

# CRIAW FACT SHEET

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## Women and Poverty

Women and poverty are connected for many reasons. Various structural factors work towards making women more vulnerable to poverty, or to keeping them in poverty. Over the last decade, Canada has been moving towards a different model for its economy, drastically cutting social services. Despite seven years of budgetary surpluses, money is still not being channelled back into these social services and the depth of poverty (that is the gap between the average income of the poor and the amount needed to bring their income up to the level of the low-income cut off) is worsening<sup>1</sup>. Canada has signed international agreements such as the Convention on the Elimination of all forms of Discrimination against Women (CEDAW), but there still aren't adequate guarantees to protect women's rights in the country.

Women are also affected by poverty in different ways, depending upon their age, race, ethnicity, linguistic background, ability, sexual orientation, citizenship etc. Statistics provide some important indications of women's poverty in Canada, but experiences of poverty are much more complex than the picture created by numbers alone.

### WHO IS LIKELY TO BE POOR?

A newborn child, just because she happens to be born female, is more likely to grow up to be poor as an adult. Women form the majority of the poor in Canada. One in seven<sup>2</sup> (2.4 million<sup>3</sup>) Canadian women is living in poverty today.

#### • **Women raising families by themselves:**

51.6% of lone parent families headed by women are poor<sup>4</sup>. With many of these families, financial support agreements with the non-custodial parent (usually the father) are either not in place or in arrears.<sup>5</sup>

• **Senior women:** Almost half (41.5%) of single, widowed or divorced ("unattached") women over 65 are poor<sup>6</sup>. While the poverty rates for all seniors have improved overall, there is still a large gap between men and women. The poverty rate for all senior women is 19.3%, while that for senior men is 9.5%<sup>7</sup>.

#### • **Women on their own:**

35% of women on their own under 65, live in poverty.<sup>8</sup>



This fact sheet was produced by the Canadian Research Institute for the Advancement of Women (CRIAW). You can obtain a copy on our website at <http://www.criaw-icref.ca>. Copies are also available from CRIAW at 151 Slater Street, Suite 408, Ottawa, Ontario K1P 5H3 Canada. Phone: (613) 563-0681 Fax: (613) 563-0682 Email: [info@criaw-icref.ca](mailto:info@criaw-icref.ca). Aussi disponible en français.



• **Women with disabilities:** More women than men live with disabilities in Canada. Aboriginal people have twice the national disability rate<sup>9</sup>. Of all women with disabilities living in a household rather than an institution, and who had any income at all, those aged 35-54 had the highest incomes: an average of \$17,000, which is 55% of men with disabilities in that age range. Women with disabilities under 35 had an average income of \$13,000, and women with disabilities over 55 had an average income of under \$14,000. The more severe a woman's disability, the lower her income.<sup>10</sup>

• **Aboriginal women:** The average annual income of Aboriginal women is \$13,300, compared to \$18,200 for Aboriginal men, and \$19,350 for non-Aboriginal women.<sup>11</sup> 44% of the Aboriginal population living off reserve lives in poverty, but things are worse on reserve: Almost half (47%) of Aboriginal persons on reserve have an income of less than \$10,000.<sup>12</sup> Aboriginal women are also more likely than Aboriginal men to be trapped in low-paying jobs<sup>13</sup>, and because of the continuing effects of the Indian Act, they face insecurities related to housing, access to services and abuse both on and off reserve<sup>14</sup>.

• **Women of colour:** 37% of women of colour are low income, compared with 19% of all women. The average annual income for a woman of colour in Canada is \$16,621, almost \$3000 less than the average for other women (\$19,495) and almost \$7,000 less than that of men of colour (\$23,635).<sup>15</sup>

Women of colour are also overrepresented in precarious (part-time and temporary) work and often have to live in substandard, segregated housing. They are also more vulnerable to violence and other health risks<sup>16</sup>.

• **Immigrant women:** Education does not reduce the income gap between immigrant women and Canadian-born women. New immigrant women between the ages of 25-44 who have a university degree and who worked full-year, full-time earn \$14,000 less than Canadian-born women.<sup>17</sup> This is partly because of overt racism, but also the structural racism of lack of recognition of foreign credentials and experience. New immigrant women, suffering from abuse, may have few options to escape this, if they are financially dependent on their male relative sponsors in Canada.

