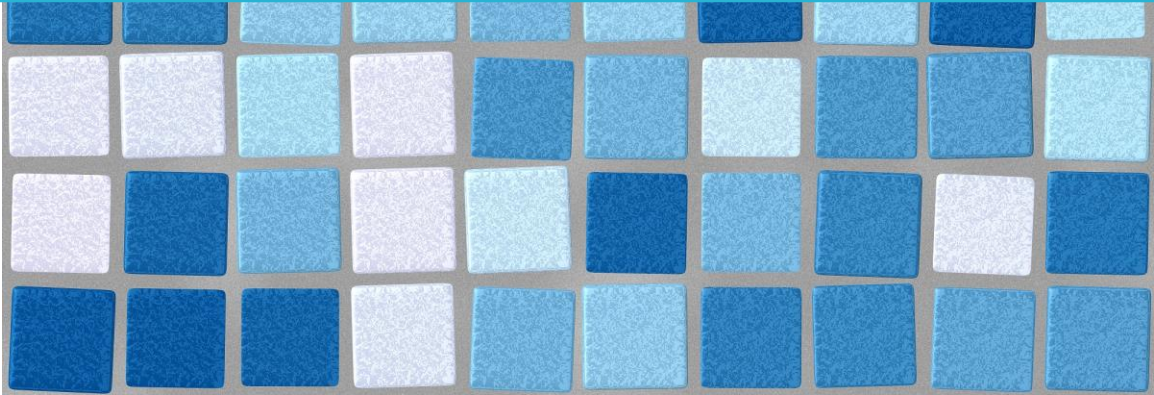


International Women's Day

Women and Poverty in New Brunswick 2015 Update



New Brunswick Common Front for Social Justice

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Women and Poverty: Update 2015

The Common Front for Social Justice is marking International Women's Day 2015 by releasing an updated snapshot of women and poverty in New Brunswick. Here are some quick facts about the feminization of poverty and the challenges faced today by women in the paid workforce, women on social assistance and pensioners.

On the whole, we can say that women's situation did not change a lot in the last year. The gains they experienced were not very impressive.

No change: Women are overrepresented among the poor in New Brunswick, particularly if they live without a partner. High poverty rates persist among lone-parent women and their children:

28.9% of women-led households are poor.

Almost one in three unattached women and one in four unattached men were living in poverty in New Brunswick in 2011, according to Statistics Canada. Between 88,000 and 100,000 people in New Brunswick live in poverty.¹

No change: The causes of poverty for women and men are different. The poverty of men is often linked directly to the labour market, where they may be employed in certain jobs with low wages, or may not be able to obtain work at all. In contrast, women are poor because of a persistent wage gap, their concentration in low paid jobs and because they spend more time doing unpaid work, leaving less time for paid work.

Not much change: A gender wage gap persists in New Brunswick. The wage gap persists in part due to historical gender discrimination that involves jobs traditionally done by women being paid less than traditional male jobs and because women are still concentrated in low-wage job ghettos like retail and food services, where unionization rates are low.

Gender wage gap

2013- 11.4% 2014- 11.1%

New Brunswick women earned on average 88.9% of what men did in 2014, a wage gap of 11.1% when hourly wages of all employees in all occupations are compared.ⁱⁱ

Women's lower earning power means they are more likely to join the ranks of the working poor if they have children and are separated, divorced or widowed. Women are less able to save for their retirement and more likely to be poor when they are seniors. The fear of falling into poverty traps some women in abusive relationships.

