. More restrictive pay equity laws will not certify a job class or occupation as being male or female predominant unless at least 70% of the workers in that job class are either male or female (Manitoba). Other provinces define gender predominance at 60%, while the Canadian Human Rights Commission equal wages guidelines use a sliding scale that runs from 55% to 70%, depending on the size of the occupational group in question.\textsuperscript{35}

The percentage guidelines are not absolute, however. Borderline or unusual situations can still be brought into the scope of pay equity policies in discretionary circumstances. The statutes enacting pay equity laws in this way thus include substantive guidelines that admit evidence that a job is “traditionally associated with one gender” and thus may be considered to be female- or male-dominant (e.g., New Brunswick).
Overall, the Quebec and PEI statutes go the furthest in looking at substantive gender predominance, and take factors of historical incumbency and gender stereotypes into consideration. Quebec will also find gender predominance when the difference in the representation of women in the class versus in the overall labour market is considered to be significant.36

**Determination of “value” in identifying comparator groups**

In Canada and elsewhere, there is also considerable consistency in the standards to be applied in determining “value” for purposes of identifying appropriate comparator groups. Most Canadian statutes use the same formula with little variation: determination of value is to take into consideration the skill, effort, responsibility, and working conditions of the job class in question. The only exception is Nova Scotia, which does not provide a detailed definition.

Quebec’s determination of value criteria differs somewhat from the rest of the jurisdictions in two regards. The specific criteria listed in the Quebec act are phrased as “qualifications required, responsibilities undertaken, physical/mental effort, and working conditions,” and “the value of these classes of jobs is determined in a gender-neutral way.” That last requirement should be implicit in the other statutes, but spelling it out in the statute emphasizes that pay equity laws must explicitly use gender-neutral or unbiased factors in assessing job functions. This is likely to be a very important consideration as pay equity laws are applied to the growing gender gaps between low-wage care job classifications and low-wage male predominant job classifications.

**Measuring gender pay gaps, determining pay adjustments, and follow-up**

The Ontario, Quebec, and Swedish pay equity laws all impose obligations of proactive compliance that require employers to follow through up the process of calibrating gender pay gaps with scheduled pay adjustments. Unlike detailed rules in the Swiss certification laws, for example, these models leave the methods of determination of value and then the measurement of pay gaps up to employers.

However, for employers with no identifiable comparator groups, the Ontario and Quebec statutes now require “proportional-value” comparisons when female predominant jobs have no male comparators in the same establishment. This involves comparison between an unmatched female-predominant job and the array of male job classes closest in factor values, and then adjusts the female job class factor values proportionately.
In situations in which a public sector employer does not have male job classes to apply the proportional value method, then the proxy method of pay equity evaluation can be used. In this situation, employers are required to find another public sector employer conducting a similar business that has already achieved pay equity to use as a “proxy” employer. Qualifying proxy employers are listed in statutory schedules, and, when a match is made, the proxy employer provides information on what its pay-equity-adjusted pay is for the job class in question. Once proxy wage adjustments are established, the rest of the job classes in the business can be adjusted using the proportional method.29

Proxy or other-establishment pay equity adjustments are not imposed on the private sector, although that would be one direction for further expansion of pay equity legislation. Similarly, coverage for intermittent or outsourced workers remains largely outside the range of pay equity laws, although Ontario and New Zealand have both made impressive strides in bringing part-time and seasonal workers within the ambit of pay equity laws.30

Timelines within which pay adjustments are to be made and provisions for follow-up monitoring have been identified as weaknesses of pay equity legislation. Proactive laws are far superior to complaint-driven models. However, once an employer becomes compliant under a proactive law, it is still important for the legislation to require that employers are actively obligated to report back, provide complete datasets documenting the results on ongoing reports, and monitor all job class pay rates consistent with initial pay adjustments on an ongoing basis. Present penalties for noncompliance remain weak or discretionary, and studies frequently document low levels of compliance in the longer term.

Oversight and review of pay equity processes

There is growing agreement that proactive pay equity mechanisms will produce better results at less cost to governments and at manageable costs to employers. However, proactive employer-led pay equity compliance must include oversight, transparency, and review provisions to prevent them from replicating existing gendered pay biases.

For example, failing to identify a job class as female predominant on the basis of historical incumbency or perceptions of historical stereotyping can keep some groups of workers outside the pay equity system if the misclassification is not challenged early enough in the process, or becomes established in the original pay equity evaluation. Or the opposite can happen. Once classifications are established, though, administrative law principles place a heavy burden on those seeking to change classifications in an existing pay equity plan.30
Similarly, in non-unionized job classes, use of mismatched comparator groups can minimize the levels of skill, responsibility, or other factors of a female predominant group that leads to coverage under a pay equity plan but produces no pay adjustments. Union representation helps counter the fear that members of low-paid female predominant groups may experience when feeling that they might have to raise objections on their own against their employers, without any representation or understanding of technically complex pay equity procedures. Providing opportunities for anonymous complaints triggering involvement of pay equity review officers in such situations might be a low-impact method of addressing such situations.

Gender-integrated job classifications at the high end of the income spectrum can present similar difficulties. Growing numbers of women work in business and finance professions, but nonetheless may face pay gaps reflecting their historical disadvantage and gender stereotyping in those positions. The records of a specific establishment may not reflect the effects of historical incumbency, leaving those classes out of pay equity plans.

Automatic audits and audit projects can provide some outside intervention in such situations. As compared with pay equity programs that have no follow-up or audit requirements built into them, the Quebec and Ontario laws offer good models for Alberta on these points.
4. Assessing the Gender Impact of Pay Equity in Alberta

The policy objectives of pay equity laws are uncomplicated: reduce or eliminate gender pay gaps in order to ensure that women receive equal pay for work of comparable or equal value to that of men.

In contrast, assessing how effective specific pay equity laws will be in achieving these results is difficult. This section discusses the main findings in the literature on effects on women’s incomes, costs to employers and governments, and other outcomes. It also provides quantitative estimates on the effects on salaries and government revenues that may be expected if pay equity laws are enacted in Alberta.

A. Gender Impact Findings

Labour markets are not laboratories, so it is impossible to hold all factors constant while using pay adjustments to eliminate pay gaps, and calibrate the exact degree of change wrought by these laws. But the results of pay equity plans on actual women’s wages are undeniable. The Ontario Pay Equity Coalition has collected examples of pay equity adjustments that demonstrate how pay equity laws can produce concrete long-term changes in women’s incomes and associated work-related benefits such as unemployment insurance, pension plan, and health coverage.