• **Lesbians:** There is little information about the economic status of lesbians. We only have isolated bits and pieces to go by, such as a Winnipeg study that found

that 14% of gay men over 65 reported incomes below the poverty line, compared with 42% of lesbian seniors.<sup>18</sup>

• **Migrant Women:** Migrant women who are often refugees or foreign domestic workers are also particularly at risk of poverty and exploitation, as they are often forced to work in unregulated or hidden employment. Women make up the majority of migrant workers from Asia and many work here to sustain their families back home. They are paid low wages, and despite the fact that they contribute significantly to the Canadian economy, they are not entitled to many benefits such as EI<sup>19</sup>.

• **Low wage earners:** In Canada it is not enough to have a job to keep you out of poverty.<sup>20</sup> Most poor people do work full- or part-time.<sup>21</sup> Poverty level wages are a particular problem for women. Women and youth account for 83% of Canada's minimum wage workers.<sup>22</sup> 37% of lone mothers with paid employment must raise a family on less than \$10 per hour.<sup>23</sup>

Women also make approximately 71%<sup>24</sup> of what men earn for full-year, full-time work. Education does not reduce the wage gap much: women with university degrees, employed full-year, full-time earned 74% of what men earned with university degrees.<sup>25</sup> The gap between what women and men (with University degrees) earn also widened between 1995 and 2000<sup>26</sup>. In fact, in 1997, a man employed full-year, full-time with less than a Grade 9 education earned on average \$30,731, whereas a woman with a post-secondary certificate or diploma earned less for full-year, full-time work: \$29,539.<sup>27</sup> Women earn less than men even if they work in the same sectors or even in the same jobs. There are no occupations in which women's average earnings exceed men's, not even in female-dominated areas such as clerical work and teaching.<sup>28</sup> Canada has the 5th largest wage gap between women and men full-time workers out of world's 29 most developed countries. Only Spain, Portugal, Japan and Korea have larger wage gaps.<sup>29</sup>

• **Women on welfare, and their children:** In 2001, 60% of single mothers relied on welfare at some point<sup>30</sup>. 52% of Canada's social assistance recipients are made up of families with children<sup>31</sup>. One quarter (24%) of welfare families are headed by people with some form of disability.<sup>32</sup> All welfare rates in Canada are far below the poverty line, ranging from 20% to 76% below.<sup>33</sup>



## WHAT IS POVERTY?

Statistics Canada's low-income cut-offs (LICO) represents the level at which people spend so much of their income on basic necessities that they live in very difficult circumstances. The LICO varies by family size and community. This definition of poverty is a matter of debate. Some say that we should measure poverty by the same standards as developing countries in which the majority of the population are struggling to survive. They claim that Statistics Canada's definition of low-income inflates the rate of poverty. In fact if anything, Statistics Canada's calculations underestimate the extent and depth of poverty because Aboriginal reserves, homes for the aged, prisons, and the Yukon, Northwest Territories and Nunavut are excluded from the data. Anyone who has spent any time in Vancouver's Downtown Eastside, the Jane-Finch corridor in Toronto, the North End of Winnipeg, the St. Henri district of Montréal, rural communities of New Brunswick, or some Aboriginal communities which don't have sewage systems or clean, running water, could not deny the existence of deep and persistent poverty within this abundant and prosperous nation.

## WHY ARE WOMEN'S INCOMES LOWER?

There are simple structural reasons for women's lower incomes:

- **A Statistics Canada study found that the major factor in the wage gap is the presence of children, rather than age, marriage or education.**<sup>34</sup> Women are still expected to perform the majority of household chores and child care. In 52% of families in which both partners had full-time paid employment, the female partner was responsible for all the daily housework, in 28% the woman was mainly responsible, in 10% the chores were shared equally and in another 10% the man was primarily responsible.<sup>35</sup> Women are expected to cut down on their paid work, quit their jobs, take emergency leave from work, or refuse promotions, in order to care for children, elderly parents or in-laws, or disabled relatives. Men are not. This has a lifelong impact on a woman's wages, accumulation of pension benefits, and experience in her chosen occupation.<sup>36</sup> Largely because of the lack of balance and fairness in terms of women's and men's family responsibilities, the vast majority of part-time workers (70%) are women.<sup>37</sup> There is some change towards men progressively taking on more responsibility for child rearing, but women continue to be the primary care-givers.