Small gain: Wages for workers in the publicly-funded private care sectors remain woefully inadequate. Wages are low, benefits are limited or non-existent and working conditions are difficult in home support services, group homes (community residences), child care and transition houses. The New Brunswick government recently completed a pay equity exercise and calculated a “fair wage” for this predominantly female workforce. Home support workers who made an average hourly wage of \$11/hour in 2011 saw their “fair wage” set at \$13.15. For crisis interveners at transition houses who earned an average hourly wage of \$13.37 in 2011, the “fair wage” was \$13.40. Support workers in child care making on average \$10/hour in 2011 were considered eligible for a “fair wage” of \$12.52/hour. For caregivers in adult group homes earning on average \$11.95/hour in 2013, the “fair wage” was fixed at \$14.80.ⁱⁱⁱ

Not much change: Employees in these care sectors and many other women in New Brunswick are working more than one job to make ends meet. In 2014, the percentage of women in New Brunswick who held more than one job increased slightly: from 5.3% in 2013, it rose to 5.5%, according to Statistics Canada.^{iv}

	Women	Men
2013	5.3%	3.7%
2014	5.5%	3.5%

Small gain: The wage gap between unionized women and men is much smaller than for non-unionized workers.

Unionized women in New Brunswick earned on average as much and even slightly more than unionized men in 2014. This is an improvement compared to

2013, when the gender wage gap was 1.8%. Non-unionized women earn much less on average than both unionized women and non-unionized men. In 2014, the average hourly wage of non-unionized women in New Brunswick was 18.7% below the wage of non-unionized men, slightly worse than the 18.5% wage gap in 2013.^v

Average hourly wage, unionized and non-unionized workers		
	2013	2014
Unionized women	\$25.81	\$26.13
Unionized men	\$26.29	\$26.09
Non-unionized women	\$16.53	\$16.75
Non-unionized men	\$20.27	\$20.60

Small gain: Women spend more time doing unpaid work, leaving less time for paid work. Unpaid work includes childcare, eldercare, housework, meal preparation and other tasks. Women are more likely than men to lose paid work time because of family responsibilities. Many women choose part-time, seasonal, contract or temporary jobs when faced with domestic responsibilities. One in five employed women (22.2%) compared to one in ten employed men (9.8%) in New Brunswick worked part-time in 2014.

Women were 69% of part-time earners in 2014, down from 70% in 2013, while men were 31% of part-time earners in 2014, up from 30% in 2013, according to Statistics Canada.^{vi}

2013 - 70% of part-time earners are women

2014 - 69% of part-time earners are women

Unfortunately, most of these jobs are low paid and have no job security, fewer opportunities for advancement and no benefits. Lack of affordable childcare and workplace policies such as flex-time and caregiver leave often force women into careers that promise to be "family friendly" but that severely limit their earning power.



Small gain: Most people working for minimum wage in New Brunswick are women. The minimum wage in New Brunswick in 2015 is \$10.30/hour, not enough for workers to maintain a decent quality of life. According to information received from Statistics Canada there were 20,900 employees working at minimum wage in the province in 2014; 63% of these employees were women. In 2014, the percentage of women working at minimum wage or less was 8.3%, down by 1.1% compared to 2013, while for men the percentage was 5.1%, down by 1.4% compared to 2013.^{vii}

Employees in NB earning adult minimum wage or less, 2013-2014 (%)

	2013	2014	Decrease
Women	9.4%	8.3%	1.1%
Men	6.5%	5.1%	1.4%

No gain: Women in New Brunswick are less likely to be unemployed but more at risk of being underemployed.

Women in New Brunswick have lower unemployment rates (7.8% in 2013 and in 2014) compared to 11.9% of men in 2014, (12.6% in 2013), but are overrepresented in precarious employment, particularly part-time and casual jobs.^{viii} As a result, they have more difficulty accessing EI because of the hours of work needed to qualify for benefits. When women receive EI benefits, it is usually for a shorter period compared to men, because they have accumulated fewer hours of work.

No change: EI cutbacks will further impact working women. Drastic changes made by the Harper Government to the EI program in 2012 stand to further impact women. Thousands of New Brunswick women fall into the “frequent” category of claimants because of the seasonality of their jobs: tourism, fishing industry, education, etc. With the new changes, women in the seasonal workforce will have less time to find a suitable job and will also now be forced to accept jobs that will pay up to 30% less than their former employment. The changes will have an impact on their present employment revenue and their future EI claims.