In one Ontario workplace, the female job class of personnel manager received an adjustment of $4.65 per hour after comparison of that job class with the male job class of service manager. In a secondary school, secretaries whose job class was compared with the male audio-visual technician job class received an annual pay increase of $7,680. Reported litigation on pay equity settlement disputes reveals similarly beneficial adjustments.

Over time, these types of pay adjustments increase women’s total lifetime earnings. They also increase women’s economic ability to support themselves, and to accumulate income security benefits under contributory government and private insurance programs.

In addition, greater equalization of men’s and women’s incomes is cited as one of the reasons that gender equality overall contributes to the economic durability of households and jurisdictions in which there may be specific financial or economic challenges. For example, if the Alberta gender wage and income gaps were not so high, both single and partnered women would be able to provide more financial stability to their families during the oil price crisis currently unfolding.
Nonetheless, because pay equity in Canada has traditionally not involved centralized wage-setting or sector-wide settlements, overall changes in wage gaps produced by firm-by-firm pay equity programs are difficult to identify among all the moving pieces. Large scale studies in the United States have developed methods of identifying the wage effects by gender of comprehensive public sector pay equity programs, but studies focusing on private sector programs have not been able to determine whether pay equity laws have similar results when extended to private employers. The most recent Canadian estimate recently concluded, however, that if all women’s incomes in the country were increased to match the levels of all men’s incomes to the extent of the smallest gaps in North America and Western Europe, it would experience net GDP growth of 11% by 2025.

Two other studies indicate that pay equity is likely to “pay” for women, federal and provincial governments, and employers in Canada.

The first of these two studies was conducted in 2007 by the ILO. It concluded that on a wide range of qualitative indicators, women’s pay increased at manageable rates as the result of pay equity legislation, that employers’ administrative compliance costs were not onerous, and that workplace dynamics improved. This study found that public sector wage increases raised total payrolls by just 2%, while private sector increases were well below that level. This study did not examine the direct budgetary costs of implementing and managing pay equity programs, however.

A 2004 New Brunswick study used quantitative methods to find that government net budgetary positions and women’s incomes increased by more than the costs of pay adjustments made by employers. Significant effects were projected. Combined federal and provincial tax revenues were estimated to increase by $609 million for the year; government transfer costs to fall by $19 million, and health care costs to fall by another $60 million. Thus it was estimated that the federal and provincial governments would have received net fiscal benefits of $688 million in 2003 from pay equity adjustments. Employer payroll costs were estimated to rise by $517 million. This figure is equal to the total savings employers would otherwise have realized by continuing to pay women discriminatory wages.
B. Alberta Pay Equity Simulation Analysis

In the preparation of this report, Statistics Canada microsimulation software was used to model the impact of five different levels of pay equity wage adjustments in Alberta on women's average wages and incomes (Tables 5A and 5B). These adjusted wage levels were then used to simulate the impact of those increased women's wages on federal and Alberta tax revenues, federal and provincial transfer costs, and thus net changes in the budgetary balances of each level of government (Table 6). These simulations were carried out using the federal and Alberta tax and transfer rates as announced for the 2016 tax year.

The first two wage adjustment assumptions, shown in Table 5A, model the short-term results of implementing pay equity adjustments in Alberta. Unlike actual pay equity adjustments, however, Adjustments A and B have used wage data for generalized job categories, not for actual job classes per employer. This is because actual job class data are not available in Alberta under current legal policies; without such data, it is not known which specific job classes would be defined as male or female predominant job classes that would trigger pay equity adjustment procedures.

Adjustment A models bringing women's average earnings up to 90%, and Adjustment B models bringing women's average earnings up to 100% of men's median wages in the relevant occupation. However, these increases are limited to a maximum increase of either 15% (Adjustment A) or 20% (Adjustment B) in the first year of implementation in order to reflect the incremental nature of pay equity adjustments in the short-term. Pay equity adjustments are usually phased in over time in order to avoid wage shocks during the implementation period. Under current Alberta economic conditions, extremely low oil prices are likely to ensure that the government phases pay equity adjustments in incrementally.
### Table 5A: Annual wages and salaries and hourly wages, before and after wage adjustments, by gender and occupation, Alberta, 2016

