

The Honourable Monte McNaughton
Minister of Labour, Training and Skills Development
Chair, Ontario Workforce Recovery Advisory Committee
Government of Ontario
OWRAC@ontario.ca

July 26, 2021

## Re: Recommendations for a Gender-Responsive Workforce Recovery Plan

Dear Minister McNaughton and Committee Members:

We are very glad to see this important advisory committee struck. Ontario's workforce was in a state of flux far before COVID-19 left it permanently altered, but the pandemic brought serious, underlying concerns into sharp focus. Women were severely impacted through the most trying days of COVID – particularly Black, racialized, and Indigenous women, women with precarious immigration status, those living with disabilities and/or from the 2SLGBTQ+ community. Many women worked high-risk frontline jobs in feminized sectors with little pay or performed the bulk of unpaid care work at home, bumping them out of the workforce altogether. All of this has contributed to inequities and gaps in Ontario's workforce that we find troubling.

Job market recovery for women has not kept pace with men: As per your <u>2021 Budget</u>, women's return to work rate has remained lower than pre-pandemic levels (a 4.9% drop from February 2020 to February 2021). Even as the economy rebounds amidst the province's reopening, we are concerned that women, and primarily racialized women and newcomers, will be left behind when they should be key players in shaping the future of work.

At YWCA Toronto, we firmly believe the future of work hinges on women's full access to employment in all sectors and at all levels. Supporting women's labour market re-entry will require robust gender-focused investments in workforce development initiatives. Social infrastructure funding in housing and child care and improved labour standards in feminized industries are also certain to produce better pay and higher employment rates.

Gender equality is an engine for inclusive economic growth. Policies that address gender disparities and substandard employment conditions will directly help women workers concentrated in the lowest-paid, most precarious jobs. Financially secure women empower their families and communities – the social dividends have long-lasting positive effects on all aspects of society.

For all of these reasons, we are writing to share our policy recommendations on how Ontario can support a workforce recovery that is gender-responsive, equitable and well prepared for long-term success.

#### **About YWCA Toronto**

YWCA Toronto is a leading provider of feminist and anti-oppressive community programs. Every year we help thousands of individuals find safety, gain meaningful employment, and access safe, affordable housing. We also engage in systemic advocacy to advance gender and racial equality, reduce poverty, and end gender-based violence in our city and province.

### **Summary of Recommendations**

- 1. Implement universal child care: Access to affordable and high-quality child care is foundational to women's employment and skills development. There will be no adequate workforce recovery without rigorous, long-term support for Ontario's child care system a system that is high quality, affordable and accessible. As the pandemic revealed, parents require supports in order to devote themselves fully to work, and the nonprofit sector can with political will offer programs that are flexible. This system would also ensure early childhood educators are appropriately paid and supported as essential workers.
- 2. Secure decent work for all: Strong labour laws and standards that protect all workers regardless of immigration status or sector of employment are critical to preventing precarious and substandard working conditions. This looks like legislated paid sick days (even after the risk of COVID has passed) and a minimum wage that reflects a living wage. The government has indicated the temporary wage enhancement for personal support workers will be made permanent, which is welcome news. It should also be expanded to include frontline housing, shelter and child care staff all of whom are inadequately compensated for their essential labour.
- 3. Prioritize women's skills development: Targeted skills development for women and equity-seeking communities has already featured in this government's labour, training and skills development portfolio. But so much more is needed in the emergence from this pandemic to ensure women find the right jobs for them and remain in these jobs. Stronger, multi-year investment in women's skills development in programs offered by women-led nonprofits is part of the solution. Closing gender gaps in the skills trades and technology fields will require robust and targeted gender-focused investments. Access to child care will also support this effort.
- 4. Invest in "life stabilization" factors: Labour market participation is severely restricted when access to stable, affordable housing and other public goods are limited. Certain life stabilization factors must be in place before someone can consider paid employment. Increased gender-focused investment in a range of supportive and affordable housing options, affordable public transportation, and income supports for new mothers and women with unpaid care responsibilities will incentivize labour market participation and ease long-term reliance on income assistance programs.
- 5. Uplift the nonprofit sector: The nonprofit sector, a feminized workforce and a significant contributor to the care economy, needs better public funding to continue providing essential services that have been relied upon even more heavily during this recent period of economic hardship. We strongly encourage this government implement the recent recommendations by the Ontario Nonprofit Network to invest in our sector's survival and growth and to strengthen the wages and working conditions of nonprofit employees.

#### **Further information**

### 1. Implement universal child care

Access to universal child care is the bedrock of women's economic security. While YWCA Toronto has been calling for universal child care for decades, women's exit from the paid workforce during the pandemic to undertake unpaid care responsibilities at home highlighted the urgency of this public service. The employment rebound for working mothers has been painfully slow: According to Statistics Canada's November 2020 jobs report, 54.9% more mothers with children 12 and under were working less than half of their usual hours compared to the year prior. There is no workforce recovery without a solid plan for affordable, accessible child care.

