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A BUMPY RIDE

Tracking women's economic recovery amid the pandemic

Katherine Scott

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EXECUTIVE SUMMARY

AS THE CANADIAN LABOUR market approached the end of 2021, it was in much better shape than it had been at the beginning of the year. Women who experienced the greatest employment declines early in the pandemic had finally recouped these losses. Their levels of employment edged above February 2020 levels, driven largely by gains in full-time employment this past fall. At the same time, women's employment rate has lagged men's recovery at each step of way, while other markers of labour underutilization remain higher than their pre-pandemic benchmarks, including the number of long-term unemployed. By December 2021, 250,000 people had left the job market—mostly women over age 55.

Unpacking this high-level summary reveals greater diversity and challenge. This analysis reveals that Canada's economic recovery has proven to be as unequal as the initial downturn. Women represented the majority of workers who were hardest hit by successive rounds of economic restrictions over the past two years. By the end of 2021, employment levels among all women aged 15 and older had finally surpassed pre-pandemic employment levels, but low-wage women have yet to recover and a large number of older workers have left the labour market.

Levels of employment among lone parents with children under age 6 have shown little improvement over time, while mothers with school-aged kids (6–12 years) have had to cope with recurring shutdowns and challenges of homeschooling. Single women have faced recurring employment losses and heightened financial stress.

Immigrant women workers were especially hard hit during the initial lockdown, a result of their over-representation in lower-wage jobs, shorter-tenure jobs, and being employed in the accommodation and food services sectors. Many have worked throughout the pandemic in high-risk industries with scant employment protections. By spring 2021, the employment situation started to improve among recent female immigrants (those who came to Canada less than 10 years ago) and racialized female workers, closing the employment gap with non-immigrant and non-racialized women.

Women with disabilities reported increased financial stress over the past two years, including difficulties paying for essential needs such as personal protective equipment (PPE), attendant care and medications, safe transportation, and accessible housing. As the largest group forced to subsist on welfare benefits that fall far below the poverty line, people with disabilities have been largely forgotten and ignored in the pandemic response.

Compared to men, women experienced disproportionate economic losses as a result of the highly gendered character of the labour market, their concentration in sectors and occupations that have been vulnerable to pandemic restrictions, and the precariousness of those positions reflecting deep-seated gender bias. Among the key findings in this report:

- By the end of 2021, total employment (both men and women) in vulnerable sectors had still not recovered to pre-pandemic levels, down a total of 11% (288,000 jobs) between December 2019 and December 2021.
- Women accounted for 60% of these job losses.
- By contrast, employment in the rest of the economy surpassed December 2019 levels by 3.5% (572,000 jobs), with women representing for just under half of these gains (48%).
- The largest employment gains were recorded in professional services. Here, male workers accounted for 59% of the gains in areas such as accounting, computer systems design and scientific research. Gender disparities persist even within the sectors that have done comparatively well in the context of this massive economic shock.
- Indigenous Peoples (28%) and racialized people (31%) were twice as likely, on average, to report difficulty in meeting their financial obligations, compared to white survey respondents (16%). Immigrant

households also reported higher levels of financial stress compared to Canadian-born households throughout the pandemic.

- The rising cost of living for shelter, energy and food shines a spotlight on the lack of wage growth in many sectors of the economy. In February 2022, the annual change in inflation was 5.7%. Women's wages, on average, only grew by 2.2%.
- Indeed, the gap is particularly pronounced in several key female-majority care occupations and low-wage sectors, further entrenching established pay disparities. Between the fourth quarter of 2019 and 2021, wages rose by 3.5% among registered nurses, by 4.8% among child care workers, and by a meagre 1.7% among social and community service workers. After taking inflation into account, at 5.5% over the two years, these essential occupations all experienced real income losses.

Disasters can be “transformative or confirmatory,” Stephen Lukes writes.¹ They can generate new ways of thinking or reinforce prevailing structures of power. Where to next is the question that we are all grappling with as the fallout from the pandemic begins to take shape. These are the questions that we will be exploring in the Beyond Recovery project, highlighting the unique experiences of personal support workers, hotel staff, food production workers, and others while examining the intersections of race, disability, Indigenous and immigration status. What is certain is that, without focusing and sustaining recovery efforts on the needs of those experiencing the greatest barriers, progress toward greater gender equality will be rolled back and the recovery itself will be prolonged for the most marginalized who have borne the worst of the pandemic.

INTRODUCTION

“We must not let the legacy of the pandemic be one of rolling back the clock on women’s participation in the workforce, nor one of backtracking on the social and political gains women and allies have fought so hard to secure.”²

LOOKING BACK OVER THE past two years, the COVID-19 pandemic has taken an enormous toll. In previous recessions, women’s higher likelihood of working in the service sector offered some protection against job losses, but not this time. In 2020, women were directly in the pandemic’s path. Millions of women were working in public-facing jobs that were most affected by necessary public health closures. Millions more women were working on the front lines, sustaining our communities while juggling an enormous increase in unpaid labour and care at home. Significant gaps in our market-oriented care infrastructure compounded the stress on women and marginalized communities.³

Heading into the pandemic, Canada’s progress in closing the gender gap between men and women had slowed—the result, in large measure, of Canada’s glacial performance in reducing economic disparities over the last two decades.⁴ There were marked improvements in levels of employment and the quality of the jobs on offer between 2015 and 2019. In 2019, average hourly wages rose by 3.4%, the best performance since 2007.⁵ But the gender wage gap barely moved—sitting at 68% in 2019. Women working full-time are still paid only 84 cents for every dollar that men take home.⁶ The gap is even larger for racialized women and Indigenous women, who make 60%⁷ and 57%,⁸ respectively, of what non-racialized, non-Indigenous men earn.⁹

The pandemic has upended the labour market in ways that are now only becoming apparent—all of which will impact women’s economic security and the advance of gender equality. Several key trends will be

important to track, including: the evolving divide between good jobs and bad jobs; the status of low-wage and precarious workers; the exit of older women from the labour market; wage trends and the movement of workers between sectors; the growth of gig employment and the recruitment of temporary foreign workers into the care economy and beyond; and the evolution and impact of work-from-home employment.

Current developments are set against a complex backdrop: the rising cost of living for food, shelter and energy; population aging; and heightened economic uncertainty around the world tied to the humanitarian crisis in Ukraine and significant tensions between global powers. At home, we are already seeing the impact of higher inflation and sluggish wage growth on low- and modest-income families. Toronto's Daily Bread Food Bank reported a 47% increase in visits last year among families on fixed income and classified as working poor, all before the current hike in inflation of key essentials.¹⁰ We can expect these pressures will only intensify.

The pandemic and its considerable shadow loom large and the imperative to build back better is more urgent than ever, most especially for the marginalized women who saw us all through this global crisis and experienced its most damaging impacts, including increased violence, greater isolation and ill health, heightened economic insecurity, and loss of access to vital community supports. The pandemic also blew open our social safety net, revealing our porous income security programs, the precarity of fundamental services, such as market-based child care, and the exploitative character of migrant worker programs that literally locked up migrant care workers in the homes of their employers.

Calls for new austerity have emerged, urging governments to put the pandemic behind us and to scale back critical supports.¹¹ In this rush for "normal" we may yet leave those caught on the wrong side of the pandemic behind. The question is whether we all, by default, revert to the "same old, same old" after the crisis or will we learn the lessons of COVID-19 and finally tackle the systemic disparities in our social, economic and political institutions that are undermining an inclusive, just and sustainable future? This will require a plan with clear goals, timelines, and a division of labour—a plan that centres the voices and experiences of marginalized women and includes the long-term investments needed to make it a reality.

The Labour Market Update series is part of a larger project, Beyond Recovery, which is working to support and advance a gender-just recovery from the COVID-19 pandemic. The project's goals are to document and analyze women's experiences, with a particular focus

on those of marginalized women in hard-hit sectors, and to provide evidence-based policy proposals to ensure those who are most impacted in this pandemic are front and centre in Canada's post-pandemic future.

This brief and the accompanying Beyond Recovery Dashboard (forthcoming) are two of the project's key products. We'll be presenting up-to-date information, on a bi-annual basis, on women's economic security, unpacking national level statistics, and identifying emerging economic trends that impact women's standing. Other policy briefs and case studies of selected groups will be completed over the next two years. A final report will summarize findings and policy proposals for a gender-just future, beyond recovery.

This first brief looks at the experiences of female workers over the last two years, from 2019 to 2021. It draws on the annual and monthly Labour Force Survey and other related sources of information, highlighting differences between women and men as well as between different groups of women. Considering differences in the experiences of women with intersecting identities—by marginalized genders, 2SLGBTQIA+, race, income, disability status, age, legal status and more—is crucial to understanding the impact of the pandemic and efforts to craft a fair and inclusive recovery, attentive to the experiences and struggles of marginalized and under-represented groups.