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td></td>
<td></td>
<td>Female</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total wages and salaries (all)</td>
<td>$40,808</td>
<td>$22,972</td>
<td>$41,423</td>
<td>$23,131</td>
<td>0.5%</td>
<td>5.0%</td>
<td>7.7%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior Management Occupations</td>
<td>$208,488</td>
<td>$94,988</td>
<td>$237,557</td>
<td>$113,618</td>
<td>15.0%</td>
<td>19.0%</td>
<td>20.0%</td>
<td>$14,000</td>
<td>$16,100</td>
<td>$16,800</td>
</tr>
<tr>
<td>Other Management Occupations</td>
<td>$96,287</td>
<td>$50,725</td>
<td>$107,512</td>
<td>$54,370</td>
<td>5.6%</td>
<td>9.0%</td>
<td>9.0%</td>
<td>$27,144</td>
<td>$28,650</td>
<td>$29,560</td>
</tr>
<tr>
<td>Professional Occupations in Business and Finance</td>
<td>$132,239</td>
<td>$78,211</td>
<td>$144,191</td>
<td>$79,958</td>
<td>5.4%</td>
<td>8.6%</td>
<td>8.6%</td>
<td>$10,948</td>
<td>$11,271</td>
<td>$12,653</td>
</tr>
<tr>
<td>Financial, Securities, and Administrative Occupations</td>
<td>$97,309</td>
<td>$52,171</td>
<td>$109,211</td>
<td>$61,642</td>
<td>18.8%</td>
<td>12.4%</td>
<td></td>
<td>$7,672</td>
<td>$8,590</td>
<td>$9,099</td>
</tr>
<tr>
<td>Clerical Occupations, incl. Supervisors</td>
<td>$57,069</td>
<td>$38,613</td>
<td>$60,427</td>
<td>$35,070</td>
<td>4.7%</td>
<td>8.0%</td>
<td></td>
<td>$3,111</td>
<td>$3,436</td>
<td>$3,517</td>
</tr>
<tr>
<td>Natural and Applied Sciences and Related Occupations</td>
<td>$50,207</td>
<td>$34,195</td>
<td>$56,381</td>
<td>$37,843</td>
<td>4.0%</td>
<td>0.0%</td>
<td></td>
<td>$3,179</td>
<td>$4,123</td>
<td>$4,211</td>
</tr>
<tr>
<td>Professional Occupations in Health, Nurses Supervisors and RNs</td>
<td>$129,214</td>
<td>$79,564</td>
<td>$139,705</td>
<td>$83,786</td>
<td>7.9%</td>
<td>12.6%</td>
<td></td>
<td>$10,530</td>
<td>$10,521</td>
<td>$10,572</td>
</tr>
<tr>
<td>Technical, Assisting and Related Occupations in Health</td>
<td>$77,797</td>
<td>$40,301</td>
<td>$85,488</td>
<td>$52,247</td>
<td>5.3%</td>
<td>5.2%</td>
<td></td>
<td>$10,322</td>
<td>$11,324</td>
<td>$11,274</td>
</tr>
<tr>
<td>Occupations in Social Science, Government Service</td>
<td>$58,031</td>
<td>$41,866</td>
<td>$63,175</td>
<td>$45,964</td>
<td>4.7%</td>
<td>5.2%</td>
<td></td>
<td>$2,755</td>
<td>$3,540</td>
<td>$3,555</td>
</tr>
<tr>
<td>Teachers and Professors</td>
<td>$25,201</td>
<td>$12,595</td>
<td>$28,759</td>
<td>$15,725</td>
<td>4.3%</td>
<td>3.3%</td>
<td></td>
<td>$4,070</td>
<td>$4,775</td>
<td>$5,150</td>
</tr>
<tr>
<td>Occupations in Art, Culture, Recreation and Sport</td>
<td>$36,862</td>
<td>$23,668</td>
<td>$37,517</td>
<td>$23,317</td>
<td>0.8%</td>
<td>0.0%</td>
<td></td>
<td>$3,004</td>
<td>$3,013</td>
<td>$3,020</td>
</tr>
<tr>
<td>Wholesale, Technical, Insurance, Real Estate Sales</td>
<td>$37,250</td>
<td>$23,285</td>
<td>$37,520</td>
<td>$23,337</td>
<td>0.4%</td>
<td>0.0%</td>
<td></td>
<td>$3,004</td>
<td>$3,040</td>
<td>$3,054</td>
</tr>
<tr>
<td>Retail Sales Occupations, Sales Clerks, Cashiers, incl. Retail Trade</td>
<td>$31,122</td>
<td>$19,657</td>
<td>$36,197</td>
<td>$22,978</td>
<td>3.3%</td>
<td>9.9%</td>
<td></td>
<td>$1,859</td>
<td>$2,030</td>
<td>$2,034</td>
</tr>
<tr>
<td>Chats and Cooks, and Occupations in Food and Beverage Service</td>
<td>$40,907</td>
<td>$25,983</td>
<td>$42,157</td>
<td>$26,516</td>
<td>0.8%</td>
<td>7.0%</td>
<td></td>
<td>$2,181</td>
<td>$2,232</td>
<td>$2,245</td>
</tr>
<tr>
<td>Occupations in Protective Services</td>
<td>$58,853</td>
<td>$39,297</td>
<td>$67,984</td>
<td>$43,022</td>
<td>0.6%</td>
<td>0.0%</td>
<td></td>
<td>$3,005</td>
<td>$3,006</td>
<td>$3,006</td>
</tr>
<tr>
<td>Childcare and Home Support Workers</td>
<td>$29,007</td>
<td>$17,343</td>
<td>$32,907</td>
<td>$19,731</td>
<td>1.6%</td>
<td>7.2%</td>
<td></td>
<td>$1,544</td>
<td>$1,647</td>
<td>$1,706</td>
</tr>
<tr>
<td>Sales and Service Occupations</td>
<td>$29,188</td>
<td>$19,311</td>
<td>$38,747</td>
<td>$26,403</td>
<td>3.2%</td>
<td>5.3%</td>
<td></td>
<td>$1,708</td>
<td>$1,928</td>
<td>$1,984</td>
</tr>
<tr>
<td>Contractors and Supervisors in Trades and Transportation</td>
<td>$39,812</td>
<td>$22,775</td>
<td>$41,765</td>
<td>$27,318</td>
<td>2.1%</td>
<td>13.4%</td>
<td></td>
<td>$2,274</td>
<td>$2,321</td>
<td>$2,361</td>
</tr>
<tr>
<td>Construction Trades</td>
<td>$52,117</td>
<td>$26,779</td>
<td>$59,950</td>
<td>$35,695</td>
<td>2.4%</td>
<td>3.2%</td>
<td></td>
<td>$13,911</td>
<td>$14,246</td>
<td>$14,336</td>
</tr>
<tr>
<td>Other Trades Occupations</td>
<td>$77,750</td>
<td>$45,795</td>
<td>$84,126</td>
<td>$50,560</td>
<td>2.1%</td>
<td>4.1%</td>
<td></td>
<td>$39,013</td>
<td>$39,907</td>
<td>$39,995</td>
</tr>
<tr>
<td>Transport and Equipment Operators</td>
<td>$71,801</td>
<td>$36,212</td>
<td>$84,216</td>
<td>$50,608</td>
<td>2.1%</td>
<td>7.0%</td>
<td></td>
<td>$39,422</td>
<td>$39,312</td>
<td>$39,364</td>
</tr>
<tr>
<td>Trades Helpers, Construction, and Transportation Lourers</td>
<td>$45,531</td>
<td>$27,121</td>
<td>$51,612</td>
<td>$31,611</td>
<td>3.5%</td>
<td>7.9%</td>
<td></td>
<td>$12,306</td>
<td>$13,313</td>
<td>$13,890</td>
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<tr>
<td>Occupations Unique to Primary Industry</td>
<td>$74,451</td>
<td>$45,211</td>
<td>$93,541</td>
<td>$53,894</td>
<td>8.2%</td>
<td>7.5%</td>
<td></td>
<td>$46,022</td>
<td>$46,211</td>
<td>$46,315</td>
</tr>
<tr>
<td>Machine Operators and Assemblers in Manufacturing, incl. Supervisors</td>
<td>$40,390</td>
<td>$26,410</td>
<td>$45,130</td>
<td>$27,340</td>
<td>1.3%</td>
<td>5.2%</td>
<td></td>
<td>$10,340</td>
<td>$11,324</td>
<td>$11,374</td>
</tr>
<tr>
<td>Labourers in Processing, Manufacturing and Utilities</td>
<td>$55,795</td>
<td>$34,705</td>
<td>$72,977</td>
<td>$47,791</td>
<td>5.0%</td>
<td>7.7%</td>
<td></td>
<td>$23,311</td>
<td>$23,136</td>
<td>$23,164</td>
</tr>
<tr>
<td>All</td>
<td>$61,795</td>
<td>$39,340</td>
<td>$78,949</td>
<td>$49,913</td>
<td>5.7%</td>
<td>7.7%</td>
<td>8.2%</td>
<td>$23,311</td>
<td>$23,136</td>
<td>$23,164</td>
</tr>
</tbody>
</table>