No real gain: Single mothers on social assistance live below the poverty line. Women raising children on social assistance or low-income struggle to pay for rent, heat and electricity, leaving very little left to buy food, clothing, transportation, school supplies and other essentials. Most single-parent households are headed by women and women tend to be overrepresented among social assistance recipients. Social assistance income

falls short of the poverty line, according to a study by the Caledon Institute for Social Policy. In 2013 and 2014, the total welfare income for single employable women was \$6,807. In 2013, using the Market Basket Measure as the poverty line, this welfare income was only 38.8% of the poverty line, falling short by \$10,750. There was no increase in welfare income for this group in 2014 so we don't believe their situation has changed in 2014.

For single-parent, one child families (most of them headed by women), the total welfare income was \$16,769 in 2013. In 2013, this welfare income was 67.5% of the Market Basket Measure poverty line, falling short by \$8,060. The Market Basket Measure is not available for 2014. We know that the basic welfare income increased by 3% in 2014, but we believe the poverty gap would likely be similar to the previous year.

Total Welfare Income by Household and Poverty Line – 2013 and 2014

	2013-Total welfare income ^{Note 1}	Estimated Market Basket Measure -2013	Poverty Gap 2013	Welfare income as% of Market Basket Measure for Moncton, NB (2013)
Single employable	\$6,807	\$17,557	-\$10,750	38.8%
Single-parent, one child	\$16,769	\$24,829	-\$8,060	67.5%

Note 1: Total Welfare Income is: Basic welfare income +Additional SA program benefits+Federal child benefits+ Provincial child benefits+GST rebate+ Provincial tax credits.

Source: Adapted from Welfare in Canada 2013, Caledon Institute of Social Policy, p. 54.

The deplorably inadequate social assistance rates are reflected in the growing use of food banks by social assistance recipients in New Brunswick. According to *Hunger Count 2014* by Food Banks Canada, of the 19,590 people forced to turn to New Brunswick food banks in 2014, close to half were women (49.1%), no real change since last year. Almost one in four New Brunswick food bank clients in 2014 lived in single-parent households, most of them headed by women, the same as in 2013.^{ix}

Women and Food Banks in New Brunswick. Hunger Count 2014

	2013	2014	Difference
Total clients	19,989	19,590	- 399
Women	49.2%	49.1%	- 0.1%
Single-parent household	23%	23%	No change

Women are over-represented among low-income

pensioners. More women than men are eligible for the Guaranteed Income Supplement paid to low-income seniors. About 50% of women retirees and 40% of men retirees in New Brunswick received the Guaranteed Income Supplement in 2011.^x These seniors, if they are single, receive a maximum annual amount of \$15,937.68 from their Old Age Pension and Guaranteed Income Supplement, which is below the poverty line.^{xi} Women's low earnings during their working lives are reflected in their retirement pensions. The average income of senior women from all sources is still much lower than that of senior men in New Brunswick. Total average income of senior women in New Brunswick in 2011 was \$23,200 or 70.1% of the total average income for senior men (\$33,100).^{xii}

Eradicating poverty requires a comprehensive approach

that considers gender differences such as how women's long-term economic security is undermined due to combining both paid work with unpaid family responsibilities over a lifetime; the lack of quality affordable childcare that limits the ability of women to earn decent wages and support their families; and government policies that slash unemployment support and social assistance rates and cut supports to single mothers and older women, denying women income and the potential for human development.

International Women's Day is more than just a day to celebrate women's achievements in fighting for economic, political and social justice. It also reminds us of the need to recommit to working to end poverty, oppression and inequality for women and for everyone.

The Common Front for Social Justice considers that the following actions would go a long way to reduce poverty:

- Indexing the minimum wage to inflation;
- Raising social assistance rates above the poverty line for everyone;
- Changes to the EI program to provide better access for women and men;
- Addressing the income needs of older women on their own by increasing the Guaranteed Income Supplement for single individuals;
- Giving special attention to income needs of certain groups such as people with disabilities, Aboriginal people, visible minorities and recent immigrants;
- Implementing a national public system of early learning and child care;
- Implementing pay equity in the public and private sectors;
- Restoring a more progressive tax system in order to adequately fund social programs and public services.
- Ensuring policies and programs like tax measures respect and promote women's economic autonomy;
- Implementing a monitoring system to measure progress on poverty and gender.