At the same time, large gaps in available labour market information remain a problem. These gaps are evident in this publication as well. One of the project's goals is to continue to push for better data and information that can illuminate the scope of gender inequality in all of its diversity, to tackle the data gaps that silence and render invisible too many. Without disaggregated data, we don't have the evidence to flag important problems, to make good decisions, to evaluate the impact of different policies and programs, or to take action to eliminate life-damaging disparities.

WOMEN'S UNEVEN EMPLOYMENT RECOVERY

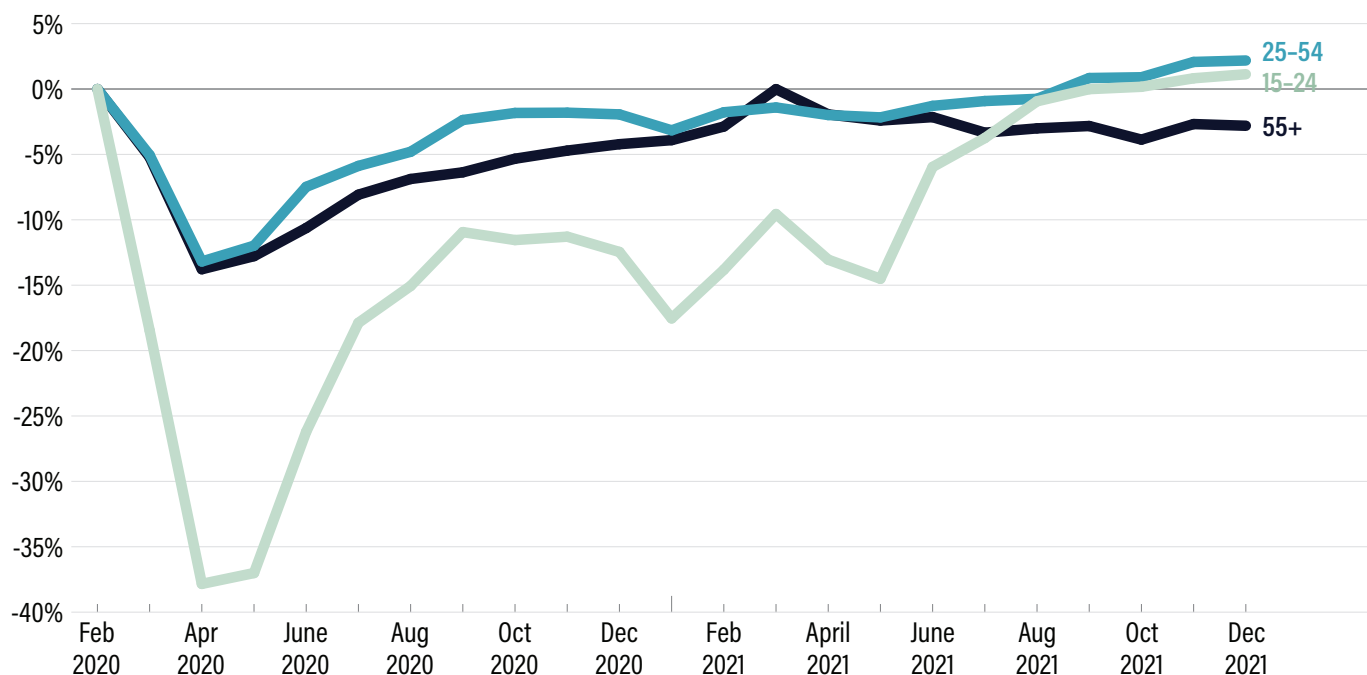
WOMEN REPRESENTED THE MAJORITY of workers who were hardest hit by successive rounds of economic restrictions over the past two years. In total, 2.8 million women lost their job or were working less than half of their regular hours during the lockdown in spring 2020.¹² Women's rate of employment dropped by more than 10 percentage points in two short months, wiping out 35 years of progress.

Low-wage workers accounted for the largest share of these losses. Fully half (52%) of all low-wage workers earning \$14 an hour or less were laid off or lost the majority of their working hours between February and April 2020.¹³ This included 58% of low-wage women and 45% of low-wage men. Losses were particularly high among marginalized workers, who are over-represented in the ranks of low-wage workers. Over one-third of recent immigrants (38%) who were employed in February 2020 had lost their job or the majority of their working hours by the end of April 2020—eight percentage points above the losses posted by Canadian-born workers (29%).¹⁴

Women's employment rebounded in halting fashion between April 2020 and December 2021, dropping then rising with each successive wave of COVID-19. The gyrations of the labour market were particularly challenging for young women (aged 15 to 24), who experienced the largest employment losses in the spring of 2020.¹⁵ Recurring closures in accommodation, food services, information, culture and recreation

Figure 1 Labour market has been particularly challenging for young women

Women's employment recovery by age group, February 2020 to December 2021



Source: Statistics Canada. Table 14-10-0287-01 Labour force characteristics, monthly, seasonally adjusted and trend-cycle

sectors, which account for disproportionate share of young women's employment, set their recovery back time and again.

Low-wage workers have yet to recover. In 2021, there were 25% fewer female workers earning less than \$17 an hour than there were in 2019—a group numbering over 600,000. Higher-wage workers, by contrast, experienced a sharp, short economic drop in the spring of 2020 and had recovered by July of that year. In 2021, the number of high-wage female workers was 23% higher than in 2019.¹⁶

By the end of 2021, employment levels among all women aged 15 and older had finally surpassed pre-pandemic employment levels, led by strong gains among full-time employees, among young women and core-aged workers (25–54 years) through the summer and fall.¹⁷

Older women, however, have been on a different trajectory, with levels of employment running below pre-pandemic levels for much of 2021 as thousands of older women left the labour market. More work needs to be done to tease out the factors that are driving the exodus, such as higher levels of illness, greater caregiving responsibilities, an aging population. What we do know, however, is that early retirement will have far-reaching consequences for women's economic security in their senior years.

Mothers on an economic roller coaster

Mothers' lives have also been upended by the pandemic and the substantial rise in unpaid caring demands. Initial job losses were dramatic. Between February and April 2020, 620,000 mothers with children 12 and under lost working hours. This included a drop in employment of 235,000 and an increase of 385,000 absences from work, affecting 27% of all mothers with young children who were working in February 2020.¹⁸

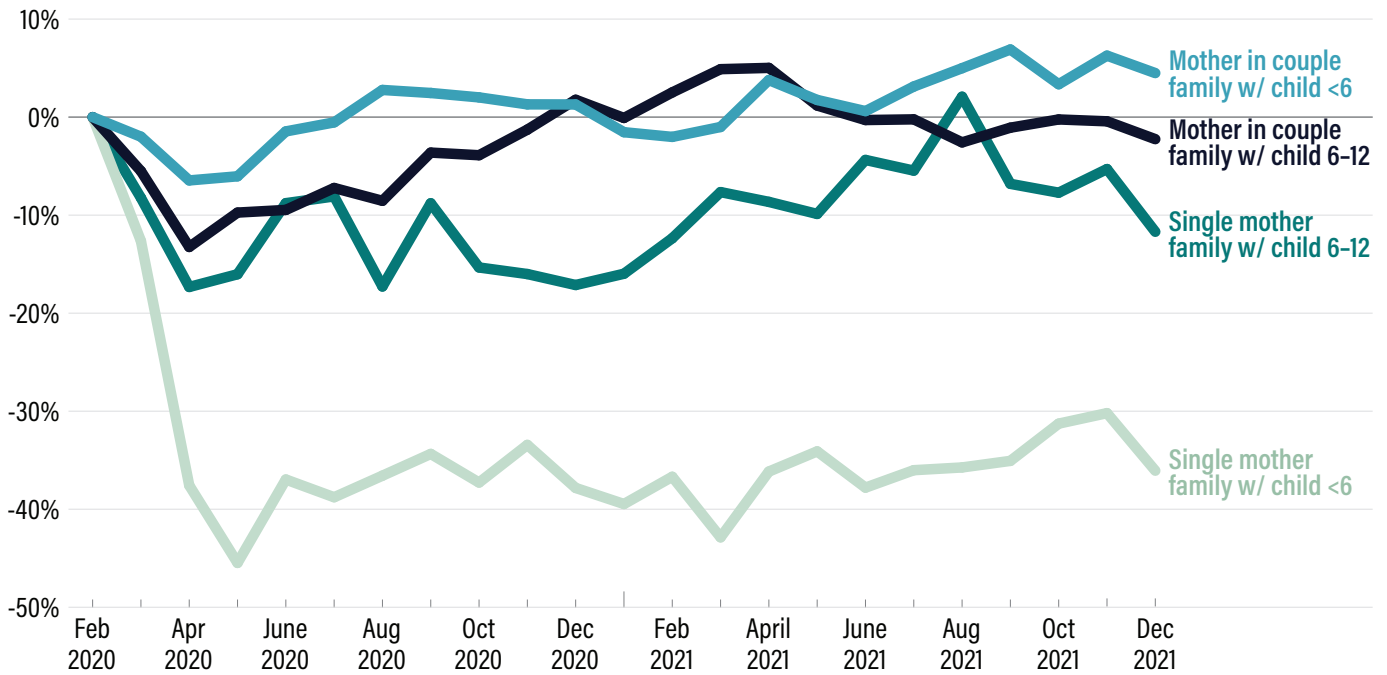
Fast forward two years: many mothers have returned to the labour market, in full and part-time positions. Not so among lone parents. Levels of employment among lone parents with children under age 6 have shown little improvement over time. As of December 2021, employment was 36% below February 2020 levels, and 12% below for single moms with kids aged 6–12. The situation for these mothers represents a perfect storm of intersecting circumstances, pushing some women out of jobs and preventing others from seeking new ones. Without access to supports such as child care, women with caring responsibilities are at risk of being permanently sidelined.¹⁹