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1. Wages are adjusted within the occupation if wages fell below 90% of the male median, and are adjusted upward to 90% of the male median, to a maximum of a 15% increase.
2. Wages are adjusted within the occupation if wages fell below the male median, and are adjusted upward to the male median, to a maximum of a 20% increase.
3. Hourly wages are adjusted by hours worked.
These assumptions approximate the aggregate impact of initial pay adjustments, but do not necessarily reflect their most likely final levels, nor their actual occupational distribution.

Overall, Table 5A illustrates that these modest assumptions would still increase women’s overall average wages by 5% under Adjustment A and 7.7% under Adjustment B in one year.

The aggregate revenue and transfer effects of these pay adjustments on the federal government, the Alberta government, and individual male and female workers are summarized in Table 6.

Table 6: Estimated impact of gender wage adjustments on federal of provincial taxes and transfers, Alberta, 2016

<table>
<thead>
<tr>
<th>Tax/transfer item</th>
<th>Adjustment A</th>
<th></th>
<th></th>
<th>Adjustments B</th>
<th></th>
<th></th>
<th>Adjustments C</th>
<th></th>
<th></th>
<th>Adjustments D</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Both</td>
<td>Male</td>
<td>Female</td>
<td>Both</td>
<td>Male</td>
<td>Female</td>
<td>Both</td>
<td>Male</td>
<td>Female</td>
<td>Both</td>
</tr>
<tr>
<td>Federal taxes</td>
<td>$3.1</td>
<td>$495.6</td>
<td>$498.7</td>
<td>$6.3</td>
<td>$768.3</td>
<td>$774.6</td>
<td>$14.9</td>
<td>$1,136.3</td>
<td>$1,151.1</td>
<td>$31.9</td>
<td>$3,569.8</td>
<td>$3,601.6</td>
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<tr>
<td>Federal transfer income</td>
<td>-$3.9</td>
<td>-$54.3</td>
<td>-$58.2</td>
<td>-$4.4</td>
<td>-$78.9</td>
<td>-$83.3</td>
<td>-$7.3</td>
<td>-$113.0</td>
<td>-$120.4</td>
<td>-$18.0</td>
<td>-$387.8</td>
<td>-$405.8</td>
</tr>
<tr>
<td>OAS benefits</td>
<td>-$2.1</td>
<td>-$2.1</td>
<td>-$4.2</td>
<td>-$3.0</td>
<td>-$3.0</td>
<td>-$6.0</td>
<td>-$2.5</td>
<td>-$27.3</td>
<td>-$27.3</td>
<td>-$2.5</td>
<td>-$27.3</td>
<td>-$27.3</td>
</tr>
<tr>
<td>GIS benefits</td>
<td>-$1.0</td>
<td>-$1.0</td>
<td>-$1.8</td>
<td>-$0.6</td>
<td>-$0.6</td>
<td>-$0.6</td>
<td>-$1.6</td>
<td>-$6.2</td>
<td>-$6.8</td>
<td>-$1.6</td>
<td>-$6.2</td>
<td>-$6.8</td>
</tr>
<tr>
<td>Spouse’s allowance</td>
<td>-$4.1</td>
<td>-$1.3</td>
<td>-$5.4</td>
<td>-$0.8</td>
<td>-$0.8</td>
<td>-$0.8</td>
<td>-$0.8</td>
<td>-$0.8</td>
<td>-$0.8</td>
<td>-$0.8</td>
<td>-$0.8</td>
<td>-$0.8</td>
</tr>
<tr>
<td>Federal Child Benefits</td>
<td>-$3.7</td>
<td>-$37.7</td>
<td>-$37.7</td>
<td>-$5.6</td>
<td>-$56.1</td>
<td>-$56.7</td>
<td>-$5.7</td>
<td>-$79.1</td>
<td>-$79.1</td>
<td>-$5.7</td>
<td>-$79.1</td>
<td>-$79.1</td>
</tr>
<tr>
<td>Universal Child Care Benefit</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
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<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
</tr>
<tr>
<td>Enhanced Universal Child Care Benefit</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
</tr>
<tr>
<td>CPP/CPP payable</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
</tr>
<tr>
<td>Employment insurance benefits</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
<td>-$3.4</td>
</tr>
<tr>
<td>Federal sales tax/GST credit</td>
<td>-$2.9</td>
<td>-$4.4</td>
<td>-$7.3</td>
<td>-$3.0</td>
<td>-$5.8</td>
<td>-$9.0</td>
<td>-$3.1</td>
<td>-$10.9</td>
<td>-$14.1</td>
<td>-$10.7</td>
<td>-$21.5</td>
<td>-$42.2</td>
</tr>
<tr>
<td>Federal sales tax of refundable tax credits</td>
<td>-$6.3</td>
<td>-$6.3</td>
<td>-$6.3</td>
<td>-$0.4</td>
<td>-$0.4</td>
<td>-$0.4</td>
<td>-$0.1</td>
<td>-$0.1</td>
<td>-$0.2</td>
<td>-$0.1</td>
<td>-$0.6</td>
<td>-$0.7</td>
</tr>
<tr>
<td>Federal sales tax of non-refundable tax credits</td>
<td>-$6.3</td>
<td>-$6.3</td>
<td>-$6.3</td>
<td>-$0.4</td>
<td>-$0.4</td>
<td>-$0.4</td>
<td>-$0.1</td>
<td>-$0.1</td>
<td>-$0.2</td>
<td>-$0.1</td>
<td>-$0.6</td>
<td>-$0.7</td>
</tr>
<tr>
<td>Provincial taxes</td>
<td>-$7.0</td>
<td>$549.9</td>
<td>$556.9</td>
<td>-$10.7</td>
<td>$847.2</td>
<td>$857.9</td>
<td>-$22.2</td>
<td>$1,249.3</td>
<td>$1,271.5</td>
<td>-$49.9</td>
<td>$3,575.6</td>
<td>$3,607.4</td>
</tr>
<tr>
<td>Provincial transfer income</td>
<td>-$8.3</td>
<td>$198.8</td>
<td>$312.3</td>
<td>-$32.0</td>
<td>$465.7</td>
<td>$478.7</td>
<td>-$13.0</td>
<td>$632.6</td>
<td>$646.7</td>
<td>-$21.2</td>
<td>$1,426.6</td>
<td>$1,461.1</td>
</tr>
<tr>
<td>Provincial transfer income</td>
<td>-$7.8</td>
<td>$7.8</td>
<td>$15.5</td>
<td>-$11.3</td>
<td>$17.9</td>
<td>$19.7</td>
<td>-$1.7</td>
<td>$63.4</td>
<td>$66.2</td>
<td>-$1.7</td>
<td>$63.4</td>
<td>$66.2</td>
</tr>
</tbody>
</table>

