

THE ECONOMIC INEQUALITY OF WOMEN IN BC

RECOMMENDATIONS FOR ACTION

A conference briefing report

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In British Columbia today, we have a “booming economy,” with unemployment levels lower than they’ve been in decades. Housing starts and real estate prices are going through the roof with no immediate signs of slowing down. The government’s coffers are overflowing, with revenues from the oil and gas sectors performing far better than the “official” projections.

So with all this good news, why is it that so many more women and children have fallen through the cracks? Why are more women and families depending on food banks than ever before? Why can’t women find safe, affordable and high-quality childcare? Why do women still comprise the majority of minimum-wage earners in BC? British Columbia is experiencing tremendous economic growth. So why is it that we can’t find ways to help the poorest and most vulnerable citizens in our province?

The B.C. Federation of Labour, working with our community partners, has been an outspoken advocate in the struggle for women’s equality. The first term of this government set our struggle back at least 20 years. Now, with the Legislature more balanced in terms of partisan representation, we hope that we can win back some of the losses women have seen and felt over the past five years.

The Federation believes the government must undertake three initiatives as a starting point in repairing the damage that has been done.

1. The BC government to insist that the new Conservative federal government live up to the childcare agreements negotiated and signed with all the provinces—including British Columbia, under the current premier. Restore the \$40 million in provincial annual funding to childcare cut by the Liberal government in 2002.
2. Make further changes to **Employment Standards Act** including:
 - the elimination of the \$6.00/hr. training wage;
 - increasing BC's minimum wage; and
 - increasing the minimum call-out from 2 to 4 hours.
3. Restore the former free-standing Ministry of Women's Equality and funding for Women's Centres.

We have no illusions that the immediate implementation of all three of these recommendations will lead to overnight solutions. But the three taken together would provide valuable support and assistance to hundreds of thousands of women across BC as they struggle to win a better life for themselves and their families.

CHILDCARE

Prior to the recent federal election, the previous government negotiated a framework agreement with the provinces—including British Columbia—to establish a National Childcare Program. This required decades of struggle by generations of parents and advocates, and it represented a good first step.

On March 31, 2007, the federal government plans to cancel the BC/Canada Agreement on Early Learning and Child Care (ELCC). This Agreement, signed in Sept. 2005, was far from perfect but it did give BC an opportunity to begin building the childcare system that children and families need and deserve. Under the 5-year ELCC Agreement, BC was to receive \$633 million from the federal government for regulated childcare.

While we respect the democratic and electoral processes and the right of governments to change course, it is imperative that our provincial representatives tell the Harper government that it must honour the federal end of the agreement.

In 2000, the previous provincial government established initial funding for a universal childcare plan modeled on the Quebec system. That system, had it been fully implemented, would have provided BC families with access to licensed before and after school childcare for \$7 per day. Following the 2001 provincial election, the incoming BC Liberal government dismantled the plan, and replaced it with....nothing.

Since 2002, BC has cut \$40 million in annual childcare funding, and federal funds intended for childcare were diverted to programs designated by the BC government as “early childhood development,” but were actually half-measures, anything but childcare. They did this to replace services to women and children previously cut by the same BC government. Focused more on the implementation of their high-income and corporate tax cuts (and using the resulting deficit to justify the elimination of generations’ worth of social programs), the Liberals simply abandoned women and children throughout BC. All new childcare spending in BC over the term of this government has been paid for by federal funding.

When the former federal Liberal government finally began to negotiate a framework agreement with the provinces, the hopes of parents across the country were high. While our expectations were realistic, we are truly appalled that a system that appeared to have at least some promise for alleviating some of the economic barriers that women face every day appears likely to fall victim to partisan politics without ever having been given a chance.

We note that the BC Liberal government was only prepared to make a commitment to the most minimal standards of accountability. In spite of a growing crisis in BC’s childcare system, BC spent only \$55 million of the \$92 million it received from the federal government last year - most of which went into patching up current funding gaps rather than into making fundamental changes.