Mothers with school-aged kids (6–12 years) have been on an economic rollercoaster as well. This group was forced to respond to successive school closures in many provinces, thousands opting out of employment over the course of two years, weakening their long-term economic prospects. The gaps in employment between mothers and fathers were especially large in families where mothers were employed in hard-hit services as well as mothers with lower levels of education.²⁰ Many will face challenges re-entering the labour force and securing well-paid employment at a later point.²¹

Mothers haven't been the only group struggling to recover. Single, working-aged women over age 25 also faced recurring employment losses and heightened financial stress. This is a group that has historically experienced high levels of poverty, including those with disabilities and other chronic illnesses, and is over-represented among the low-wage and precariously employed. In December 2021, levels of employment among single women aged 25 to 54 years had not quite recovered. Their level of employment is still 2% below pre-pandemic levels. Older women over age 55 years experienced the largest employment losses. By December, levels of employment were 14% below February 2020 levels, while many others were part of the wave that simply left the labour market.

Figure 2 Single mothers caught in a perfect storm

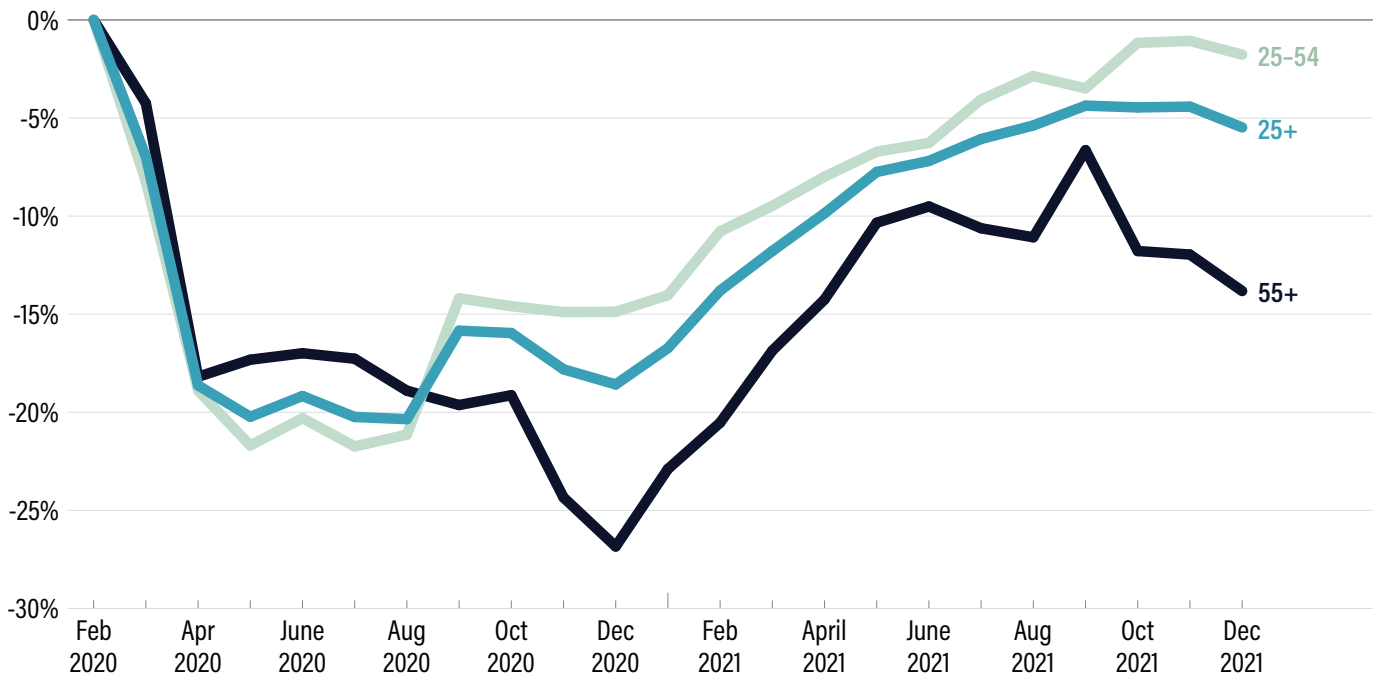
Employment recovery among mothers with children (0–12 years), by family status, February 2020–December 2021



Source: Statistics Canada, Labour Force Survey, Table 14-10-0397-01, seasonally adjusted.

Figure 3 Single older women also face heightened financial stress

Employment recovery among women not living in an economic family, by age group, February 2020–December 2021



Source: Statistics Canada, Labour Force Survey, Table 14-10-0397-01, seasonally adjusted.

Canada's two-track recovery

In previous recessions, women's work in the service sector offered some measure of protection against job loss in male-dominated goods industries—not so during the COVID-19 pandemic. Compared to men, women experienced disproportionate economic losses as a result of the highly gendered character of the labour market, their concentration in sectors and occupations that are vulnerable to pandemic restrictions, and the precarity of those positions, reflecting deep-seated gender bias.²²

Women working in pandemic-vulnerable sectors—and especially those from marginalized communities—bore the brunt of the downturn.²³ Between February and April 2020, those working in accommodation and food services, information, culture, recreation, and other services (e.g., personal services such as hair salons) experienced a precipitous drop in employment of 37% compared to a 13% employment drop among women working in the rest of the economy. There was a sizable economic rebound through summer 2020, until a second wave of community infections triggered an equally sizable second wave of employment losses among vulnerable workers in the fall of 2020. Repeat in 2021: employment rebounded and retreated through a third and fourth wave of infections, ranging in severity in different regions of the country, as illustrated in Figure 4.²⁴

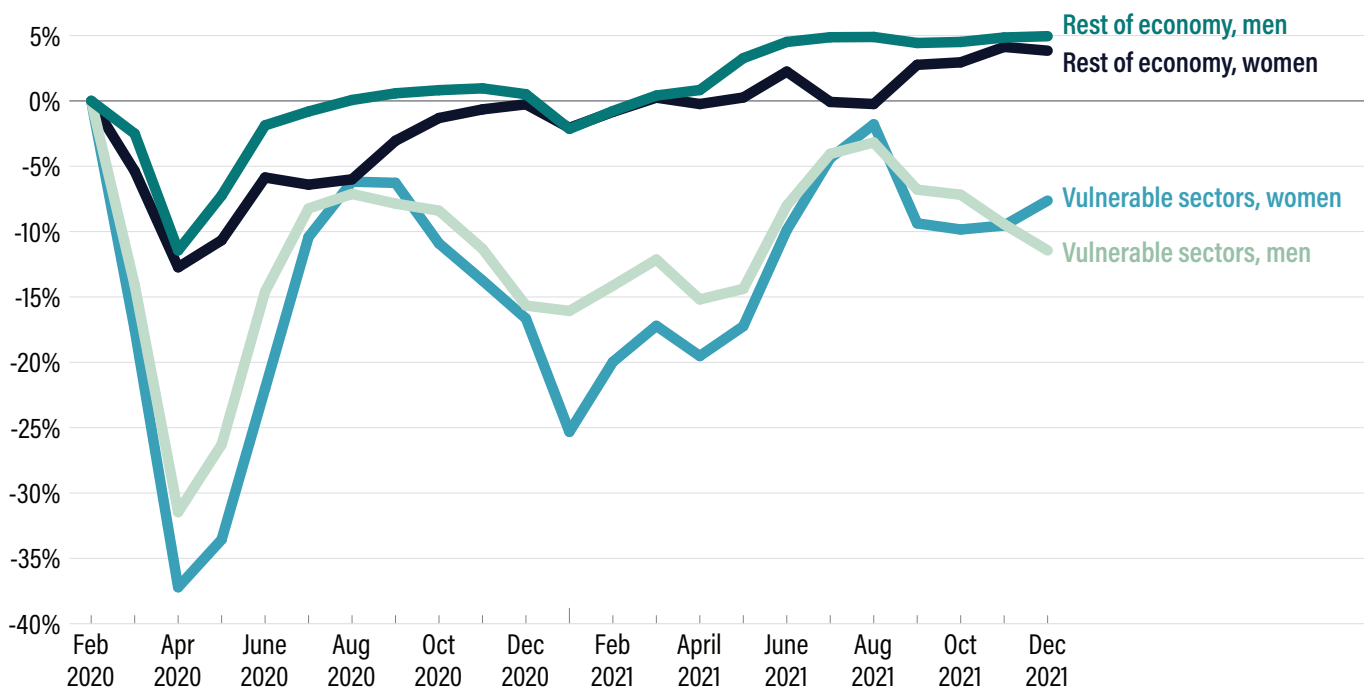
By the end of 2021, total employment (both men and women) in vulnerable sectors had still not recovered to pre-pandemic levels, down a total of 11% (288,000 jobs) between December 2019 and December 2021.²⁵ The largest losses have been among food and accommodation workers (18%, or 225,000 jobs) and those employed in other services, notably in personal services (10%, or 80,000 jobs). Women have accounted for almost 60% of these losses, including 57% of losses in food and accommodation and 95% of losses in other services.