1 Female wages are adjusted within the occupation if wages fall below 90% of the male median, and are adjusted upward to 90% of the male median, to a maximum of a 15% increase.
2 Female wages are adjusted within the occupation if wages fall below the male median, and are adjusted upward to the male median, to a maximum of a 20% increase.
3 Wages are fully adjusted to the male median, in occupations where males are 60% or more of the total employed.
4 Wages are adjusted to the male median, all occupations where male median exceeds female.
5 Adjustment D, plus Childcare and Home Support Workers were given the same rate as the lowest increase among male dominated occupations.

Table 6 demonstrates that overall, both the federal and Alberta governments combined would increase their net fiscal balances by $769 million under Adjustment A and by $1,190 million under Adjustment B. This would be the result of increased tax revenues from higher average women’s incomes, plus the savings to both levels of governments resulting from having to pay out less from their revenues in the form of transfer costs such as social assistance, low income supports, and other benefits.

Separate calculations (not reflected in the table) indicate that total taxes paid on the average increases in women’s incomes would be approximately 32% or 33% of those increases. Women and men would also lose small amounts of transfer incomes. Changes in men’s income taxes would be quite small, produced by changes in the extent to which interspousal tax credits and deductions would be affected by these increases in women’s market incomes.
The other three wage adjustments, shown in Table 5B, show the longer term potential of pay equity adjustments in Alberta. Adjustment C models full adjustment of women's wages to the male median in occupations in which males are 60% or more of the total employed. Adjustment D projects the impact of adjusting all women's wages to the male median in all occupations in which the male median wage is higher than women's. Adjustment E adds an adjustment for childcare and homecare workers to the same rate as the lowest increase in Adjustment D. The latter adjustment approximates the result that would be achieved for the (statistically) all-female care occupations, which in reportable Alberta statistics contain no direct male comparison wages.

These three adjustments have been modeled to give some approximation of the overall effect of long-term implementation of pay equity adjustments. Combined federal and provincial net revenue increases range from $1,770 million (Adjustment C) to $5,596 million (Adjustment E) annually. This suggests that in the longer term, as pay equity adjustments mature, women's adjusted incomes in Alberta can end up 11% to 32% higher than they would be without pay equity adjustments.

C. Policy Timing Options

Governments can implement pay equity on many different schedules. If the common women's occupations with the lowest pay levels were targeted first, then it would be expected that governments would receive smaller amounts of revenue because those pay increases would be taxed at lower marginal tax rates. And the reduction in government transfer payment costs would not be as large as in the examples above.

On the other hand, targeting pay adjustments to the lowest discriminatory pay rates first would mean that the costs to employers per adjustment would also be smaller. That would initiate the pay equity implementation process at lower costs to employers, and those costs would increase over time as higher-paying occupations came on stream for pay equity adjustments. Government revenues would increase more slowly, but so would employer costs. And those increasing employer costs would in turn produce larger deductions and lower taxable business profits, keeping employer tax bills down as well.

Other implementation timing options might moderate or stage the impact of pay adjustments in other ways. For example, if implementation began with the largest public employers, increased revenues from increased adjusted incomes would go partly to the government implementing the pay equity program – in this situation, to Alberta. Those increased revenues would partly offset the public sector costs of paying higher wages, and those pay equity adjustments would also reduce provincial (and federal) transfer costs.
The asymmetry between federal and provincial shares of personal income tax revenues and savings from reduced transfer costs, however, will mean that the federal government will always get more than 70% of the net budgetary benefits of women’s increased incomes as they are phased in, and as they are then maintained into the future. However, the fact that the federal government’s net budgetary balance will be improved by Alberta’s pay equity program should offer the provincial government a compelling basis for obtaining increased transfers to the province for its social programs.

This case becomes more compelling when the role of childcare in removing barriers to women’s equal incomes from paid work in Alberta is also taken into consideration – particularly because childcare programs will no doubt continue to be treated as a provincial responsibility.

“The fact that the federal government’s net budgetary balance will be improved by Alberta’s pay equity program should offer the provincial government a compelling basis for obtaining increased transfers to the province for its social programs.”
5. Can Women’s Equal Paid Work ‘Pay’? Tax and Care Barriers

Women’s equal paid work can “pay” in the sense that pay equity and other equality-promoting provisions can be used to equalize women’s incomes with men’s. But the institutional features within which unequal pay expectations are deeply embedded also form barriers to women’s achievement of actual market income equality, fiscal equality, and economic equality as measured by after-tax and after-childcare incomes.

Simply put, so long as society assigns women more low-paid work, more hours of unpaid work, smaller shares of income security, educational, and care resources, less access to capital, and constrained access to governance authority, women cannot genuinely escape the many inequality traps that pervade their lives in Canada today. Pay equity is a crucial piece of the solution, but, by itself, it cannot solve all dimensions of the problem.