Under the federal agreement, BC made a commitment to release a provincial Childcare Action Plan on January 31, 2006. Now that this federal requirement is gone, we are told not to expect a plan any time soon. **We urge the government to direct the Minister of Children and Family Development and the Minister of State for Childcare to release a Childcare Action Plan that moves BC from a patchwork of user-fee services to a province that has a quality, affordable, community-based childcare system**

This year, BC is spending some of the current federal childcare funding to help cover some of the daily costs and to give higher daycare subsidies to more families. Not honouring the deal means there will be no more money from Ottawa for creating more childcare spaces or for making childcare more affordable for more families. The loss of \$197.9 million annually will be 32,983 childcare spaces and the BC Budget does not include any provincial funding to cover the loss of federal childcare dollars. Without the federal money, childcare fees will likely go up and childcare subsidies will be cut. Families on waiting lists will not be able to get a new childcare space. **We urge the government to restore provincial funds cut from childcare and make a commitment to spend all federal childcare funds building a system of regulated care.**

If the new federal government were proposing an alternative system to the one it is consigning to the scrap heap, we would be working to ensure it embodied as many of the values common to families across the country. The Conservative alternative, however, is a family allowance tax scheme that rewards the most well off amongst us and penalizes average working families.

With the minority situation in the federal Parliament, it would appear that the Harper government may wish to avoid a “showdown” with the opposition parties on this issue. Achieving that goal, however, will take real leadership at the provincial level. We urge all our elected representatives, regardless of partisan stripe, to insist that the federal government honour the childcare agreements that were signed in good faith by both levels of government and reinstate provincial funding to childcare.

WOMEN'S ECONOMIC EQUALITY

For a large percentage of women, the challenge remains balancing work and family life.

While we look to childcare as one important aspect in meeting that challenge, we also look to workplace regulations that ensure a balance between work and family life.

We applaud the provincial government for taking a step in the right direction with the recent changes to the **Employment Standards Act (ESA)** that provide greater access to compassionate care leave which is in line with other provinces and the Employment Insurance system.

However, there have been several changes to the **ESA** since 2001 and those changes must be looked at in the context of the women who disproportionately make up the bulk of part-time and minimum-wage workers in British Columbia.

As a Federation, we have been vocal on changes needed to the **Employment Standards Act** – but it cannot be stressed enough that many of the changes in the legislation have had an impact on women in particular.

The loss of overtime provisions through averaging agreements have meant women workers can work more than eight hours a day or over 40 hours a week without overtime compensation.

The reduction of the minimum call-out from 4 hours to 2 hours also impacts women's ability to participate in the workforce, as it is difficult and unaffordable to arrange for childcare.

Farmworkers, the majority of whom are immigrant women of colour, are excluded from regulations regarding hours of work, overtime and statutory holiday pay.

With no protection for refusing to work overtime, for women with family responsibilities this can be a major cause for concern – the choice of being fired or picking up their children.

The replacement of enforcement officers with self-help kits has dramatically reduced formal complaints – but we know the violations of the **Act** still exist beyond the number of complaints.

One cannot complete a discussion on the effects of employment laws on women workers without addressing the impacts of the minimum wage.

The statistics on the level of poverty and the dependence of too many British Columbians on food banks make it clear that low-income British Columbians need a raise that provides them with a living wage.

Minimum-wage earners have not received a wage increase since 2001 – in fact some dropped by \$2 an hour following the introduction of the so-called “training wage.”

This is in stark comparison to the period from 1992 to 2000 which saw five BC minimum wage increases, moving from \$5.00/hour to \$7.15/hour. During that period, the unemployment rate fell from 10.2 percent to 6.8 percent.

In real terms, the \$8.00 earned in 2001 is worth just \$7.05 in 2006. That is nearly a 12 percent drop in income over 5 years.

WOMEN’S VOICES IN OUR COMMUNITIES

The record of this government’s first term when it comes to women is not a good one.

The support system for women, particularly those in crisis, has been systematically eroded by the BC Liberal government. Here are just a few of the cuts that have directly impacted the lives of thousands of British Columbian women:

- *Health Care Services*
The government’s cuts to health care services (particularly in rural areas) especially affects women, who often are the primary caregivers for their families, both immediate and extended.