- **Women are paid low wages for "women's work":** "Women's work", evolving from work that women are expected to do for free, such as caring for and teaching children, nursing the sick, preparing food, cleaning, serving others, managing a household, is not seen as skilled or valuable. 70% of women with paid employment are concentrated in a few female-dominated sectors: health, teaching, clerical, sales and service.<sup>38</sup>

- **Cuts to social assistance in most provinces,** stemming from a federal withdrawal of billions of dollars in transfer payments and the elimination of most standards that guaranteed help for people in need.

- **Inadequate pensions:** Less than half of the Canadian population with paid work (39.6%) was covered by an employer pension plan in 2002<sup>39</sup>. Of these, a minority were women.<sup>40</sup> The Canada/Quebec Pension Plans (CPP and QPP) are based on earnings, so women's lower earnings are reflected in the benefits, or lack thereof from this plan: The average man aged 65 to 69 gets a CPP/QPP benefit of \$533 a month, but the benefit paid to women in that age bracket is \$299 (56 % of what men get).<sup>41</sup> Since women tend to earn less income during their lifetimes, it is also more difficult for them to save money through Registered Retirement Savings Plans (RRSPs). Government talks about CPP credit-splitting upon marriage breakdown as a way to alleviate the poverty of senior women, but this option is not mandatory and very few women know about it.

### **INTEGRATED FEMINIST FRAMEWORK:**

We at CRIAW are working on situating our work within an Integrated Feminist Framework (IFF). This means that we attempt to include in our research and analysis, the lived realities of different groups of women as defined within categories: Aboriginal women, women of colour, women with disabilities, immigrant women, lesbians, bisexuals and transgendered women. In this analysis we also attempt to understand how institutions in society interact with these categories of women (as listed above) as well as with factors such as ethnicity, citizenship status, age, and class, to produce both oppression and privilege. We will further endeavour to understand how these categories themselves have been created and to what extent they actually reflect individual women's lived realities.



## WHAT IS IT LIKE TO BE POOR?

• A single mother of one child in Ontario receives \$957 per month of assistance before deductions. Then she has to spend \$675 on rent, \$200 on groceries, and has \$82 left to pay bills (electricity, telephone, heat), laundry, transportation, school needs for her son, emergencies, aspirin, haircuts, clothing, sanitary napkins, soap, birthday or Christmas gifts, visits to grandma, repair or replacement of appliances, medical expenses not covered anymore by medicare, and anything else.<sup>42</sup> She has to explain to her son why he can't go on school trips like the other kids, why he is teased for being dressed in old third-hand clothes, why he can't go to a friend's birthday party because there's no money for a little gift, why he can't participate in hot dog day at school because it costs money, why the milk tastes different because she's had to water it down, why by the end of the month they have to go down to the food bank because there's nothing left to eat. She has to cope with well-meaning higher income individuals who give her suggestions like buying in bulk when she has neither a car nor the financial means to buy large quantities. All of a sudden, how she spends her money and who she dates becomes everybody's business, and she is criticized if she splurges on a treat to relieve her depression or make her child happy. Being poor limits your choices and is not simply a matter of bad budgeting. Managing on a very low income is like a 7-day-a-week job from which there is no vacation or relief. Poverty grinds you down, body and soul.

**If there is greater poverty among women than men, why are the majority of the homeless people on the streets men?**

Only a small minority of homeless people panhandle on the streets. Homelessness is not always visible: Of the 26,000 people using emergency shelters in Toronto in 1996, half were in families and 5,000 were children.<sup>70</sup> Young homeless women are particularly vulnerable to being recruited as sex-trade workers in order to make ends meet. You may not see them on the streets during the day, but you see some of them at night. Most homeless people you never see at all. Homelessness is a complex issue resulting from poverty and lack of affordable housing, made worse by mental illness and addiction, and is particularly dangerous for women. It is not enough to just put a roof over a woman's head; this roof must also include a feeling of security and safety.<sup>71</sup>

• **Housing** is a major problem for poor women. In rural areas where families might own their own houses, they may not be able to keep them in a state of adequate repair. They may live with broken furnaces, ruptured pipes, rotten wood, cracked foundations, and have no capital funds to make windows and doors energy-efficient, no money even to replace the peeling paint, which further erodes their pride.