Two fiscal barriers stand out for special concern. The first is the existence of myriad family income-based tax and transfer provisions in federal and provincial law that all seek to lessen the costs to couples of adult income dependency and raising children. These types of provisions create powerful but invisible fiscal barriers to women’s paid work.* The second is the continuing assumption that it is parents who should bear the major responsibility for care of children, and thus, because parents are also responsible for supporting themselves and their children, the continuing assumption that it is better for the lower-paid parent to reduce paid work time in order to increase childcare time.

These two fundamental social and fiscal realities continually reinforce barriers to full after-tax and after-care incomes between women and men. Adult couples living on one large full-time income – possibly augmented with limited “component” or supplementary income earned by the second worker – will have a higher standard of living, lower average care costs, and higher after-tax incomes than couples with two equal incomes. Single parents will have lower standards of living, higher average care costs, and lower after-tax incomes than either type of couple scenario. These effects can be seen at the level of “family” incomes, and they can also be seen at the level of individual men’s and women’s incomes.
A. After-Tax Incomes by Family Type

Table 7 focuses on how federal and Alberta tax and benefit policies announced in 2015 affect the after-tax and after-care incomes of three types of families: two-parent families living on one full-time income; two-parent families living on two equal full-time incomes; and single-parent families living on one full-time income. These calculations reflect changes announced both federally and provincially in the wake of the 2015 elections, if implemented in 2015.

Table 7: After-tax and after-childcare incomes by family type, Canada/Alberta, 2015

<table>
<thead>
<tr>
<th>Household income</th>
<th>Single-income couple (one full-time paid, one unpaid work)</th>
<th>Equal-earner couple (both full-time paid work)</th>
<th>Single parent (full-time paid work)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$15,000</td>
<td>$22,212</td>
<td>$17,188</td>
<td>$17,016</td>
</tr>
<tr>
<td>$30,000</td>
<td>$33,876</td>
<td>$29,914</td>
<td>$29,583</td>
</tr>
<tr>
<td>$45,000</td>
<td>$44,147</td>
<td>$40,436</td>
<td>$40,271</td>
</tr>
<tr>
<td>$90,000</td>
<td>$72,015</td>
<td>$64,691</td>
<td>$63,701</td>
</tr>
<tr>
<td>$140,000</td>
<td>$102,538</td>
<td>$96,893</td>
<td>$92,717</td>
</tr>
<tr>
<td>$200,000</td>
<td>$137,018</td>
<td>$135,472</td>
<td>$129,110</td>
</tr>
</tbody>
</table>

Sources: 2015 provincial budget and federal announcements. Assumes one child age five; median preschool annual child care cost of $924 per month; full use of maximum Alberta childcare subsidy (maximum $546/month for Calgary, tops out by $63,000 family income).

Within each family type in this table, the tax and benefit rules announced by the new federal Liberal and Alberta NDP governments have been applied to households with incomes ranging from $15,000 to $200,000 to show how the three family types fare when each has the same total household income. In each situation, the families are assumed to have one child aged five, and to be taking full advantage of all tax, benefit, and childcare subsidies available federally and provincially if all new rules announced in 2015 were in effect.

- At every income level, Alberta couples with one parent in full-time paid work income will have the highest net after-tax and after-care incomes.
- At every income level, couples with both parents in full-time paid work and paying for full-time childcare have smaller net after-tax and after-care incomes than single-income couples – but they will have larger net incomes than single parents working full-time.
- At every income level, single parents in full-time paid work with full-time childcare have the lowest net after-tax/aftercare incomes.
The reasons for the wide range of outcomes consistently favouring single-income couples with no paid childcare reflect two basic dynamics. The first dynamic is that as constructed today, the federal and Alberta total tax-transfer systems give tax benefits to adults who are supporting not just children, but other adults as well. And, while children are not expected to provide unpaid domestic or care work (although many do, and at surprisingly young ages), second parents not in paid work provide a wide range of valuable economic outputs, including unpaid care work.

Thus two-parent single-income families get the benefit of the largest tax-transfer provisions, but incur the lowest money costs in terms of calculating overall after-tax and after-care incomes.

The second dynamic is that tax benefits for childcare expenses are “upside down” in that the size of the after-tax benefits given to parents with childcare expenses always increases with the income of the parent. In contrast, government childcare subsidies are “right side up” — that is, they give the largest childcare subsidies to the parents with the lowest incomes. Unfortunately, the interactions of these two sets of fiscal provisions do not generally leave low-income second-income earners or single parents with large enough childcare subsidies to cover all care costs. And, at the same time, childcare tax benefits are so small at low income levels that they cannot close those gaps.

The end result is that second-income earners and single parents incur “participation tax rates” (PTRs) resulting from going from unpaid untaxed work into taxed paid work. Those PTRs are often higher than those borne by the single earner in a one-income couple, due to the loss of valuable tax benefits for adult dependents.

In addition, second-income earners and single parents also incur childcare costs (CCCs) not incurred by one-income couples.

As presently structured, these two layers of costs are poorly coordinated and thus magnify family composition income inequalities. In other words, the total picture created by the interactions of all these provisions is that both federal and provincial governments in Canada still produce stronger support for high-earning single-income couples than for dual-income couples or single parents.
B. After-Tax Incomes by Gender

Comparing couples and single parents by average gendered earnings (instead of by fixed levels of total household incomes, as was done in Table 7) helps clarify how and why government fiscal policies tend to discourage coupled and single-parent women from entering into full-time paid work, and thus reinforce adherence to the single breadwinner (predominantly male) economic model. Table 8 compares the participation tax rates and childcare costs of dual-income couples and single parents without and with childcare costs.