The decline in personal service employment among women is consistent with the drop in women's self-employment. In December 2021, levels of self-employment among women were still 11% below those in February 2020, representing a loss of roughly 117,000 business owners.²⁶ Many small- and medium-sized businesses that got by with government assistance and by taking on debt over the course of the pandemic may yet close in 2022.

In contrast, workers in the rest of the economy were largely sheltered from the worst of the recession, recovering their pandemic-related employment losses by March 2021 and continuing to make gains throughout the year. Women working in many essential caring services

Figure 4 Female workers in pandemic-vulnerable sectors bore the brunt

Employment recovery by gender and industry group, all workers (15+ years), February 2020–December 2021



Source: Statistics Canada. Table 14-10-0022-01 Labour force characteristics by industry, monthly, unadjusted for seasonality. Vulnerable sectors: Accommodation & food services; Information, culture and recreation; Other services.

and the education field, representing one-third (34%) of total female employment, enjoyed a measure of employment and income stability during this period, while a little over one-third (35%) reported working from home. Home-based workers were concentrated in industries like finance and insurance, professional services, and information and culture. They were also much more likely to be highly educated (58% with a bachelor's degree or above) with high wages (63% of workers are in the 10th earning decile).²⁷

By December 2021, total employment in the rest of the economy had surpassed levels in December 2019 by 3.5% (572,000 jobs), driven largely by gains in professional, scientific, and technical services, public administration, and educational services. Overall, women accounted for a little less than half of these gains (at 48%), but there were clear differences in the patterns of employment growth. In retail services, for example, male employment growth outpaced female employment growth (7% vs 2%), while the difference in finance and insurance was 14% vs 3%. The largest employment gains were recorded in professional services, where men accounted for 59% of the gains in areas such as accounting, computer systems design and scientific research. Thus, even within the

sectors that have done comparatively well in the context of this massive economic shock, gender disparities persist.

These findings are evidence of entrenched patterns of occupational segregation in Canada's labour market. They also point to the areas of employment, many of which offer good wages, that have pivoted quickly. Are we seeing a shift in the composition of the labour market, a deepening of the divide between good jobs and bad jobs? And what of the future of pandemic-vulnerable industries, which, along with the retail sector, make up over one-quarter of total female employment? How will these developments impact women's economic security and that of other marginalized groups going forward?

(For more information about employment change by industry, please see the Appendix.)

Marginalized communities twice as likely to report financial difficulties

The concern from the start of the COVID-19 pandemic was the potential of the crisis to set off a devastating feedback loop that would deepen and entrench existing inequalities.²⁸ Marginalized communities were at a significant disadvantage going into the crisis, with fewer resources of any type to protect and sustain their health and well-being and to bridge any loss of income, as evidenced by high levels of poverty, housing precarity and food insecurity.²⁹

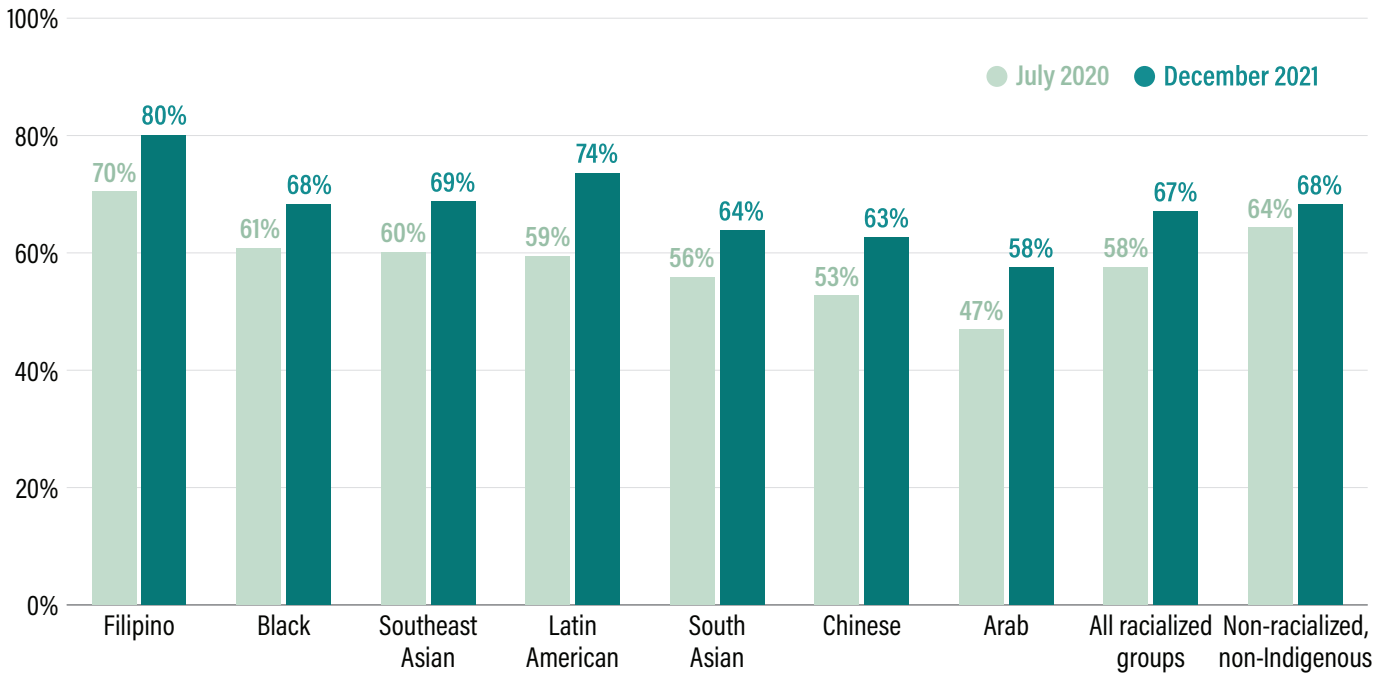
Two years in, women, people with disabilities, racialized workers, Indigenous Peoples and others facing employment barriers continue to struggle with the fallout of the COVID-19 crisis. All of these groups are over-represented among the low-wage, precarious workers in front-facing industries most impacted by health restrictions³⁰ and those reliant on social assistance and community services, access to which was significantly disrupted during the pandemic.³¹

The economic challenges were most pronounced among women facing intersecting forms of discrimination. The burden of illness weighed most heavily on these groups and communities^{32,33,34} and their economic recovery has unfolded at a much slower pace.