The federal government's \$30 billion pledge to nationalize child care with a target to achieve a \$10 a day model within five years is a beacon of hope – but its success is contingent upon enthusiastic cooperation from the provinces. We are hopeful the Ontario Government will be a strong partner in making this child care commitment a reality. A recent analysis finds that maintaining and investing in existing nonprofits while limiting the expansion of for-profits is the most promising path to a robust universal child care system.

All federal transfers for child care should be invested in public and nonprofit child care options to ensure this system functions as an essential public service. As a nonprofit provider of child care in a lower-income neighbourhood in Toronto, we see firsthand the importance of affordable child care in supporting women's employment and addressing unpaid labour hidden in the household. Access to part-time or flexible child care is also key. With the future of work including remote and hybrid work, flexible child care options will be critical.

Nonprofits are in a unique position to offer flexible, high-quality child care choices because we understand the connection between the quality of care and conditions of work. By paying child care workers a professional wage that reflects the principles of pay equity, more child care workers will be recruited to the field to address workforce shortages and ensure quality education.

Nonprofit child care can be intentionally planned and developed across urban and rural regions in much the same way other public services are delivered. Ongoing capital investments to create new physical infrastructure and maintain and retrofit existing buildings so they are appropriate settings for child care delivery could also help ensure equitable access to services. By investing in capital, a government is not only lowering the cost of child care for parents, it is also helping to elevate the quality of jobs for early childhood educators, which will help facilitate a sustainable workforce recovery.

Access to universal child care will enable women to participate fully in Ontario's workforce as tax credits do not go far enough. Throughout the pandemic, the nonprofit child care sector provided flexible, accessible emergency care for the children of essential workers. With political will and proper investment in our sector, we can ensure flexibility and choice for all parents.

We recommend this government follow the <u>Roadmap to Recovery</u> recently published by the Ontario Coalition for Better Child Care for guidance on how to implement universal child care province-wide.

#### 2. Secure decent work for all

The rise of precarious employment – temporary, contract and/or part-time jobs with low wages and few benefits – has contributed to income inequality and working poverty in our province. These lower-paid occupations tend to be concentrated in the care and service economies, which are highly feminized segments of the labour market. Women represent the majority of workers on the frontlines in essential service and caregiving jobs that typically cannot be done from home. These jobs tend to be filled by a <a href="disproportionately large share">disproportionately large share</a> of racialized women.

Improving labour standards across the board is one effective way to reduce the negative impacts of precarious employment and to support gender equality. Ensuring all workers, irrespective of industry or immigration status, are protected by Ontario's *Employment Standards Act* is one important way to do this. The rise of workers in the gig economy and our continued reliance on migrant farm workers and live-in caregivers means there is an entire segment of the labour market that does not have access to even minimum standards of working conditions. This is not acceptable.

Inclusive economic growth that affords everyone the opportunity to live healthy lives in safe neighbourhoods is what this government should strive for – and why employment standards must urgently improve. This means investing in a minimum wage that reflects a living wage, paid sick days and permanent residency for all migrant workers. This also means addressing the stubborn gender and racial wage gaps by enforcing and expanding pay equity laws.

Employment equity is an important principle to help tackle the challenges of precarious work. Pay equity policies traditionally focus on eliminating differences between men and women but <u>such policies can be extended</u> to cover all genders and other equity groups such as Indigenous Peoples, racialized people, and people living with disabilities. As <u>recommended by the Ontario Council of Agencies Serving Immigrants (OCASI)</u> creating an oversight mechanism will be an important first step to ensuring merit-based employment province-wide. Adopting a proactive pay equity model that outlines steps and timelines for achieving and maintaining pay equity in the public and private sectors will also make a difference.

We are heartened by the government's <u>announcement to make permanent the temporary wage</u> <u>enhancement</u> for personal support workers. It should also be expanded to include frontline housing, shelter and child care staff – all of whom are inadequately compensated for their essential labour. Providing funding to help employers set guaranteed minimum hours of work each week and equal pay and benefits for equal work regardless of status (part-time, contract or temporary workers) would also help ensure some equity and stability for individual workers.

Women in the care economy stand to benefit enormously from improved employment standards. The future of work is decent work: Fair wages for the effort involved, humane hours and the principles of equal pay applied. While many women – from personal support workers to grocery store clerks – have been verbally lauded as "frontline heroes" during the pandemic, they have not been afforded the pay and labour protections they deserve. The time to change this is now.

## 3. Prioritize women's skills' development

It is hard to forget the <u>shocking chart released by RBC Economics</u> last summer charting Canadian women's workforce participation plunging to historic lows in April 2020. The combined departure of

women exiting the workforce to perform unpaid care work at home and their industries severely impacted by pandemic lockdown measures had a devastating effect. For women and gender diverse people who were unable to return to work due to the impacts of COVID – or access the job market to begin with, as newcomers to Canada or recent high school graduates – a secure, reliable path to a great career has been seriously inhibited.