Table 8: Participation tax rates (PTR) and childcare costs (CCC), by family type and gender, Canada/Alberta, 2016

<table>
<thead>
<tr>
<th></th>
<th>Single parent, full-time paid work, no paid care</th>
<th>Single parent, full-time paid work, full-time paid care</th>
<th>Couple, both in full-time paid work, no paid care</th>
<th>Couple, both in full-time paid work, full-time paid care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earned incomes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First</td>
<td>$30,842</td>
<td>$30,842</td>
<td>$56,795</td>
<td>$56,795</td>
</tr>
<tr>
<td>Second</td>
<td>$30,842</td>
<td>$30,842</td>
<td>$30,842</td>
<td>$30,842</td>
</tr>
<tr>
<td>Total earnings</td>
<td>$30,842</td>
<td>$30,842</td>
<td>$87,637</td>
<td>$87,637</td>
</tr>
<tr>
<td>Universal Child Care Benefit (UCCB)</td>
<td>$1,920</td>
<td>$1,920</td>
<td>$1,920</td>
<td>$1,920</td>
</tr>
<tr>
<td>Canada Child Tax Benefit (CCTB)</td>
<td>$4,723</td>
<td>$4,723</td>
<td>$696</td>
<td>$696</td>
</tr>
<tr>
<td>Total incomes</td>
<td>$37,485</td>
<td>$37,485</td>
<td>$90,253</td>
<td>$90,253</td>
</tr>
<tr>
<td>Childcare costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Childcare subsidy</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net childcare cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First</td>
<td>$2,941</td>
<td>$2,466</td>
<td>$13,716</td>
<td>$13,716</td>
</tr>
<tr>
<td>Second</td>
<td>$5,900</td>
<td>$3,900</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total taxes</td>
<td>$2,941</td>
<td>$2,466</td>
<td>$19,616</td>
<td>$17,616</td>
</tr>
<tr>
<td>After-tax income</td>
<td>$34,544</td>
<td>$35,019</td>
<td>$70,637</td>
<td>$72,637</td>
</tr>
<tr>
<td>Total after-tax, after-care income</td>
<td>$34,544</td>
<td>$31,971</td>
<td>$70,637</td>
<td>$63,037</td>
</tr>
<tr>
<td>Participation tax rate (PTR)</td>
<td>7.8%</td>
<td>6.6%</td>
<td>21.7%</td>
<td>19.5%</td>
</tr>
<tr>
<td>Childcare costs (CCC)</td>
<td>-</td>
<td>8.1%</td>
<td>-</td>
<td>10.6%</td>
</tr>
<tr>
<td>Total PTR/CCC</td>
<td>7.8%</td>
<td>14.7%</td>
<td>21.7%</td>
<td>30.2%</td>
</tr>
</tbody>
</table>

Sources: 2015 provincial budget and federal announcements. Assumes one child age three; median preschool annual child care cost of $800 per month (Edmonton); full use of maximum Alberta childcare subsidy (maximum $546/month).

With disposable incomes of $70,637, two-income couples without paid care costs will have significantly larger after-tax and after-care incomes when compared with two-income couples with full-time care costs. The couples
with no care costs bear the highest tax loads (overall, 21.7%), but this is offset by care costs of zero. Thus this couple ends up with a combined PTR/CCC of 21.7%.

When such a couple pays for full-time childcare, total after-tax and after-care income is significantly lower, at just $63,037. Even though this couple has a lower participation tax rate of 19.5% (partly because of childcare expense deductions), their combined PTR/CCC is 30.2%. This is because the second income earner is in a couple, and combined family income is used to income-test Alberta childcare subsidies; as a result, this second income earner receives no childcare subsidy. Thus this pay equity adjusted income is subject to a high 10.6% fiscal penalty due to the necessity of incurring paid childcare costs in order to earn that income.

In a very real sense, that 10.6% CCC functions as an additional tax paid by the couple because the second income brings with it the unavoidable cost of childcare.

The same impact can be seen with a single income parent (assumed female) earning the same pay equity adjusted average of $30,842. If no childcare costs are incurred, this parent has a participation tax rate of 7.8% and total disposable income that is actually significantly larger than their earned income – $34,544. This reflects the value of federal and provincial child benefits, not all of which are taxed.

When the same single parent incurs full-time childcare costs, after-tax and after-care income – $31,971 – is still higher than total earnings, and the participation tax rate is even lower than for the no-childcare single parent – 6.6%. But with childcare costs that exceed the Alberta low-income childcare subsidies by $3,048 per year, that single parent ends up with a childcare cost that takes up 8.1% of all earned and transfer incomes, and a combined PTR/CCC of 14.7%.

C. Implications for Gender-Equalizing Fiscal Policies

Clearly, overall federal and provincial tax and benefit policies need to be coordinated better with each other. And also clearly, both family tax and transfer policies that are conditioned on family incomes make it costly for women to enter into paid work.

Numerous powerful fiscal provisions all push in the same direction – couples can do relatively quite well on single incomes as compared with dual income couples with childcare costs. And, because single-parent women's total after-tax and after-care incomes are not dramatically higher than social assistance rates, women's incomes need to be significantly higher in order overcome the welfare traps that lurk in the background.
What is of concern is that this overall pattern is not on government policy agendas. Childcare is a basic right when the ability to earn income is in the balance. Perhaps the assumption that single high incomes can be relied on for family income stability will be questioned anew as current Alberta oil price challenges unfold. Alberta women’s incomes are not high enough to carry the burden of lost high male incomes. Thus the combined effect of low-wage male replacement work – when it is available – plus low-wage women’s full-time work may help reopen the discussion of the role of the provincial government in providing affordable childcare for all families.

Should the government decide to move forward on these complex tax-transfer issues, the solutions to these problems are well known, and they are not new. Best policy practices lead to the conclusion that individuals should be taxed and benefitted in all circumstances as single financially self-dependent individuals. Women still face deeply ingrained expectations that the focus of fiscal policies of all kinds – including pay equity policies – should really aim to enable any single individual to support another adult and children. This is, in a sense, a demand that all adults be entitled to earn sustainable incomes capable of supporting dependents.

But the prior condition to moving to that level of social and economic welfare provisioning is, first, that all women need to be able to secure a living wage for themselves no matter what composition their households may take during their lives. This is essential because the beneficiaries of sole support or breadwinner policies historically have been men, an expectation that remains so firmly established that even the concept that all adults should have the potential to support themselves and their children is hard to take seriously. In a real sense, this is the source of the problem faced by pay equity laws themselves.

Underlying resistance to fully individualized policies, of course, is another resistance – Canadian resistance to seeing that childcare costs must be shared by society generally in order to free both women and men from the rigidities of sex-based assumptions about the value of paid work and who is really responsible for care work.

