

Backgrounder

Federal-Provincial/Territorial Ministers Responsible for the Status of Women

Economic Gender Equality Indicators

Federal-Provincial/Territorial Ministers commissioned this project in the context of the priority they have placed on women's economic security. It is also linked to the growing need identified by governments and the public to establish 'social' indicators to monitor and plan for human well-being, comparable to the way Gross Domestic Product (GDP) serves as a benchmark of the state of the economy.

While GDP uses money as its common denominator, social indicators measure other things as well, such as life expectancy or unemployment. And even though equality between women and men is considered an important societal objective, many traditional indicators overlook realities of women's lives that are essential to society and the economy, such as their unpaid work caring for children.

The Economic Gender Equality Indicators are a selected set of benchmarks to reflect core, interrelated aspects of women's and men's economic lives and include income from a variety of sources in addition to earnings (measured in money), unpaid as well as paid work (measured in time) and education and job-related training (time and attainment measures that also look at gender predominance in fields of study).

These Indicators are designed for use by government and other actors involved in the public policy process to raise awareness of women's and men's realities, stimulate public policy discussion, encourage a search for explanations and responses, and monitor change over time.

Among the report's key findings are that gender gaps in earnings and income narrowed across Canada between 1986 and 1995* and the income tax system continued to make a contribution towards gender equality. Women made inroads into male-dominated educational fields and graduates improved their chances of getting "good" jobs. There was also a better sharing of paid and unpaid work in 1992 than in 1986. But significant gaps remain: women received less income and employer-sponsored training, yet they still put in a longer work day than men. Closing gender gaps will require solutions within the labour market as well as outside it.

*Gender equality indicators are presented as ratios: 1.0 represents equality, indicating no gap between women and men. Gaps above or below 1.0 indicate imbalance or inequality. Time periods vary among indicators depending on data source.

The report also highlights the need for detailed analysis of the diversity of patterns and trends behind the averages for women and men. One critical factor is the difference children make; they have a much larger impact on women's work than on men's which in turn can affect their economic security and autonomy. An example is provided of an analytical method to assess the impact of factors such as age, education, occupation and presence of young children on income and earnings.

The work section illustrates how very different the work patterns of some women can be from the average for all women. This is especially true when the work is categorized according to who benefits -- the paid labour force, children or other relatives and friends. Additional resources are provided in an appendix, as a starting point for further research and analysis.

Statistical Highlights

Income

Between 1986 and 1995, all income and earnings indexes improved. After tax income increased from 0.52 to 0.60, meaning that women's income went from 52% to 60% of men's. (Income figures are based on averages for all men and women aged 15 years and over, and earnings are for those 18-64. The ratios are therefore different than figures which compare only some men and women, such as those who are employed full-time, full-year.)

Because after tax income is higher than before tax, it illustrates the positive effect the income tax system has on gender equality. Taxes affect how much disposable income is available to be used, and because of the redistributive aspects of the income tax system, it was considered important to see how the gender gap would appear when income tax was subtracted from total income. The income tax system recognizes that people with less income have less ability to pay tax and it allows them to keep proportionally more of their income. Since women have lower incomes, the gender equality index for after-tax income can be expected to be higher than the total income tax. Because income is higher than earnings, it shows that sources of income such as child support, maternity and parental benefits and pensions, are particularly important to women.

Even when differences between women and men in factors such as education, employment and family status are taken into account, significant gender gaps remain that these combined factors do not explain.

Work

In contrast to women's lower incomes, they have heavier workload when all work of economic value, paid and unpaid, is included. The total workload index for 1992 stood at 1.08. This 0.08 gap means that women work over half an hour more every day than men - 8.9 hours compared to 8.3 hours.

There was a better sharing of paid and unpaid work in 1992 than in 1986. The paid work ratio moved closer to 1.0, the point where paid and unpaid work would be equally shared, by increasing from 0.53 in 1986 to 0.6 in 1992. The unpaid work index also moved closer to 1.0, in this case decreasing from 2.16 to a still high 1.73.

Within these averages there are very different patterns of paid work and unpaid work, depending on the employment status of adults in different household types and whether there are young children or not. Work that primarily benefits children is mostly done by women, even when they are employed full-time. In 1992, full-time employed women with a full-time employed spouse and a child under 6, did almost double the child-oriented work of men at 1.86.

For two types of households with young children, women's paid work and child-oriented unpaid work, were higher in 1992 than in 1996 when compared to men in similar household situations.

Learning

University degrees granted to women, relative to men, increased between 1981 and 1994 in female-dominated fields (2.24 to 3.00), in gender neutral fields (0.56 to 0.96) and in male-dominated fields (0.21 to 0.34).

Women's and men's job-related training participation rates are similar but women receive fewer hours of training. The training index for employer-supported training was farther away from gender balance in 1993 at 0.68 than in 1991 where it was at 0.75.

From 1986 to 1995, there was a steady closing of the gender gap in occupational returns on investment in university education (the chances of graduates getting a "good" job). This index rose from 0.69 to 0.80. This improvement in gender balance was the result both of women's chances increasing and men's chances decreasing somewhat over this time period.