YWCA Toronto is a proud provider of employment services to community members who need help finding a job, and we are grateful for provincial government support for some of these services. Despite the proven success of gender-specific skilled trades programs, funding agreements are not sustainable. It is difficult to respond to community needs, plan for the future, and recruit and retain staff when funding is on a 12-month calendar and renewals cannot be counted on. Three-year or five-year funding models would allow organizations to provide a continuity of service and build meaningful relationships with training institutes, employers and unions.

In order to remedy gender-based inequities, we believe women and gender diverse people need greater access to specialized support from women-led nonprofits. As a women-led community organization, we understand the inextricable connection between child care and women's employment. We recognize that basic digital literacy is the first step to workforce readiness for some women, so we offer a variety of gender-responsive employment readiness programs.

We must address systemic gender and racial barriers to better paid work and improve labour market standards across sectors so that everyone in our society has an opportunity to live in dignity, in safe neighbourhoods, and with the assurance they are able to care for their families.

For this reason, we recommend that the Province increase and annualize funding specifically for women and gender diverse people in skilled trades and a variety of employment services, including employment readiness programs, and to ensure such services are offered by women-led organizations.

# 4. Invest in "life stabilization" factors

Public policies and programs shape labour market decisions. Access to affordable child care, for example, has been a known driver of women's labour market re-entry. Other policies and programs can improve women's access to employment – or have the complete opposite effect.

The future of work depends on investment in gender-focused life stabilization factors, such as a range of affordable and supportive housing options for women; investment in affordable and robust public transportation – particularly in rural areas – which we know women rely upon more heavily than men; strong parental leave and employment insurance programs that are easy to access by all types of workers; and, access to an adequate income security system that promotes stability, which can only buttress and encourage future labour market re-entry and participation.

Investment in an affordable and flexible public child care system will also contribute to women's labour market participation, particularly for women who work shifts, evenings, or weekend jobs and require care arrangements.

The women we support in our programs and shelters have consistently underscored the inadequacy of Ontario's affordable housing and income security systems. They lament how difficult it is to find affordable rental housing, how long wait lists for affordable housing are, and how hard it is to survive on

financial assistance provided by Ontario Works (OW) and the Ontario Disability Program (ODSP), programs that have not seen a rate increase in years. In the words of one shelter resident, "you can't expect people to get their life together on \$343 [per month – the basic needs portion of OW]."

The conditions of work are clearly shaped by social conditions – the state of the realization of the right to housing, an adequate social safety net when income security is needed, and specific programs to help women, people living disabilities, and others who have been historically marginalized/excluded from the labour market gain meaningful employment. Investing in life stabilization factors, such as expanding access to affordable housing, investing in child care and raising the rates of social assistance, will ensure those on the margins of the labour force can one day participate on equitable terms, helping our economy grow.

# 5. Uplift the nonprofit sector

Community services play a vital role in the well-being of not just our economy but in the lives of the people who power Ontario's workforce. Nonprofits contribute \$65 billion to Ontario's GDP and yet more than half reported revenue losses during the pandemic. Sixty-nine percent of nonprofits surveyed by Ontario Nonprofit Network (ONN) were not able to access any provincial support funding during the worst of COVID-19. At YWCA Toronto, we are projecting a deficit of over \$1 million as we continue to provide relied upon social programs and housing to our community.

In order for us to continue our important work as a sector, we urge the government to implement the recommendations proposed by our partner, ONN:

- Allocate funding for a nonprofit sector workforce development plan and skills building agenda, aligned with the need to offer greater digital services across Ontario;
- Address the recruitment and retention challenge in the care economy by improving frontline wage levels across all provincial programs delivered on behalf of government by nonprofits; and,
- Respond to the Ontario Chamber of Commerce's call for another round of support for small enterprises businesses and nonprofit employers.

We know that Ontario's 58,000 nonprofits provide invaluable programs, research and advocacy to residents. Without our work, communities across this province would be without essential services. With a million workers – 80% of whom are women – we are a vital part of a vibrant and prospering workforce. The nonprofit sector will play a very important role in Ontario's economic recovery and in the future of work.

Layoffs and shut downs in our sector will be felt unequally by women workers across the province and in the communities that rely on our services. It is clear that without sustained and enhanced investments in our sector, many nonprofits will not be around in the post-recovery period. We urge this government to recognize the value and worth of nonprofits by investing in our sector, our workers and the programs we provide.

## **Conclusion**

This government's ambition to shape the future of work in our province is commendable. It is so important that we harness this moment as an opportunity to do things differently, to stimulate and reimagine our province's economy as one that can and should work for all Ontarians. The communities we

serve are absolutely essential to this recovery, and we hope our ideas will inform your final recommendations to the government once this committee's work is complete.

In the meantime, we look forward to sharing our ideas verbally and answering any questions you may have when stakeholder hearings for this committee are scheduled. We hope that your consultations include the voices of women and those whose time and efforts have held this economy up throughout COVID and for generations prior.

Thank you for your time.

Sincerely,

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