The urban poor, the vast majority of whom are renters, must move into the best housing they can get on a low income, which frequently means dilapidated apartments with dishonest or abusive slumlords, in high-crime areas, on loud streets or near environmental hazards. Women of colour and/or disabled women often have to deal with landlords who stereotype them, or refuse to rent to them. Overcrowded conditions lead to diseases such as tuberculosis which has re-emerged among the poor in Canada, as well as no quiet time or space for kids to do their homework. The urban poor tend to be transient, trying to find cheaper, better accommodation with good landlords. As a result, the lives of many poor people are disrupted through constant moving. Nearly 30% of poor children have changed schools three times before age 11, in contrast to 10% of better-off children.<sup>43</sup> Other factors such as hidden homelessness, where women are temporarily staying with friends, family, or a man, can mean that they might be subject to conflict or violence as well.<sup>44</sup>

• **Attitudes about poverty:** Being poor erodes the spirit just as malnutrition erodes the body. It lowers self-esteem, so it becomes even more difficult to get out of poverty. When individuals are blamed for being poor, it takes attention away from the state of the economy and unemployment, the cycle of poverty and abuse for which helping services

are currently insufficient. The blame is often internalized, sometimes turning into self-abuse, increasing self-destructive coping mechanisms like smoking, over-consumption of alcohol and substance abuse. All of these issues affect both women and men. However, most low-income women are also responsible for children, and it hurts them deeply not to be able to provide a safe, quiet, stable home, nutritious food and at least a small fraction of what their kids' classmates take for granted. They may think they are bad mothers for conditions



that aren't their fault. Low-income women are also sometimes deemed to be "selfish" for wanting to have kids. By contrast, CEOs of Canadian corporations, whose average salary is \$703,000<sup>45</sup> (not counting stock options or benefits), do not seem to be called selfish for paying some of their employees less than a living wage just so that they can buy a second boat. It's a matter of perspective and lived realities.

• **Lack of Privacy:** Women who are poor, on social assistance and working themselves to the bone trying to make ends meet for their children and themselves are often subjected to assaults on their privacy. As a recipient of social assistance, a woman is asked to sign broad information release forms. Anyone with access to social service files can then call up *all* her personal financial information. This makes women feel as though they are being monitored and policed at every step. Women on social assistance can also feel that they are at the mercy of the discretionary powers of their social assistance officers.<sup>46</sup>

• **Child custody and access:** Struggling to sort out legal and financial responsibility for their children can mean that many single mothers are caught in the justice system for many years. This is financially draining, physically and emotionally exhausting and if their former partner was abusive, it is also unsafe. The mother and child can then be at risk of abuse by the ex-partner. Often, professionals in the system encourage the woman to provide broader access rights for the ex-partner, even though it may be unsafe.

### WHAT EFFECT DOES THE POVERTY OF WOMEN HAVE ON SOCIETY, ON WOMEN?

• **Child poverty:** Children are poor because their parents (mainly their mothers) are poor. More than one million children live in poverty in Canada.<sup>47</sup> Poverty is strongly linked to poor health and poor school achievement.<sup>48</sup> School performance has been found to be the best and most stable predictor of adult involvement in criminal activity.<sup>49</sup> By keeping women poor, we are also keeping children poor, making them sick, sabotaging their future, contributing to crime, and perpetuating the cycle of poverty.

• **High health care and income security costs:** There is a clear link between low income and poor health.<sup>50</sup> Poverty increases reliance on health services, and

this drives up health care costs. For example, many senior women have spent many years caring for children and family members for free. This means they have not made a lot of income during their lives, and so their pensions are lower and their resulting high rates of poverty also drive up their health care costs. This is an unsustainable system.