In July 2020, in the aftermath of the first wave, there was almost a seven-percentage point difference in the employment rate between racialized and non-racialized women (57.5% vs. 64.3%) and more than an eight percentage point difference in their unemployment rate (17.5% vs. 9.2%). These gaps have narrowed considerably as the economy has

Figure 5 Employment gap between racialized and non-racialized women is narrowing

Employment rates among women (15–69 years) by racialized status, July 2020 and December 2021, not seasonally adjusted



Source: Statistics Canada, Labour Force Survey Supplement, July 2020 & December 2021

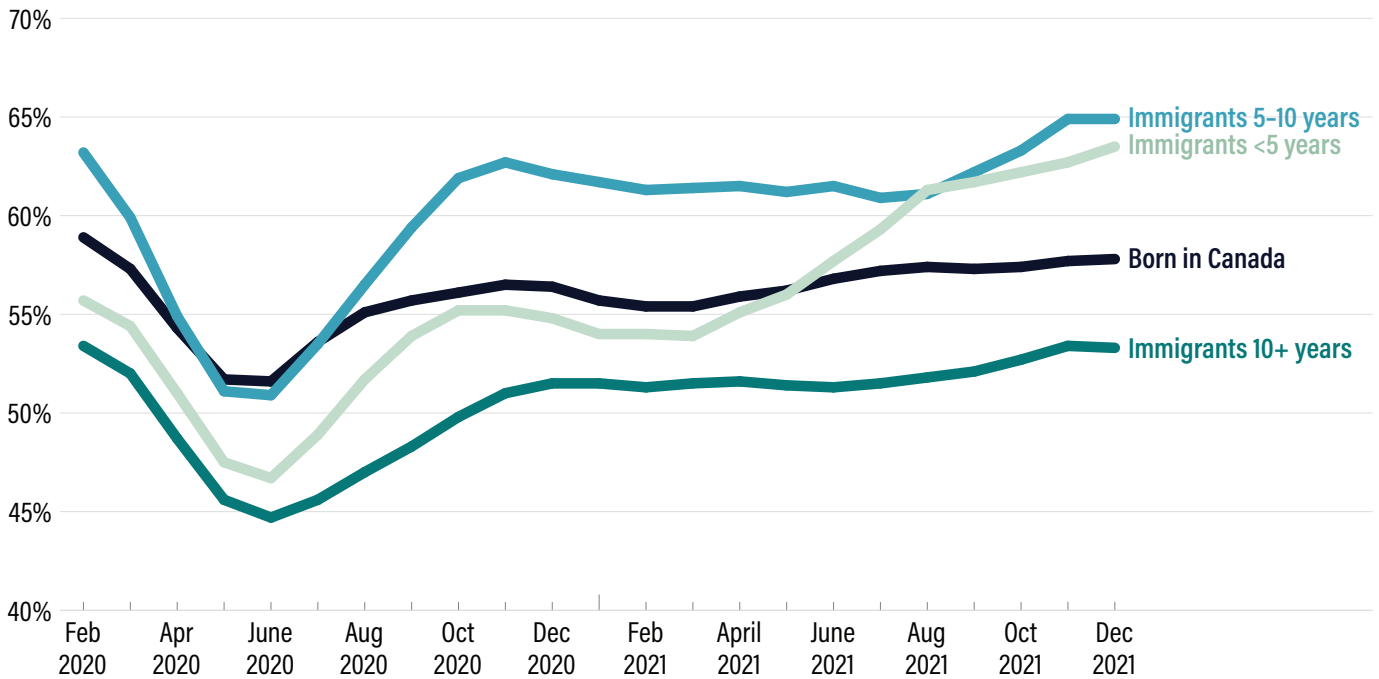
improved, but not for all groups. The employment gap between non-racialized, non-immigrant women and Arab, Chinese and South Asian women remains significant.

We see the same pattern among recent immigrants. Immigrant workers were especially hard hit during the initial lockdown, a result of their over-representation in lower-wage jobs,³⁵ shorter tenure jobs, and being employed in the accommodation and food services sectors.³⁶ While immigrant women, for instance, make up roughly one-quarter of all female workers (26%), they accounted for 37% of employment losses during this period.³⁷ That was the result of a lack of access to employment opportunities and social supports on the one hand, and intensifying domestic and caregiving responsibilities on the other.³⁸

Employment among Canadian-born women, however, continues to lag, partly due to the exit of many older female workers. The upshot has been a narrowing of the employment gap between immigrant women and Canadian-born women by 4.4 percentage points between February 2020 and December 2021, driven by increases in employment among recent immigrant women. The employment gap between established immigrants

Figure 6 Employment rates have rebounded strongly among recent immigrants

Employment rate among women (15+ years) by immigration status, February 2020–December 2021, 3 month moving average



Source: Statistics Canada. Table 14-10-0084-01, Unadjusted for seasonality.

who have resided in Canada for 10 or more years and Canadian-born remains stubbornly high.

The question is whether the improving employment picture will result in greater economic security among immigrant and racialized women. Other studies have revealed the persistence of financial stress among marginalized households, including immigrant households, throughout the pandemic. An analysis completed by Angele Alook, Sheila Block and Grace-Edward Galabuzi found that Indigenous Peoples (28%) and racialized people (31%) were twice as likely, on average, to report difficulty in meeting their financial obligations compared to white survey respondents (16%) between July 2020 and June 2021.^{39,40}

Even the many marginalized women who worked throughout the pandemic in jobs that couldn't be done from home—such as health care, food processing and the distribution of goods—faced acute economic stresses, compounded by the lack of access to employment protection, paid sick days, financial and community supports, and supports for caregiving. The economic figures reported here would have been dire without the significant injections of emergency federal government support for household income, to keep workers on payrolls, and to fight

the health battle against COVID-19. These programs were especially important for racialized and Indigenous communities, effectively cutting their poverty rate in half in the summer of 2020.⁴¹

Women's earnings have fallen behind rising inflation

The deep divisions in Canada's labour market have taken on heightened urgency in recent months with the growing pressures on family budgets, the wind down of emergency supports and continuing economic uncertainty. Two-thirds of workers have seen real wages go down this past year, when adjusted for inflation.⁴²

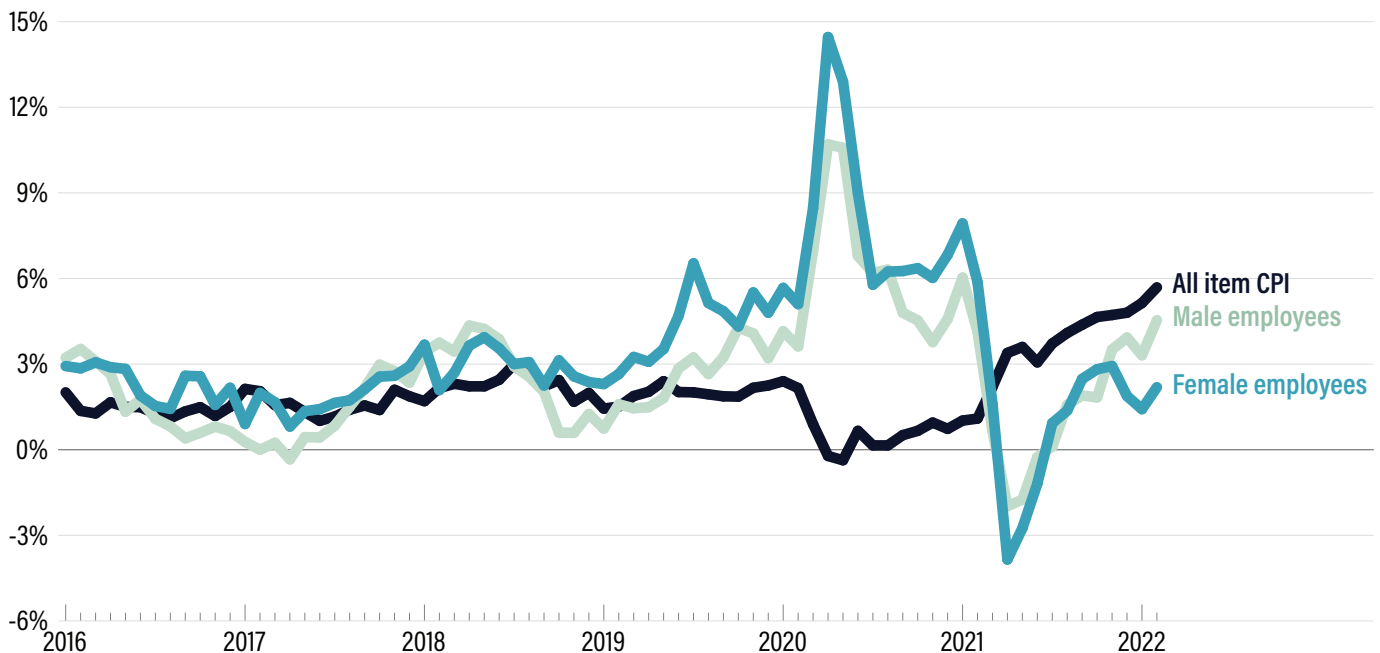
In the years leading up to the pandemic, wage growth had been modest for the large majority of workers, effectively tracking historically low rates of inflation for much of the last two decades. When the pandemic hit, inflation dropped abruptly in response to the mandated closure of large swaths of the economy. Meanwhile, average wages spiked as millions of low-wage workers were laid off and higher-income workers held onto their jobs. In 2021, as more low-wage workers found their way back to the labour market and inflation picked up steam, average wages declined—threatening the economic security of the same workers who have experienced the greatest economic turmoil over the last two years.

