

## IMPROVING ECONOMIC AND LABOUR MARKET PERFORMANCE FOR WOMEN AND MINORITIES

### Opening Statement

Pay gaps between four designated groups (women, people with disabilities, Indigenous peoples, and visible minorities) and men remains a consistent problem for the Canadian economy. One reason attributed to this gap is that fewer individuals in designated groups are employed in high-paying occupations, which are dominated by men<sup>1</sup>. Ensuring that there is training, hiring, and education of the designated groups will lead to a larger number of employable individuals in the workforce, which can reduce the shortage of workers experienced by all industries.

### Background

The gender pay gap or gender wage gap is the average difference between the remuneration for men and women who are working. Women are generally considered to be paid less than men. Race wage gap is the average difference between the remuneration for white men and immigrants. This policy examines the difference between white men and immigrants who landed in the previous 10 years. Additionally, this policy will also examine the difference in wage gap between Indigenous men and white men.

Based on the National Occupational Classification (NOC) system, the wage gap between men and women has been shrinking since 1988 (18.8%) compared to 2018 (13.3%)<sup>2</sup>. Visible minority men were seen to be making 8% less than white men when examining 2015 data. White women, working full-time, earned roughly 30% less than white men. Indigenous women earned 44% less than white men, and Indigenous men earned 18% less than white men. These trends are consistent throughout Canada and need to be rectified.

Federally regulated firms are already required to engage in proactive employment practices to increase the representation of four designated groups: women, people with disabilities, Indigenous peoples, and visible minorities under the Employment Equity Act of Canada<sup>3</sup>. These firms include banks, broadcasters, telecommunication companies, railroads, airlines, private businesses necessary to the operation of a federal act, maritime transportation companies, other inter-provincial transportation companies, uranium-related organizations, federal crown corporations, and corporations controlled by two or more provincial governments. This legislation covers approximately 10% of the Canadian workforce<sup>4</sup>.

### The Business Case

If there is adequate education and training offered to groups such as Indigenous, immigrants, and women, the economy will perform remarkably better. A better trained workforce will be able to gain employment in higher paying jobs. A higher disposable income will allow for greater spending in local communities, increasing tax and general business revenue.

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1 Schirle, Tammy, and Moyosoreoluwa Sogaolu, "A Work in Progress: Measuring Wage Gaps for Women and Minorities in the Canadian Labour Market," Commentary No. 561. C.D. Howe Institute.

[https://www.cdhowe.org/sites/default/files/attachments/research\\_papers/mixed/Commentary\\_561.pdf](https://www.cdhowe.org/sites/default/files/attachments/research_papers/mixed/Commentary_561.pdf)

2 <https://www150.statcan.gc.ca/n1/pub/75-004-m/75-004-m2019004-eng.htm>

3 <https://laws-lois.justice.gc.ca/eng/acts/e-5.401/page-1.html#h-215166>

4 Human Resources and Social Development Canada. "Employment Equity Act Review". Archived from [the original](#) on 17 March 2012.

When more people are able to receive quality training and education, the pool of qualified applicants also increases. Since Canada is facing a shortage of highly skilled, educated, and trained workers, the government needs to take action in ensuring there is equity in higher paying occupations, and improve training and education in fields where women, indigenous, and minorities are underrepresented.

An expansion of the current Employment Equity Act to include more private sector areas such as the oil and gas industry, technology industry, and other high-paying occupations will improve access for skilled workers to find employment, as has been the case for federally regulated occupations. Additionally, there will be funds available to the newly added private-sector occupations<sup>5</sup>.

#### THE CHAMBER RECOMMENDS

That the Provincial Government collaborate with the Federal Government to  
:

1. Improve training and education opportunities in industries in which women, Indigenous, disabilities and minorities are underrepresented; and,
2. Amend the *Employment Equity Act* to apply to more than federally regulated firms, especially high-paying occupations.

**Submitted by Surrey Board of Trade**

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<sup>5</sup> <https://www.canada.ca/en/employment-social-development/services/labour-standards/reports/employment-equity-2018.html#h2.05>