Internationally, there is slow but discernable movement in the direction of providing higher levels of childcare and more fully equalizing incomes between women and men. Some countries, such as Korea and Sweden, have made great strides on either the childcare or the income equality points. Sadly, however, neither of these two countries have managed to simultaneously eliminate both the tax and the childcare differentials that stand in the way of “making women’s paid work pay.”
6. Conclusions and Recommendations

Now is the time for the government of Alberta to develop coordinated paid and unpaid work policies capable of substantially and durably closing gendered market income gaps. The following policy recommendations will move the province in that direction:

1. Pay Equity Legislation
   - Develop pay equity legislation that is:
     - Compulsory – with effective enforcement measures
     - Comprehensive – covering both public and private sector employees
     - Comparative – using a wage adjustment methodology that accurately evaluates the comparable value of men’s and women’s labour
     - Collaborative – with employers, labour organizations, and women’s advocacy groups
     - Based on Canadian and international best practice, beginning with the Quebec and Swedish models
   - Establish a Pay Equity Commission with oversight authority and a schedule of routine audits.
   - Stage implementation of pay equity rules and wage adjustments to avoid wage shocks.
   - The most common women’s occupations with the lowest pay levels should be targeted first, beginning with the largest public employers, followed by phasing in the private sector, to reduce government costs and maximise benefits.

2. Anti-Discrimination Policies
   - Ensure and enforce effective prohibitions on discriminatory hiring, firing, promotion, scheduling, hours, benefits, harassment, and rates of pay.

3. Structural Obstacles to Equity
   - Create a regulated childcare framework to allow parents to participate equally in the workforce and ensure full childcare subsidies for those with incomes of up to 10% over the applicable poverty level.
• Revise the provincial personal income tax rules to eliminate all measures that impose family income tests on access to tax or spending benefits, including second-earner parent’s access to childcare subsidies based on their income only, and lobby the federal government to do the same.

• Ensure that full-time employment yields a living wage: one that allows women to be self-sufficient regardless of the shape of their households.

4. Alberta Context

• Ultimately, while pay equity legislation is a necessary part of the solution, it is not sufficient: any policy must also consider Alberta’s unique context – including ways to shift the highly segregated pattern of occupations in Alberta’s predominant industries.

• Encourage Alberta to strive for equality in economic, cultural, and societal spheres through education, public awareness, and role modeling: governments that have generated the highest and most durable levels of economic gender equality are those that maintain effective equality-promoting practices on a consistent and long-term basis.

This complex set of policy recommendations should be adopted as a package, because the causes and the solutions to structural pay discrimination are themselves complex. Unless we address all the features that produce differentials in women’s and men’s shares of everything from market incomes to government benefits of all kinds, pay equity adjustments on their own can correct only a small part of the problem.

But the opposite is also true: without robust pay equity mechanisms, no jurisdiction can hope to fully eliminate all gendered economic inequalities.
Endnotes

1 Statistics Canada, CANSIM Table 202-0407.
2 Statistics Canada, CANSIM Table 202-0101.
3 See Table 5A and 5B of this report, at 29.
4 See Table 6 of this report, at 30.
6 The case of Murdoch v. Murdoch, [1975] 1 S.C.R. 423 (S.C.C.), was brought by an Alberta ranch wife who sought equal division of the farm property. While ultimately largely unsuccessful, the political result of this case, in which one Supreme Court Justice referred to her extensive contributions to farming and ranching activities of all kinds over a period of two decades should not count in her favour because she was just doing what a “good farm wife does,” produced the current system of presumptive 50-50 ownership of all property acquired during marriage.
10 For an excellent outline of how CEDAW, the Beijing Platform, and Canada's Federal Action Plan are designed to work, see Barbara Roberts, “Taking Them at Their Word: Canadian Government’s Accountability for Women’s Equality,” Canadian Woman Studies (1996) 16:3, 25-29. This paper recounts Roberts’ discussions with Alberta government officials about implementing the Platform in Alberta, and provides references to all these documents.

11 OECD (2016), Gender wage gap (indicator), DOI: 10.1787/7cee77aa-en (accessed on Dec. 27, 2015).

12 Alberta Human Rights Act, RSA 2000, c A-25.5, s. 6(1).

13 Ibid., s. 7(1).

14 Statistics Canada, Labour Force Survey estimates (LFS), by family type and family composition, Table 282-0211.

15 Kathleen A. Lahey, The Alberta Disadvantage: Gender, Taxation, and Income Inequality (Edmonton: Parkland Institute), Table 6, at 19 [hereafter referred to as Lahey].

16 See Clark v. Bow Valley College, 2014 AHRC 4 (CanLII), http://canlii.ca/t/g84cq, in which a full-time teacher’s employer varied the terms of her maternity leave without proper notice but dismissed her for not being able to find childcare appropriate for her fragile premature child in time to return from leave earlier than agreed. She received an award of damages but lost a well-paid position that she valued.

17 Lahey, Table 4, at 15.

18 Lahey, Table 5, at 18.

19 When originally introduced, the OAS system provided benefits from age 65. In 2012, however, the conservative government took steps to postpone eligibility for OAS, GIS, and the SPA until age 67 effective beginning in 2023. The current government has promised to reverse these changes. For details of the financial impact of these changes on women, see Kathleen A. Lahey, Canada’s Gendered Budget 2012: Impact of Bills C-38 and C-45 on Women (Kingston: Queen’s University, 2012), at 89-101.


22 Ibid, Table 2.2, at 44.


29 Chicha’s study provides one of the most complete comparative analyses of pay equity models and cost/benefit effects on the qualitative level.

31 Lahey, Table 3, at 13.


33 Chicha, at 25-27.

34 Ibid.

35 See Equal Wages Guidelines, 1986, SOR/86-1082, s. 13


38 Ibid, at 30-32; also see Lowe v Ministry of Health, [2015] NZ Employment Ct 24, Wellington, RC 11/14 Ministry of Health (New Zealand), in which the court on appeal concluded that despite the Ministry deeming her to be a self-employed “home worker,” she was properly classified as an employee of the government health agency and thus entitled to back wages for failure to pay her the minimum wage for this work.

39 See, for example, Toronto Catholic District School Board, 2705-04-PE March 23, 2006 (Pay Equity Hearings Tribunal).


41 Hartmann and Aaronson.


44 Chicha, at 27-44.

46 For an examination of the many federal provisions that have this effect, see Kathleen A. Lahey, *Women and Employment: Removing Fiscal Barriers to Women’s Labour Force Participation* (Ottawa: Status of Women Canada, 2006).