At the same time, job vacancies started to rise sharply, reaching a record high of 915,000 in the fourth quarter of 2021, up 80% over the fourth quarter of 2019.⁴³ Demand was especially high in female-majority sectors hit hard by the pandemic—both those impacted by employment losses (i.e., food and accommodation, retail trade) and by the pandemic's toll on frontline workers (i.e., health care and social assistance). Between the fourth quarters of 2019 and 2021, for instance, demand for food counter attendants and kitchen helpers increased by 119%, demand for shelf stockers and clerks increased by 87%, and demand for light-duty cleaners increased by 141%. Demand for care workers has been equally high: vacancies increased by 117% among registered nurses, by 81% among nurse aides and orderlies, by 91% among child care workers, and by 160% among social and community service workers.

The conditions would appear ripe for boosting wages and closing the gender pay gap. Looking back over the two years, however, the average hourly wages of female workers haven't kept pace. In February 2022, the annual change in inflation was 5.7%, compared to an average increase of women's wages of only 2.2%. Indeed, the gap is particularly pronounced

Figure 7 Average wage growth among women is lagging inflation

Year over year change in weekly wage growth and Consumer Price Index, Jan 2016–February 2022



Source: Statistics Canada, Table 14-10-0320-01 Average usual hours and wages by selected characteristics, monthly, unadjusted for seasonality and Table 18-10-0004-01 Consumer Price Index, monthly, not seasonally adjusted

in several key female-majority care occupations and low-wage sectors, further entrenching established pay disparities.

The largest pay increases between December 2019 and December 2021 were in high-paying industries, such as information, culture and recreation (led by the IT professionals at 18%), in real estate and leasing, whose workers have benefitted from the surge in housing prices (12%), and in the management of companies and enterprises (12%)—sectors dominated by male workers. In contrast, wage growth over the two years has been much more modest in female-majority areas of the economy, including retail trade (8%), accommodation and food (7%), and by only 0.2% in health care and social assistance—this despite the rapid growth in vacancies in all of these areas.⁴⁴

The earnings of most care workers have not kept pace with demand, and certainly not with inflation. For example, between the fourth quarter of 2019 and 2021, wages rose by 3.5% among registered nurses, by 4.8% among child care workers, and by a meagre 1.7% among social and community service workers. But after taking inflation into account, which was 5.5% over the two years,⁴⁵ these essential occupations all experienced real income losses. If it hadn't been for the temporary top-

ups available to some personal support workers, they would have been in the same situation. Medical and laboratory technicians—who have been in huge demand through the pandemic, with job vacancies up 133%—experienced an inflation-adjusted loss of 8.4% between the fourth quarter of 2019 and 2021.

The challenge is how to leverage the critical demand for caring services in ways that value and uplift these workers and reduce gender disparities in pay and working conditions. Higher vacancy rates are pushing up wage rates, notably for new hires in certain sectors and in certain occupations, such as IT workers, managers in the non-durable goods sector, and senior salespeople in the wholesale industry working to ease supply chains. The same dynamic is not occurring for the care workers who saw us through the pandemic and who are now leaving their profession in droves—stressed, exhausted, burned out, asked to take on ever more with no recognition.⁴⁶

(For more information about job vacancies and earnings trends, please see the Appendix.)

A JUST AND INCLUSIVE RECOVERY: WHAT'S AHEAD?

A GLOBAL BODY OF EVIDENCE makes abundantly clear that women have been disproportionately impacted, both directly and indirectly, by the arrival of COVID-19—a result of a deeply gendered labour market and division of labour in the home, compounded by other intersecting structures of power, such as racism, colonialism, and ableism.⁴⁷ The economic recovery is proving to be as unequal as the downturn.

It is clear that there are profound economic and social changes at hand that will most certainly transform Canada over the coming decades. A crisis of the scale of the coronavirus has the potential to upend established relationships and structures. The unique feature of this economic crisis was its immediate impact on the service sector, and in particular, the front-facing, often low-wage and precarious direct service and care work that has been largely women's assigned domain. Industries like food and accommodation, retail and personal services have continued to struggle over the last two years and employment levels have not fully recovered. This is one of the reasons why the number and share of low-wage workers in the labour market has not returned to pre-pandemic levels. The question is: are these jobs coming back? Are they in the process of being transformed?

These particular sectors have historically served as important sources of entry-level jobs for young people and newcomers. They have also served as a source of flexible employment for women with caring responsibilities or other challenges that preclude standard full-time work. Workers pay a very high price for their place in these sectors in terms of low wages, demanding working conditions and inadequate labour protections. These industries are now having a desperate time hiring staff. Is this the beginning of change for the more than 1.8 million women who work there?

And what of low-wage work in the care economy, which is experiencing skyrocketing vacancies as well? The new federal Early Learning and Child Care Plan⁴⁸ to create a universal, affordable, high-quality system of child care across the country is clearly a win for children, their mothers and the country. This could represent a real turning point, but it isn't clear whether the agreements that have been struck with provincial and territorial governments will deliver improvements for workers. One of the most contentious points has been about the introduction of wage grids, which are absolutely fundamental to delivering on the promise of universal, quality child care.⁴⁹ Provinces have introduced grids but set low minimum salaries, as Ontario has just done (at \$18 an hour), with the promise of more to come. An \$18-an-hour wage is well below the average hourly wage for all occupations—indeed less than the hourly wage of zookeepers, as famously noted in the first national collection of wage data in 1984.⁵⁰

The reluctance to pay care workers a fair wage, evident in this example, isn't the only economic barrier to transforming low-wage employment and advancing gender equality in the labour market. Public sector wage restraint in several provinces,⁵¹ and the expansion of the use temporary foreign workers⁵² and "volunteers"⁵³ to address critical care shortages, are also undermining positive wage growth for women and any incentive for low-wage employers to change up their business practices. During the pandemic, we also saw the introduction of new gig platforms, such as Staffy and BookJane, in long-term care⁵⁴—a move that deliberately distances employees from the firms that profit from their labour and the protections afforded by labour law.⁵⁵ All of these policy choices continue to work forcefully against the economic security of women and all marginalized communities.

At the same time, the pandemic has not been an economic disaster for everyone, and certainly not for every female worker. Some groups of workers have enjoyed the protection afforded by working in stable permanent jobs, or working from home, or sustaining no interruption

to their income (although many faced the acute stress, frustration and fatigue of balancing work, care and home schooling). Previous research has shown that job security tends to be unequally distributed and this has been the experience through the pandemic. Highly educated workers were much more likely to hold “protected” jobs compared to workers with lower levels of education. Likewise, workers at the top of the earning ladder were more than nine times as likely to hold protected jobs than workers at the bottom.⁵⁶

Some groups of women are now sharing in the employment opportunities and wage gains in several high-paying and mid-paying industries and occupations (e.g., technology, real estate, professional services and education). In December 2019, for instance, there were roughly 350,000 women working in information, culture and recreation (less than half that in the technology sector), 165,000 women working in real estate, 735,000 women working in professional services, and considerably fewer women working in management services. Others have left low-wage employment in sectors, such as food and accommodation and personal services, and sought out better-paying and more secure work elsewhere, including professional services.⁵⁷ These wage gains have helped to propel some women up the earnings ladder and to narrow the wage gap—from 88.1% to 88.7% between 2019 and 2021.⁵⁸

These changes are welcome, but they remain modest in scale, particularly in the face of rising inflation and the sizable barriers confronting millions of female workers in the care economy and other low-wage sectors. Male workers have been moving up the income ladder as well, in somewhat larger numbers, and are still more likely to earn the top dollar compared to women. In 2021, men were 1.4 times more likely to earn \$35 an hour or more compared to women, while women were 1.3 times more likely to earn less than \$17 an hour than men.⁵⁹ There is a sizable mountain to climb.

Where to next is the question that we are all grappling with as the fallout from the pandemic begins to take shape. Are marginalized women sharing in better employment opportunities and higher wages in expanding economic fields and occupations? Are individual and household financial stresses easing? Will the experiences of the pandemic transform the conditions of low waged precarious workers? Or is the divide between good “protected” jobs and bad “exposed” jobs deepening? These are the questions that we will be exploring in the Beyond Recovery project, highlighting the unique experiences of personal support workers, hotel staff, food production workers, and others while examining the intersections of race, disability, Indigenous

and immigration status. What is certain is that, without focusing and sustaining recovery efforts on the needs of those experiencing the greatest barriers, progress toward greater gender equality will be rolled back and the recovery itself will be prolonged for the most marginalized who have borne the worst of the pandemic.