• **Higher crime:** Only a minority of poor people turn to crime to supplement their income. However, a long-term study has shown that the most frequent criminal offenders came from the poorest families with the worst housing. Low family income, measured when the child was 8 to 10 years, was seen as a predictor of general social failure at age 32.<sup>51</sup> Studies have revealed that most female offenders are women with low levels of education, few job skills, no economic resources, living alone in extremely poor conditions, and unable to support themselves.<sup>52</sup>

• **Democracy eroded:** Women cannot become involved in decision-making structures in equal proportions to men when they remain primarily responsible for child-rearing, when they are economically disadvantaged by their caregiving role, and when they have fewer economic resources to run for office. An important perspective is lost, which may affect the direction and priorities of the country as a whole.

• **Health:** Acute and chronic ill health, susceptibility to infectious and other disease, increased risk of heart disease, arthritis, stomach ulcers, migraines, clinical depression, stress, breakdown, vulnerability to mental illness and self-destructive coping behaviours are also common impacts of poverty on women.<sup>53</sup> Women also face increased vulnerability to violence and abuse, as poverty traps and limits their choices.<sup>54</sup>

### WHAT CAN WE DO ABOUT IT?

• **Adequate Income:** Establish a minimum wage that reflects the actual cost of living. Ensure access to job training without heavy financial burdens, bureaucratic hassles and rules that make no sense. Canada is more prosperous than all European countries in terms of per capita Gross Domestic Product (GDP), but spends less on social security and other income support measures (including Employment Insurance (EI) and welfare) as a share of GDP.<sup>55</sup>

• **Economic Measurements:** In society, we measure progress and prosperity by economic growth.<sup>56</sup> Other



aspects such as natural and social resources and unpaid and voluntary work are not formally considered in measurements of progress. We measure what we value. Until women's work is valued and societal attitudes around this change, it will not be measured as part of a healthy, caring society. We need to encourage the use of alternative economic measures such as the *Genuine Progress Index* which includes 22 social, economic and environmental parts to measure our progress.<sup>57</sup>

• **Recognition of unpaid work:** Workplace practices and government policies, programs and legislation that support women and men in their family responsibilities are essential.

• **Re-establish basic standards:** In 1996, the federal government replaced the Canada Assistance Plan (CAP) with the Canada Health and Social Transfer (CHST). In 2004 the CHST was further divided into the Canada Health Transfer (CHT) and the Canada Social Transfer (CST). The CHT was recommended by the Romanow Commission, but the CST was created by default from the leftovers of the health fund. The CST includes post-secondary education and social transfers. However, there has been little public discussion about exactly how these social transfers to the provinces will be spent.<sup>58</sup> In addition to cutting millions of dollars for health, education and social services in the past decade, the federal government has also removed standards that guaranteed support for people in need. The CAP funded shelters for abused women, group homes for people with disabilities, and a wide range of services for people in need, as well as social assistance income. All this has been drastically cut back, as the federal government has abandoned most of its responsibility for the national problem of poverty in Canada.<sup>59</sup> Current block transfers to the provinces contain no funds specifically earmarked for social assistance or poverty reduction.

• **Decent, affordable housing:** Provide rent-geared-to-income subsidies to make existing housing affordable and capped at market values or less. Create additional affordable housing through rehabilitation and new construction. There is a waiting list of 96,000 for subsidized housing in large Canadian urban centres.<sup>60</sup> More than 68% of poor families with children live in unaffordable housing.<sup>61</sup> The market will not solve this problem, as decent, affordable housing is not profitable.

• **Child care:** Lack of affordable, good quality child care keeps many women from finding full-time, well-paying work. In Metro Toronto alone, 16,000 families are on the waiting list for child care. One third of these parents (over 5,000) could take a job tomorrow if they had child care.<sup>62</sup>


There is also a danger of child care becoming privatized. This would make it too expensive for most parents to afford, and not necessarily accountable to regulatory standards. Under the North American Free Trade Agreement (NAFTA) if we don't keep child care in the not-for-profit sector, we could face challenges from large commercial childcare chains who want to come to Canada and who put profits before quality child care, as experience has shown in Australia.<sup>63</sup> The government needs to live up to its promises of national child-care and ensure that it is accessible, affordable, high quality, publicly funded and regulated, and not-for-profit.<sup>64</sup>

Not only is child care necessary if parents are to provide an adequate income for their family, but children attending good quality, regulated child care are also more likely to do better at school.<sup>65</sup>

• **Social Services:** Ensure access to social services, including health care, child care, mental health care and substance abuse treatment.

