

Have we learned anything from the she-cession?

Linda Bicho-Vachon, BNN Bloomberg Mar 8, 2022

In April 2020, the female employment rate dropped to its lowest point since 1985, highlighting the disparity between men and women in the workforce, according to a report by RBC Economics. But as the economy recovers and women are wooed back to work, have we learned from the mistakes that drove them away in the first place?

The RBC report said women's workforce participation fell to 55 per cent amid pandemic-related lockdowns that mainly effected female-dominated industries. The report also showed that job recovery was slower for women than for men and noted that women with children between the ages of six and 17 were more likely to leave the workforce as they continued to carry the burden of family care.

Experts say the drop in women's workforce participation can lead to both social and economic consequences. If women's participation rates were equal to men's, Canada's economy would see a boost to gross domestic product (GDP) of \$100 billion per year, according to Carrie Freestone, an economist with RBC Economics.



A sign board displays the TSX as women walk past the Richmond Adelaide Centre in the financial district in Toronto on Sept. 29, 2021.

Armine Yalnizyan, an economist and Atkinson Fellow on the Future of Workers, said that lower employment rates for women is a business problem when it comes to household spending.

“Fifty-seven per cent of GDP is fueled by household purchasing power,” Yalnizyan said. “When you cut the disposable income of these households, you cut the purchasing power.”

She estimated that 40 per cent of this expenditure comes from women in households with children.

WORKPLACE SUPPORT

More companies are recognizing the value of policies that support the needs of women who are juggling work obligations and family care. A recent survey published by the Human Resources Association (HRPA) on HR Trends reported that 67 per cent of organizations planned to continue to offer hybrid work arrangements.

Offering enhanced parental leave benefits is another way companies can support families in the workplace, yet 54 per cent of employers still do not offer parental leave top-up benefits beyond the basic government program, according to HRPA’s survey. But this trend could be changing as employers think of new ways to attract employees. Madeleine Nicholls, managing director with commercial real estate brokerage firm Colliers, said the pandemic has brought about changes in strategies to make the workplace more appealing, especially for employees who are juggling family and work obligations.

“COVID has accelerated a lot of things forward,” Nicholls said. “In order to be competitive, we have to offer a hybrid work environment.”



A worker uses a desktop computer whilst working from home in Stow Maries, U.K., on April 8, 2020.

Last year, her firm introduced enhanced parental leave to bolster its employee benefits package.

Beyond company policies to help working parents, Yalnizyan said that a public program for affordable day care such as the federal government's plan for \$10 per day child care will level the playing field for even more women to join the labour market.

She said that the shift from a market-driven daycare service to a publicly-managed service "will change the dimensions of the sandbox we all play in." Yalnizyan was also quick to point out that Ontario, the largest province in the country, has yet to sign on to the plan.

GENDER PAY GAP PERSISTS

Women have also faced a struggle for pay equity. According to the Canadian Women's Foundation, women earn only 78.6-cents for every dollar earned by men. A report from TD Bank concluded that in a tight labour market, with inflation rates at 30-year highs, wage increases are expected, but it is unclear if these wage increases will be enough to bridge the gender pay gap that continues to exist in Canada.

Heather Ellis, president of the Business and Professional Women Ontario (BPWO) agreed some women may be benefitting from higher wages due to the rush to hire staff in a highly competitive labour market. But she worries about female-dominated sectors that might not benefit from this trend.

"One of my concerns (is) Ontario's subsidies (for personal support workers and direct support workers) are ending the end of March," she said, referring to Ontario's temporary wage enhancement program for frontline health care workers. "That \$3.00 (per hour) now is so important to their lives, as well as their quality of life."

Ellis said she also worries about the loss of any progress made to decrease the wage gap due to the high unemployment rate for women during the pandemic. She cited the example of Bill 124 - legislation passed in Ontario that capped wage increases for nurses, nurse practitioners and health care professionals to one per cent for three years starting in 2019 - before the pandemic.

"What has to happen in the workplace is transparency," Ellis said. "When it becomes apparent what everyone is making, there's not going to be that natural wage gap."

The federal government has committed to transparency through its Pay Equity Act that was passed Aug. 31, 2021. The act requires federally-regulated employers with ten or more employees to ensure that they address any gaps between men and women doing work of equal value. However, private sector companies are slower to adopt this

practice, with only 46 per cent of employers reported to have implemented pay equity, according to HRP.

Ellis said that having more women in leadership positions is necessary to advocate for policies such as equal pay and more generous family care policies.



A woman works at a laptop computer in a lounge as children sit beyond in this arranged photograph taken in Bern, Switzerland, on Aug. 19, 2020.

“We have to change the model in the workplace,” she said. “We have to make it family-oriented, because realistically, we know it’s not just parents that are raising children now. We know the grandparents are having to take custody and do kinship care.”

Nicholls said that having women in a leadership position is also reassuring to other female employees, but it takes effort to build that female presence in the senior ranks.

“It shows ‘we get you’ and can be critical when it comes to shaping policy,” Nicholls said.

As a managing director, Nicholls is involved with hiring at the firm, so she actively reaches out to groups of women that will be graduating in the next two years as one way to build up the talent pool.

“It all starts at the top and making that funnel at the top as wide as possible,” she said.

BENEFITS OF WORKPLACE FLEXIBILITY

Having a more flexible workplace was very important to Kaylie Chow when she decided to leave her job with the federal government in August 2021. Kaylie has aging parents with high needs so the ability to take time when she needed was important to her.

“My last position was one that demanded being responsive and available to a supervisor from 8:30 in the morning to 4:30 in the afternoon and sometimes outside of those hours. So there was zero flexibility for personal needs,” she said.

Prior to accepting her current role as administrative director of Community Legal Services of Ottawa, she was able to negotiate a generous vacation package and was offered a competitive salary that she felt was fair.

As a leader in the organization that is looking to attract employees, she recognizes the value of offering flexibility and support for both men and women who are juggling work and family care responsibilities.

“We need to give up the idea that everyone’s going to work Monday to Friday from nine to five from the office, or that there will be any kind of fixed schedule or fixed location,” she said.

But Chow said she still sees the disparity with women who struggle more at home. She recognizes that more needs to be done within her organization to accommodate their needs.

“There needs to be a shift in male thinking and it’s not even the big strokes,” Chow said.

“There needs to be more recognition of the more subtle ways that women carry the responsibility of household chores.”

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