APPENDIX

Table 1 Job losses/gains by industrial sector, December 2019–December 2021

	Women's gains (losses) Dec 2019–Dec 2021		Men's gains (losses) Dec 2019–Dec 2021		Women's share of employment (%)		Employment recovery (Dec 2021 as % of Dec 2019)		Share Gains/ Losses (%)	
	×1,000	%	×1,000	%	2019	2021	Women	Men	Women	Men
Total employees, all industries	105.6	1.2%	177.7	1.8%	47.8%	47.7%	101.2%	101.8%	37.3%	62.7%
<i>Goods-producing sector</i>										
Agriculture	-7.6	-9.3%	-41.1	-21.1%	29.4%	32.4%	90.7%	78.9%	15.6%	84.6%
Forestry, fishing, mining, quarrying, oil and gas	3.4	5.8%	2.2	0.9%	18.8%	19.6%	105.8%	100.9%	60.7%	39.3%
Utilities	-5.6	-16.9%	10.3	10.3%	24.9%	20.0%	83.1%	110.3%	-119.1%	219.1%
Construction	6.1	3.3%	-41.7	-3.2%	12.7%	13.4%	103.3%	96.8%	-17.1%	117.1%
Manufacturing	31.6	6.5%	7.0	0.6%	28.3%	29.5%	106.5%	100.6%	82.1%	18.2%
<i>Services-producing sector</i>										
Wholesale trade	11.4	6.0%	13.7	3.1%	30.0%	30.6%	106.0%	103.1%	45.4%	54.6%
Retail trade	18.6	1.6%	71.2	6.7%	52.3%	51.1%	101.6%	106.7%	20.7%	79.3%
Transportation and warehousing	9.9	4.3%	-17.4	-2.2%	22.2%	23.3%	104.3%	97.8%	-132.0%	232.0%
Finance and insurance	15.4	3.1%	51.1	13.5%	56.5%	54.2%	103.1%	113.5%	23.2%	76.8%
Real estate and rental and leasing	7.6	4.8%	12.4	6.2%	44.2%	43.9%	104.8%	106.2%	37.8%	61.7%
Professional, scientific and technical services	67.5	10.1%	96.7	11.0%	43.2%	43.0%	110.1%	111.0%	41.1%	58.9%
Business, building and other support services	-21.3	-6.7%	-7.8	-2.0%	44.4%	43.2%	93.3%	98.0%	73.2%	26.8%
Educational services	49.7	4.9%	52.7	12.2%	70.1%	68.7%	104.9%	112.2%	48.6%	51.5%
Health care and social assistance	28.0	1.4%	37.1	7.6%	80.8%	79.9%	101.4%	107.6%	43.1%	57.1%
Public administration	60.1	12.3%	50.6	10.2%	49.6%	50.0%	112.3%	110.2%	54.3%	45.7%
<i>Pandemic vulnerable sectors</i>										
Information, culture and recreation	35.8	11.4%	-19.1	-4.6%	43.2%	47.1%	111.4%	95.4%	214.4%	-114.4%
Accommodation and food services	-129.1	-18.1%	-96.1	-18.5%	57.8%	58.0%	81.9%	81.5%	57.3%	42.7%
Other services (except public administration)	-75.9	-16.9%	-4.0	-1.1%	56.0%	51.7%	83.1%	98.9%	95.0%	5.0%
Rest of economy	274.8	3.6%	297.0	3.4%	46.9%	46.9%	103.6%	103.4%	48.1%	52.0%
Pandemic vulnerable sectors	-169.2	-11.5%	-119.2	-9.3%	53.5%	52.9%	88.5%	90.7%	58.7%	41.3%

Source: Statistics Canada. Table 14-10-0022-01 Labour force characteristics by industry, monthly, unadjusted for seasonality (x 1,000). All workers aged 15+ years.

Table 2 Occupations with the largest two-year increases in job vacancies and average offered hourly wages, Q4 2019 to Q4 2021

Occupations	Number of job vacancies		Two-year-change— job vacancies		Average offered hourly wage (\$)		Two-year-change— hourly wage		Percent change minus inflation (5.5%)	Female share (%)
	Fourth quarter 2019	Fourth quarter 2021	number	percent	Fourth quarter 2019	Fourth quarter 2021	dollar	percent		
Registered nurses and registered psychiatric nurses	10,575	22,955	12,380	117.1%	\$31.45	\$32.55	\$1.10	3.5%	-2.0%	92%
Medical laboratory technicians and pathologists' assistants	300	700	400	133.3%	\$25.45	\$24.70	-\$0.75	-2.9%	-8.4%	96%
Construction trades helpers and labourers	6,980	18,035	11,055	158.4%	\$19.25	\$22.05	\$2.80	14.5%	9.0%	7%
Social and community service workers	5,545	14,405	8,860	159.8%	\$20.20	\$20.55	\$0.35	1.7%	-3.8%	78%
Nurse aides, orderlies and patient service associates	11,300	20,490	9,190	81.3%	\$18.35	\$20.10	\$1.75	9.5%	4.0%	87%
Home care providers and educational support occupations	6,690	12,610	5,920	88.5%	\$17.65	\$18.95	\$1.30	7.4%	1.9%	83%
Early childhood educators and assistants	4,950	9,470	4,520	91.3%	\$17.55	\$18.40	\$0.85	4.8%	-0.7%	92%
Light duty cleaners	6,430	15,485	9,055	140.8%	\$15.80	\$17.30	\$1.50	9.5%	4.0%	70%
Cooks	12,760	24,090	11,330	88.8%	\$15.55	\$16.80	\$1.25	8.0%	2.5%	41%
Retail salespersons	34,355	51,150	16,795	48.9%	\$14.10	\$15.45	\$1.35	9.6%	4.1%	57%
Food counter attendants, kitchen helpers & related support occupations	32,095	70,415	38,320	119.4%	\$13.85	\$14.90	\$1.05	7.6%	2.1%	63%
Store shelf stockers, clerks and order fillers	10,455	19,495	9,040	86.5%	\$13.85	\$14.40	\$0.55	4.0%	-1.5%	35%
Food and beverage servers	8,765	21,465	12,700	144.9%	\$12.90	\$13.85	\$0.95	7.4%	1.9%	60%

Source Statistics Canada. Table 14-10-0328-01 Job vacancies, proportion of job vacancies and average offered hourly wage by selected characteristics, quarterly, unadjusted for seasonality

NOTES

- 1 Stephen Lukes. 2006. "[Questions about power: Lessons from the Louisiana Hurricane.](#)" Items, Social Science Research Council.
- 2 Government of Canada. [Speech from the Throne](#), September 23, 2020.
- 3 This research project uses an inclusive definition of women that embraces women, queer women and gender diverse people.
- 4 Canada's ranking on the World Economic Forum's Global Gender Gap Index fell from 16th in 2018 to 24th in 2020 as other countries stepped up. World Economic Forum. 2021. [Global Gender Gap Report 2020](#).
- 5 Jim Stanford. January 14, 2020. "[Canada experienced the biggest employment jump in 40 years in 2019 — and now wages are going up too.](#)" *The Toronto Star*.
- 6 Canada's gender pay gap remains one of the highest in the OECD, placing 30th out of 37 OECD countries. OECD. 2022. [Gender wage gap](#) (indicator). Wage gap calculated for full-time employees.
- 7 Statistics Canada. 2016. *Census of Population*, [Catalogue no. 98-400-X201627](#).
- 8 Statistics Canada. 2016. *Census of Population*, [Catalogue no. 98-400-X2016178](#).
- 9 Katherine Scott. 2019. [Who's missing: Data gaps undermine our efforts to track gender gaps and push, meaningful change.](#) *Behind the Numbers*. Canadian Centre for Policy Alternatives. If those Indigenous and racialized women had been making the same salaries as their white male peers, their bank accounts (and the Canadian economy) would have been \$43 billion richer in 2015.
- 10 Daily Bread Food Bank and North York Harvest. 2021. [Who's Hungry Report 2021](#).
- 11 Don Drummond, Bill Robson, Alexandre Laurin. 2022. [Getting Serious: A Shadow Federal Budget for 2022](#). C.D. Howe Institute.
- 12 Katherine Scott. 2020. "[Women bearing the brunt of economic losses.](#)" *Behind the Numbers*. Canadian Centre for Policy Alternatives.
- 13 David Macdonald. 2020. "[Canada's job losses reach Great Depression levels.](#)" *Behind the Numbers*. Canadian Centre for Policy Alternatives.
- 14 Katherine Scott, et.al. 2020. [Resetting normal: Women, Decent Work and Canada's Fractured Care Economy](#). Canadian Centre for Policy Alternatives, Canadian Women's Foundation, Ontario Nonprofit Network.
- 15 The increase in unemployment among young women (and men) was greater than the average for the OECD, increasing by almost 19 percentage points between February and May 2020, reaching 28%.
- 16 Calculations by David Macdonald, Labour Force Survey PUMF—February 2020 to December 2021.