- ⁱ Poverty rates based on the Market Basket Measure. Statistics Canada, *Table 202-0802, Persons in low income families, annual, CANSIM (database)*. Accessed: 2015-02-28; *Table 202-0804, Persons in low income, by economic family type, annual*. Accessed: 2015-02-28. Estimates of the population living in poverty vary depending on the poverty measure used: Market Basket Measure, After-tax or Before-tax Low-Income Cut-Offs, or Low Income Measure after tax; See also Common Front for Social Justice, *Small Steps towards Poverty Reduction: 2014 Annual Review of David Alward – Brian Gallant Governments*, December 2014 (modified February 27, 2015) (online: www.frontnb.ca).
- ⁱⁱ Statistics Canada. *Table 282-0074 - Labour force survey estimates (LFS), wages of employees by job permanence, union coverage, sex and age group, annual (current dollars unless otherwise noted)*, CANSIM (database). Accessed: 2015-02-28.
- ⁱⁱⁱ Government of New Brunswick, Women's Issues/Equality Branch, 2012 Pay Equity Program Reports for Transition House, Home Support and Child Care Sectors; 2014 Pay Equity Program Report for Community Residences (online: <http://www.gnb.ca/0012/Womens-Issues/wg-es/payequity-e.asp>); E. Blaney, W. Johnston, L. Aucoin, J. Perron, "The Government of New Brunswick's Pay Equity Program for Non-Legislated Sectors: A Just and Equitable Process?" *University of New Brunswick Law Journal/Revue de droit de l'Université du Nouveau-Brunswick*, Vol. 65 (January 2014); **The salary structure in care-giving services in seven Canadian provinces: Benchmarks for pay equity exercises in New Brunswick**. June 2014, Summary of the report prepared for the New Brunswick Coalition for Pay Equity, by Ruth Rose, adjunct professor of economics, Université du Québec à Montréal (online: <http://www.equite-equity.com/briefs.cfm>).
- ^{iv} Statistics Canada. *Table 282-0031 - Labour force survey estimates (LFS), multiple jobholders by North American Industry Classification System (NAICS), sex and age group, annual (persons)*, CANSIM (database). Accessed: 2015-02-28; *Table 282-0002 - Labour force survey estimates (LFS), by sex and detailed age group, annual (persons unless otherwise noted)*. Accessed: 2015-02-28.
- ^v Statistics Canada, *Table 282-0074 - Labour force survey estimates (LFS), wages of employees by job permanence, union coverage, sex and age group, annual (current dollars unless otherwise noted)*, CANSIM (database). Accessed: 2015-02-28.
- ^{vi} Statistics Canada, *Table 282-0002 - Labour force survey estimates (LFS), by sex and detailed age group, annual (persons unless otherwise noted)*, CANSIM (database). Accessed: 2015-02-28.
- ^{vii} Statistics Canada, Labour Force Survey, custom tabulation.
- ^{viii} Statistics Canada, *Table 282-0002 - Labour force survey estimates (LFS), by sex and detailed age group, annual (persons unless otherwise noted)*, CANSIM (database). Accessed: 2015-02-28 *Table 282-0080 - Labour force survey estimates (LFS), employees by job permanency, North American Industry Classification System (NAICS), sex and age group, annual (persons)*. Accessed: 2015-02-28.
- ^{ix} Food Banks Canada, *Hunger Count 2014* (online: www.foodbanksCanada.ca/hungercount).
- ^x Information provided on request by Human Resources and Skills Development Canada, presented in Government of New Brunswick, Women's Issues Branch, *2012 Equality Profile: Women in New Brunswick* (online: www2.gnb.ca/content/gnb/en/departments/women.html).
- ^{xi} Service Canada, 2015. *Old Age Security payment amounts* (online: www.serviceCanada.gc.ca/eng/services/pensions/oas/payments/index.shtml). Accessed: 2015-02-28.
- ^{xii} Statistics Canada, *Table 202-0407 - Income of individuals, by sex, age group and income source, 2011 constant dollars, annual*, CANSIM (database). Accessed: 2015-02-28.