• **Tax relief for the poor, not for the rich:** Having to pay income tax starts well below the poverty line. How can you pay for food, decent housing, bills, personal needs, transportation, clothing, repairs, dental work and other medical costs not covered by public insurance, occasional entertainment, savings for education, retirement or appliances, financial obligations such as student loans or supporting other family members, *and taxes* on \$8,500-12,000 per year? Yet thousands of low-income women are put into this bind while high income people get a tax break that allows them to take an extra vacation overseas. The general corporate tax rate in Canada has declined from 28% in 2000 to 21% in 2004.<sup>66</sup>

• **Unionization:** Unionized women earn 92% of what unionized men make. Non-unionized women earn up to 80% of what their male counterparts make.<sup>67</sup> The benefits of unionizing and incorporating labour standards are obvious.



• **Equality between and within women and men**, which honours and respects women's perspectives, paid and unpaid work, and values/priorities, is key to eliminating the feminization of poverty. Equality cannot be achieved by a one-off initiative or any one of the solutions listed here in isolation. The poverty of women is a part of systemic, structural inequality and it requires a systemic response that deals with poverty and gender inequality at its roots, including inequality within different groups of women.

The legal recognition of same-sex couples as common-law partners, allows them to have the same rules around child support, adoption and pension benefits<sup>68</sup>. The legal recognition of same-sex marriage within the whole of Canada would provide further equality, including rights of being considered next of kin, and rights around inheritance and succession etc. This would grant lesbian couples the same human rights as heterosexual couples.

**EMPLOYMENT INSURANCE:** In 1997 the federal government radically cut the Unemployment Insurance program. The name was changed to Employment Insurance (EI), the criteria for qualification were made much more strict and benefits were reduced. The result was that the number of people covered by EI fell from almost 80% in the late 1980s, to around 30% in the late 1990s.<sup>72</sup>

Previously, to qualify for UI/EI (and maternity benefits) a person needed 12-20 weeks (at 15 hours), but after the new rules, the requirement was changed to up to 700 hours (which is 20 weeks at 35 hours per week or 46.6 weeks at 15 hours per week and depending on the regional rate of unemployment).<sup>73</sup> The benefits were no longer based on weeks, but on hours of work. Some public pressure forced the government to change the required number of hours to 600 in 2001. At the same time though, the government eliminated the National Training Act and 39 employment programs especially those geared to women.<sup>74</sup>

For parental leave, although it is now possible to get up to 50 weeks through the EI program, only a minority of women qualify. Ten thousand fewer women are now able to access EI maternity benefits than prior to the change.<sup>75</sup> Even if women do qualify, the benefit level is 55% of their insurable earnings, and not all their earnings - such as contract labour - may be insurable. People may receive a maximum of \$413 in weekly earnings for maternity or EI benefits. In many cases it may not even cover rent. There is also an enforced two-week waiting period for benefits with no income, just when a pregnant woman or new mother needs income most. By comparison, Norway's system of parental leave grants a choice between 42 weeks with *full wage replacement* or 52 weeks at 80% of salary.<sup>76</sup>

**PRECARIOUS EMPLOYMENT:** In Canada, 34% of the workforce over the age of 15 is involved in non-standard work, which includes part-time employment, temporary employment, own account self-employment, and multiple job holding.<sup>77</sup>

More women than men are involved in precarious work. In 2003, more than 28% (2 million) of women in the workforce worked less than 30 hours per week at their main job, compared with 11% of men.<sup>78</sup> Statistics from 2001 also reveal that women's participation in the paid workforce was only 59.7% compared with men's 72.5%.<sup>79</sup>

People who are employed in precarious jobs don't always have protection under labour codes or collective bargaining agreements. Being forced to work on contract and/or part-time is becoming more and more common in the Canadian economy. A recent study shows that the wages of newly hired employees have dropped substantially, relative to other workers. From 1989 to 2004, the number of all recently hired private sector employees who had a temporary job, rose from 11% to 21% (see <http://www.statcan.ca/Daily/English/050126/d050126a.htm>).

