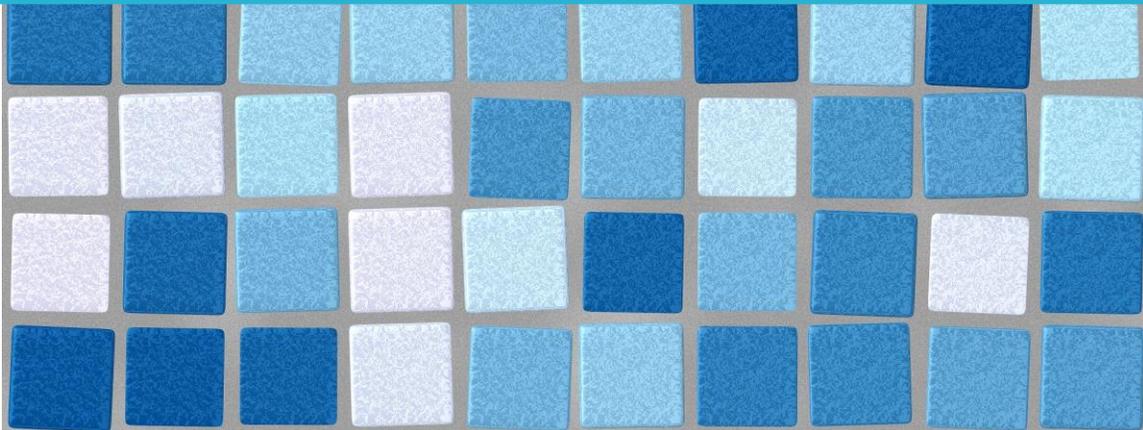


A Snapshot of Women and Poverty in New Brunswick in 2014 Executive Summary



New Brunswick Common Front for Social Justice

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www.frontnb.ca

The Common Front for Social Justice is marking the 105th International Women's Day by releasing a snapshot of women and poverty in New Brunswick in 2014. The report examines the feminization of poverty and the challenges faced today by women in the paid workforce, on social assistance and on pensions. Here are some highlights:

Women are overrepresented among the poor in New Brunswick, particularly if they live without a partner.



28.9% of women-led households are poor.

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.

The causes of poverty for women and men are different.

The poverty of men is 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, they are concentrated in low paying jobs and because they spend more time doing unpaid work, leaving less time for paid work.

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



Gender wage gap

11.4%

because women are still confined to low-wage job ghettos like retail and food services, where unionization rates are low. New Brunswick women earned on average 88.6% of what men did in 2013, a wage gap of 11.4% when hourly wages for all employees in all occupations are compared. In 2000, the wage gap was 22.5%, according to Statistics Canada. Women's lower earning power means they are more likely to join the ranks of the working poor if they have children and then become 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.

Wages for workers in publicly-funded private care sectors remain woefully inadequate.

New Brunswick's home support workers in 2011 were making an average wage of \$11/hour. The "fair wage," according to the New Brunswick government after they conducted a pay equity study of this workforce, is \$13.15/hour. In 2011, crisis interveners at transition homes were making an average wage of \$13.37/hour. The government of New Brunswick claims that they deserve a measly 3 cents/hour wage increase to \$13.40/hour. Support workers in child care were making an average wage of \$10/hour in 2011 and after the pay equity exercise were deemed eligible for an increase to \$12.52/hour.

Pay Equity Now !

Employees in these care sectors and more women in New Brunswick are working more than one job to make ends meet. In 2013, 6.5% of women and 4.4% of men in New Brunswick had two or more jobs, according to Statistics Canada figures.

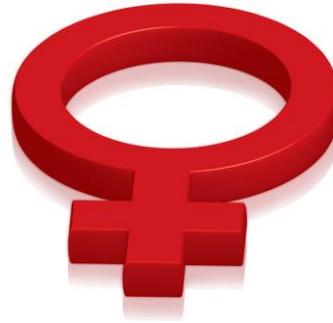
The wage gap between women and men with union coverage is much smaller than for non-unionized workers. Unionized women working in permanent jobs in New Brunswick earned on average 2.6% less than their male counterparts in 2013, while non-unionized women working in permanent jobs made on average 19.3% less than their male counterparts, according to Statistics Canada.

Women spend more time doing unpaid work, leaving less time for paid work. Unpaid work includes but is not limited to childcare, eldercare, housework and meal preparation. Women are more likely than men to lose paid work time because of family responsibilities. Many women choose part-time, seasonal, contract or casual jobs when faced with domestic responsibilities. Many more women in New Brunswick, 15 to 64 years old, are employed in the part-time sector than men.

72% of part-time jobs
are held by women

Women held 72% of part-time jobs in 2013, down from 74% in 2000, while men held 28% of part-time jobs in 2013, up from 26% in 2000, according to Statistics Canada figures. Unfortunately, most of these jobs are low-paid and have no job

security, fewer opportunities for advancement and no health 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.



Most people working for minimum wage in New Brunswick are women.

The minimum wage in New Brunswick in 2014 is \$10.00/hour, not enough for workers to maintain a decent quality of life. According to information received from the Government of New Brunswick, 65 percent of all minimum wage earners in 2012 were women.

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 (8.1% of women in 2013 compared to 12.7% of men), but are overrepresented in precarious employment, particularly part-time and casual jobs. 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.

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 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.

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. It is common knowledge that a majority of single-parent households are headed by women and thus it can be assumed that women are overrepresented among social

assistance recipients. The annual social assistance income for a single-parent one child household in New Brunswick in 2012 was \$16,460 or 81.6% of the poverty line while the social assistance income for a two-parent two child household (\$20,318) was 64.8% of poverty line and the social assistance income for a single employable recipient (\$6,801) was 41.0% of the poverty line, according to a study by the Caledon Institute for Social Policy. The deplorably inadequate social assistance rates are seen in the increasing number of individuals on social assistance who have to resort to a food bank in New Brunswick. According to *Hunger Count 2013* by Food Banks Canada, of the 19,989 people forced to turn to New Brunswick food banks in 2013, 69.3% listed social assistance as their primary source of income while 5.8% listed pensions as their primary source of income; 49.2% were women; 23% lived in single-parent family households; 20.5% lived in two-parent family households.

Women are overrepresented among low-income pensioners. About 50% of women retirees and 40% of men retirees in New Brunswick received the Guaranteed Income Supplement in 2011.



50% of women retirees
receive GIS

These seniors, if they are single, receive a maximum annual amount of \$15,592.80 from their Old Age Pension and Guaranteed Income Supplement, which is below the poverty line. Women's low earnings during their working lives are still 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).

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;
- Addressing the income needs of older women on their own by increasing the Guaranteed Income Supplement for single individuals;
- Changes to the EI program to provide equality of access to women and men;
- Raising social assistance rates above the poverty line for lone-parents and everyone;
- Giving special attention to income needs of certain groups such as people with disabilities, Aboriginal people, visible minorities and recent immigrants;
- Implementing a national system of early learning and child care;
- Developing strategies to address non-standard work issues such as regulating temporary employment agencies;
- 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.