- *Income Assistance Rates*

BC's welfare rates are barely enough to survive on, let alone transition to work. Benefits cover only 41 percent of minimum living costs for single women and 57 percent for single parents with one child according to SPARC BC. Single mothers have been particularly hard-hit by the changes. Their benefits were cut by \$43 a month and they are no longer allowed to keep \$100 in child support.

Single mothers are now expected to work when their youngest child turns three despite the absence of affordable and accessible childcare and meaningful training opportunities. In fact, some of the very supports that would enable single mothers to successfully transition from welfare to work and escape poverty have been eliminated. Earnings exemptions have been abolished and recipients are no longer permitted to attend university or college.

- *Legal Aid*

Legal aid funding has been slashed by almost 40 percent, and services for family, poverty and immigration law largely eliminated. These changes deny women access to the very legal services they are most likely to need. More women are appearing in family court without legal representation and immigrant women in abusive relationships are more at risk. Immigrant women in abusive relationships can no longer get legal aid to pursue landed status when their partner/sponsor threatens to withdraw support.

- *Violence Against Women*

The Attorney General has retreated from a zero tolerance policy and encouraged Crown Prosecutors to divert domestic violence cases away from the courts. Liberal cuts to community-based victims' services, legal aid, and women's centres further threaten women's safety.

- *Human Rights*

The BC Human Rights Commission, the only provincial body that had a mandate to eliminate discrimination, was eliminated. The pay equity provision in the **Human Rights Code** was repealed.

- *Training for Women*
Liberal education policies have worsened women's access to education as training and higher education have become more costly. The Industry, Training and Apprenticeship Commission, with its mandate to include more women, Aboriginal and Visible Minority residents in trades and technical training, was eliminated. Tuition in colleges and universities has jumped by 76 percent since the tuition freeze was lifted, and the loss of childcare subsidies further compromises female enrollment. Student grants for women with dependents have been eliminated. Finally, Adult Basic Education, ESL, Career Preparation and Training for those re-entering the workforce have all been compromised by cuts.
- *Women's Centres*
All thirty-seven (37) women's centres in the province have lost core funding, making effective advocacy more difficult, and eliminating an essential part of the support system for women in crisis. Those Women's Centres that have been able to cling to life financially without the government's support are now acting as de facto shelters for women experiencing poverty issues – accessing shower and laundry facilities, clothing exchanges and other forms of emergency needs. They've become de facto food banks as well as legal aid clinics.

All these cuts and changes have stalled and in many cases reversed decades of hard-won progress for women's equality. And a lot flowed from one of the first decisions the Campbell government made after the 2001 election—the elimination of the free-standing Ministry of Women's Equality and its replacement by the junior “Ministry of State for Women's Services.”

The former Ministry of Women's Equality played a strong advocacy role for the equality of women in all government decision-making. It placed advancing women's equality at the forefront of its mandate, and applied a “gender lens” to all government programs and services. The “replacement” ministry of state has no advocacy role, and the goal of women's equality is nowhere to be found in its mandate.

With all of the cuts, there is a significantly increased need for the thirty-seven (37) Women's Centres around the province, which represented a strong local and provincial voice for women facing economic and other hardships, including spousal abuse and assault. In addition to eliminating the Women's Equality Ministry, the BC Liberals cancelled all government funding for the Centres—effecting an annual “savings” to the taxpayer of less than \$2 million. Compared to the overall provincial budget of more than \$40 billion, the funding for women's centres was miniscule, but the effect of its cancellation has been devastating.

CONCLUSION

To return to a question raised at the outset of this document: if things are going so well in British Columbia, why are things going so badly for so many BC women?

To live in a society as rich as ours and to allow thousands of women and children to slip through the cracks is wrong. We must do more. We have the resources to do so. What's been missing is the political will. We encourage all our elected representatives in Victoria to create that political will and by so doing improve the lives of all British Columbians.

Therefore, the Federation demands that the government:

1. MLAs insist that the new Conservative federal government live up to the childcare agreements negotiated and signed with all the provinces—including British Columbia, under the current premier. Restore the \$40 million in provincial annual funding to childcare cut by the Liberal government in 2002.
2. Make further changes to **Employment Standards Act** including:
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