**PAY EQUITY:** Pay equity is a basic human right, enshrined in various international conventions and treaties. The principle of pay equity ensures that there is no discrimination in wages based on gender. The Canadian Human Rights Act and the equality provisions in the Charter of Rights and Freedoms support pay equity, and yet, women in Canada still only earn 71% on average of what men earn.<sup>90</sup> In some provinces, such as Newfoundland and Labrador, women's average income has been as low as 62.4% of men's.<sup>91</sup>

The fight for pay equity has involved three important but different aspects. One of these is the idea of equal pay for equal work. This means comparing jobs done by men and women, where the job is the same or basically the same, to see if there are differences in wages between men and women. The second, equal pay for work of equal value compares different jobs that are considered "male" or "female" to reduce the wage gap. Finally, pay equity laws refer to programs and laws that attempt to achieve pay equity proactively, that is, a complaint should not be needed to achieve the goal.<sup>92</sup>

While there is legislation in the Canadian legal system to protect pay equity, women still dominate in traditionally female occupations which tend to be lower paying and precarious. Recently, the fight for pay equity suffered a severe blow. The Supreme Court had decided that the government of Newfoundland and Labrador discriminated against members of the Newfoundland Association of Public Employees (NAPE) (within the health care system) in 1991, as it withheld retroactive pay equity payments. However, the Supreme Court also ruled that this was justified, given the province's fiscal situation.<sup>93</sup> The message here was clear: women's equality is not as important as the economy.

In 2001 the federal government appointed a Task Force on Pay Equity and adopted some recommendations made by this task force. CRIAW, along with a number of other women's organizations, provincial pay equity coalitions, and the Canadian Labour Congress, is working on a Pay Equity Campaign to pressure the federal government to implement the recommendations of the Task Force on Pay Equity. For information on the Pay Equity Network see: <http://www.nawl.ca/lob-pay.htm>. Employment equity is also important. For example, Aboriginal women in workplaces covered by federal employment equity laws earned \$33,310, 87% of their female colleagues<sup>94</sup>, as opposed to the below-poverty level average annual incomes of most Aboriginal women, and the even larger wage gap with women in Canada.

**CHILD BENEFITS:** The House of Commons passed a unanimous resolution in 1989 to end child poverty by the year 2000. Ironically, the rate of child poverty rose between 15% and 18% in the decade that followed.<sup>80</sup> While some decrease had been noted in 2000-2001 in rates of child poverty,<sup>81</sup> Canada continues to have one of the highest rates of child poverty out of other industrialized countries, at a rate of 15.7%.<sup>82</sup> Tackling child poverty requires a comprehensive approach that includes the strengthening of different social policies such as employment insurance, maternity benefits, social assistance and housing. The federal government has made a commitment to increase the Canada Child Tax Benefit (CCTB) to a maximum of \$3,243 for one child by 2007.<sup>83</sup> However, national organizations and groups call for an amount of up to \$4,900 annually.<sup>84</sup> The CCTB is a base monthly benefit provided to families with children under the age of 18. The National Child Benefit Supplement (NCBS) is a supplement provided to low-income families with children.<sup>85</sup>

For families on social assistance, the increased amount they received in the NCBS has been clawed back dollar for dollar from their social assistance payments, by the majority of provinces.<sup>86</sup> This is because the NCBS is considered income by many provinces. The policy is based on the stereotype that poor people don't want to work, so it provides an "incentive" to work by forcing people, especially women, to watch their children go hungry.

The money that is taken away from families is what the government calls a "saving" which is supposed to be reinvested into programs that benefit low-income families with children.

Support for children on welfare has actually declined with the CCTB though. Estimates based on clawbacks to the NCBS show that only 66% of poor families with children benefited from the federal child tax during 1998 and 1999. Approximately half (57%) of poor single-parent families were allowed to keep their supplement.<sup>87</sup>



**GLOBALIZATION AND WOMEN'S POVERTY:** Globalization can be seen as a set of processes which in part facilitate the easier flow of materials, products, services, cultural symbols and practices and communication between groups of people, communities and nations.