17 In December 2021, part-time employment, which makes up an average of 40% of employment in hard-hit industries, was still depressed, down by 50,000 from pre-pandemic levels as front-facing services scaled back once again to help contain the Omicron variant.

18 Katherine Scott. 2021. [Women, Work and COVID-19: Priorities for supporting women and the economy](#). Canadian Centre for Policy Alternatives.

19 Angela Garbes. February 1, 2021. "[The numbers don't tell the whole story: Unemployment statistics can't capture the full extent of what women have lost](#)." *The Cut*.

20 Tammy Schirle. 2022. "Gender dimensions of the COVID-19 recession on the Canadian labour market." *The Impact of COVID-19 on Women*. Royal Society of Canada (forthcoming).

21 OECD. 2021. [Caregiving in crisis: Gender inequality in paid and unpaid work during COVID-19](#).

22 Recent analysis suggests that even within industries, women experienced disproportionate employment losses compared to men, a gender gap that cannot be explained by differences in the types of jobs typically held by men and women. See Tammy Schirle. 2022. "Gender dimensions of the COVID-19 recession on the Canadian labour market." *The Impact of COVID-19 on Women*. Royal Society of Canada (forthcoming).

23 In 2019, these three sectors represented 15% of private sector, full-time employment but 24% of all low-wage employment (defined as less than \$750 a week). The largest concentration of low-wage employment was in retail services at 23% (10 percentage points above its share of all private sector full-time workers, at 13%). Retail, food and accommodation, and other services are all women-majority employment sectors. Andrew Agopsowicz. April 3, 2020. [Government policies to offset COVID-19 shock](#). RBC Economics.

24 The K-shaped recovery is also evident among male workers. The proportion of women employed in vulnerable industries going into the pandemic, however, was larger than among male workers: 15.7% vs. 13.4% in February 2020.

25 The following figures compare employment in the same month (December) to account for seasonal differences in women's employment.

26 The comparable figure for men was -6.9% (representing 142,000 business owners).

27 These figures are based on responses to the Labour Force Survey between April and June 2021. Statistics Canada. August 4, 2021. [Working from home during the COVID-19 pandemic, April 2020 to June 2021](#). The Daily.

28 M. Fisher and E. Bubola. March 15, 2020. "As Coronavirus deepens inequality, inequality worsens its spread." *New York Times*.

29 Public Health Agency of Canada. 2018. [Key health inequalities in Canada: A national portrait](#).

30 Almost one in three Black, Indigenous and racialized women work in sales and service occupations compared to 27% of white women. Sheila Block. 2021. "[Racialized and Indigenous workers are bearing the brunt of pandemic job loss](#)." *Behind the Numbers*. Canadian Centre for Policy Alternatives.

31 Tara Hahmann. 2021. [Changes to health, access to health services, and the ability to meet financial obligations among Indigenous people with long-term conditions or disabilities since the start of the COVID-19 pandemic](#). Catalogue no. 45280001, Statistics Canada.

32 Tony Kirby. June 1, 2020. "[Evidence mounts on the disproportionate effect of COVID19 on ethnic minorities](#)." *The Lancet*, News|Volume 8, ISSUE 6, P547548; City of Toronto. 2020. [COVID-19 infection in Toronto: Ethno-racial identity and income](#). These figures are based on reported cases as of July 2020.

33 D.N. Fisman, et al. 2020. "Risk factors associated with mortality among residents with coronavirus disease 2019 (COVID-19) in long-term care facilities in Ontario, Canada." *JAMA Network Open*. 3(7):e2015957.

- 34** The communities that have been hardest hit are also those with the largest share of people from racialized communities, low-income households, the unemployed, and people living in cramped, unsuitable housing with limited access to health and social services. See: Public Health Ontario. 2020. [COVID-19 in Ontario: A focus on diversity](#); Rajendra Subedi, Lawson Greenberg, and Martin Turcotte. 2020. [“COVID-19 mortality in Canada’s ethno-cultural neighbourhoods.”](#) Statistics Canada *COVID-19: Data Insights for a Better Canada*, Catalogue no. 45280001.
- 35** In February 2020, 22% of recent immigrants were in low-wage jobs (with hourly wages less than two-thirds of the 2019 annual median wage of \$24.04/hour), compared with 12% among Canadian-born workers.
- 36** Feng Hou, Garnett Picot and Jue Zhang. 2020. [Transitions into and out of employment by immigrants during the COVID-19 lockdown and recovery](#). Statistical Canada, Catalogue no. 45280001.
- 37** Katherine Scott (2021). [Women, Work and COVID-19: Priorities for supporting women and the economy](#). Canadian Centre for Policy Alternatives
- 38** Luciara Nardon, et.al. 2021. [“Skilled immigrant women’s career trajectories during the COVID-19 pandemic in Canada.”](#) Equality, Diversity and Inclusion, Volume 41, No. 1.
- 39** Angele Alook, Sheila Block and Grace-Edward Galabuzi. 2021. [A disproportionate burden: COVID-19 labour market impacts on Indigenous and racialized workers in Canada](#). Canadian Centre for Policy Alternatives.
- 40** See also: Kirk Donaldson, et.al. 2021. [The financial resilience and financial wellbeing of Canadians during the COVID-19 pandemic](#). Statistics Canada, Income Research Paper Series, Catalogue no. 75F0002M.
- 41** Brennan Barnhart, et.al. 2021. [Experimental estimates of family weekly income, January 2020 to March 2021](#). Statistics Canada, Income Research Paper Series, Catalogue no. 75F0002M.
- 42** See David Macdonald. 2021. [Pressure cooker: Declining real wages and rising inflation in Canada during the pandemic, 2020–22](#). Canadian Centre for Policy Alternatives.
- 43** Statistics Canada March 22, 2022. [Job vacancies fourth quarter 2021](#). The Daily.
- 44** Statistics Canada. *Fixed weighted index of average hourly earnings for all employees, by industry, monthly*. Table 14-10-0213-01.
- 45** Statistics Canada. *Consumer Price Index, monthly, not seasonally adjusted*. Table 18-10-0004-01.
- 46** Linda Silas. 2022. [“A pan-Canadian framework for quality care.”](#) Brief to The House of Commons Standing Committee on Health. Canadian Federation of Nurses Unions.
- 47** United Nations. April 9, 2020. [Policy Brief: The impact of COVID-19 on women](#).
- 48** Government of Canada. [Early Learning and Child Care Agreements](#).
- 49** Child Care Now. 2021. [Canada’s Roadmap to Affordable Child Care for ALL](#).
- 50** P. Schom-Moffatt. 1984. [The bottom line: Wages and working conditions of workers in the formal day care market](#). Status of Women Canada. Cited in: Shani Halfon. 2021. “Canada’s child care workforce.” *Occasional Paper No. 35*. Childcare Resource and Research Unit.
- 51** Wages gains for public sector workers were about 1% a year between 2018 and 2021 in Ontario (1.3%), Saskatchewan (0.9%) and Manitoba (1.2%), while wage gains have amounted to almost nothing in Alberta (0.2%) and Newfoundland and Labrador (0.3%). ESDC, [Major wage settlements by sector and jurisdiction](#) (detailed).
- 52** Armine Yalnizyan. 2021. [The price of cheap](#).
- 53** Ontario Nurses’ Association. 2021. [ONA statement on volunteering at vaccination clinics](#).
- 54** Sara Mojtehdzadeh. March 19, 2021. [“Long-term-care homes needed staff during COVID-19. So they turned to gig workers. Inside the ‘Uberization’ of health care.”](#) *The Toronto Star*.
- 55** Fay Faraday. 2017. [Demanding a fair share: Protecting workers’ rights in the on-demand service economy](#). Canadian Centre for Policy Alternatives—Ontario.

56 Marc Frenette and René Morissette. 2021. "[Job security in the age of artificial intelligence and potential pandemics](#)," *Economic and Social Reports*. Statistics Canada, Catalogue no. 36-28-0001.

57 David Macdonald. 2021. "[Tipping point: Pandemic forced restaurant and bar workers into better paying jobs](#)." *The Monitor*. Canadian Centre for Policy Alternatives.

58 The pay gap here is measured by comparing the annual average hourly wage of male and female employees (both full-time and part-time) in 2019 and 2021. The gender pay gap also decreased, looking at the average weekly wage (from 78.3% to 79.3%). Statistics Canada. *Employee wages by industry, annual*. Table 14-10-0064-01.

59 Statistics Canada. *Weekly wage distributions by type of work, annual (x 1,000)*. Table 14-10-0110-01 .