While on the one hand these processes bring people closer together, their speed and intensity also create problems. For instance, trade is emphasized within globalization, as the way in which people's lives all over the world will be improved.<sup>88</sup> While trade is pushed, the social safety net provided by the government is also eroded. This means that wealth continues to accrue to the already powerful and privileged, while the traditionally disadvantaged groups, such as women (particularly marginalized women), fall deeper into poverty or become more vulnerable to poverty.

World economic markets are merged through free trade agreements. Governments are then forced to reduce corporate taxes to make their countries and cities more 'competitive' (to invite foreign investment), while taking necessary funds away from social programs. Having spent their money on corporations, governments can no longer afford to pay for essential services such as health and child care. Private for-profit companies are then allowed to come in as service providers. The essential services provided by these companies are usually too costly for low and middle income families.

These are the effects of international trade agreements such as the North American Free Trade Agreement (NAFTA) and the Canada-US Free Trade Agreement (FTA), which are simply described as cross-border trade, but they actually interfere in many areas of our lives, such as policy on education, health, and employment. Although the government is supposed to be transparent in its working, the details of these free trade agreements are decided in secret.<sup>89</sup>

Sometimes NGOs and faith based organizations come in and fill the gap in services created by the government. Most often, though, government funding for these groups is cut and the door is opened to multinational corporations. However, standards that regulate costs of services, and worker's conditions and salaries, are not enforceable upon these multinational corporations.

The push for 'small government' also means that the power to regulate business and to tax corporations is lost. Without these accountability measures, the poorest are often most exploited, either because they cannot afford basic essential services any more, or because they are forced to work for these multinational companies at minimum wages (or below) and with inadequate or no benefits.

Again, women (particularly marginalized women) are much more adversely affected by these government actions than are men, in part because women are forced to shoulder greater responsibility for child rearing and because women occupy more precarious jobs. Women's higher vulnerability to poverty also means that they rely on the social safety net more than men.

As governments shrink under the pressure of globalization, women's access to social services, employment and benefits also shrinks.

## WHAT YOU CAN DO

- **Contact** your political representatives and ask them what specific measures they will take to reduce/eliminate poverty among women from the list above. Ask them to set real poverty reduction targets and timetables, and make this issue a top priority. Follow up with them to see if they have kept their word.
- **Support** organizations that advocate and provide services for poor people, including advocacy organizations, shelters, food banks, women's organizations, and international development organizations which take gender into account in economic development programs.<sup>69</sup> Support living wage and minimum wage campaigns.
- When you hear someone saying "all people on welfare are..." **challenge** the assumption. At no time is it valid to make assumptions about an entire group of people on the basis of the actions of a few individuals. Write letters to the editor when media engage in poor-bashing.
- Look for **fair trade** clothes and other products. Make sure your money does not go toward the exploitation of women in the garment or agricultural industries. For more info: Ten Thousand Villages network [www.villages.ca](http://www.villages.ca).
- **Support or establish** laundry co-operatives, bulk-buying groups, a housing co-op, a free after-school program, a fund that would allow girls to participate in organized sports and other activities, a store that sells fair trade clothing and goods.
- **Ask** about the wages and working conditions for women at your local businesses, and support the ones that pay and treat women well.
- If you have non-union paid employment, look into **unionizing** your workplace, or promoting better labour standards. Recruit a group of co-workers to persistently press your workplace for more flexible options for people with family responsibilities. Find out what your rights are.
- If you are a man, **do your fair share** of housework and child care, and talk to other men about the value of this work. Treat all the women and men in your life with equal respect. Translate your words into action by joining initiatives such as the White Ribbon Campaign [http://www.whiteribbon.ca/about\\_us/#1](http://www.whiteribbon.ca/about_us/#1)
- Get any group you belong to, such as a workplace, place of worship, union, book club, support group, bowling team, etc. to **take action** on poverty in general and poverty among women and children in particular, in your own community and around the world.
- If you are living in poverty, **take heart**. You are an incredibly strong and competent person to survive these unfair and degrading conditions. You are not alone.

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