

## How can we bridge the gender power gap? Six ways employers, governments and men can do better

You've read The Globe's investigation of how women and racialized people are shut out of powerful roles in the public sector, academia and on Bay Street. The solutions include more transparency, mandatory targets, better child care – and all genders doing their part

### [TAVIA GRANT](#)

It's been half a century since the Royal Commission on the Status of Women in Canada released its groundbreaking report that sought ways "to ensure for women real equality of opportunity."

That ambition has been only partly realized. The Globe and Mail's Power Gap series has exposed a litany of reasons why women aren't getting ahead in the workplace. It found a lack of representation in key leadership roles in Corporate Canada and at the country's leading public institutions.

The gender pay gap remains stubbornly wide, while biases – conscious and unconscious – have stymied women's progress through the career ranks. Now, the pandemic risks hurting any advances women have made in the workforce.

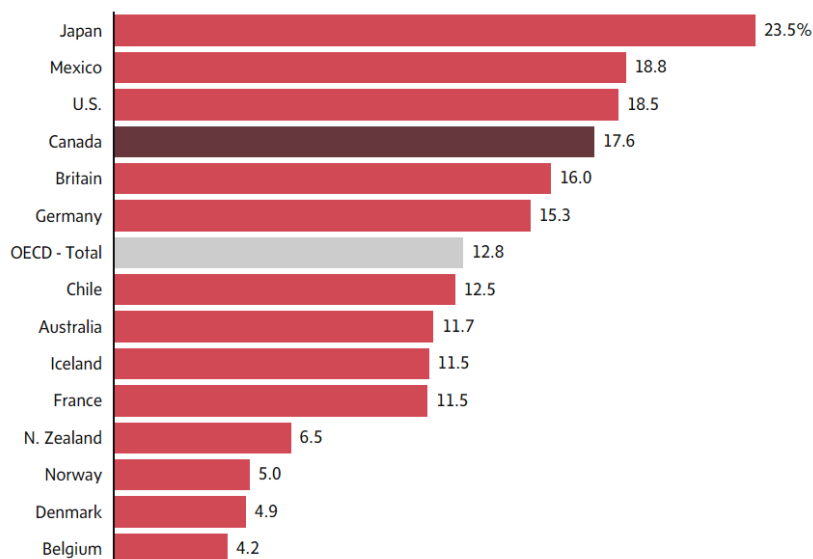
Among the problems in tackling the issue are a lack of transparency on just how wide the pay gap remains and a dearth of representation in key decision-making roles.

When women do want to come forward with complaints around harassment or discrimination, the legal system is costly and time-consuming. Plus, societal expectations around notions of gender and leadership mean women often can't win at work (for instance, either they're too "bossy," or they're not assertive enough).

Canada prides itself on being a forward-thinking, equal-opportunity country. Yet, comparisons with our international peers on gender equality initiatives show otherwise. Canada's gender wage gap sits at 17.6 per cent, compared with a 12.8-per-cent average among industrialized countries. It is the seventh-worst of 36 OECD countries. (The United States was the sixth-worst, at 18.5 per cent; Korea comes in dead last, with a wage gap of 32.5 per cent.)

#### Gender wage gap in selected OECD countries\*

Employees, percentage, 2019 or latest available



THE GLOBE AND MAIL, SOURCE: OECD \*THE GENDER WAGE GAP IS DEFINED AS THE DIFFERENCE BETWEEN MEDIAN EARNINGS OF MEN AND WOMEN RELATIVE TO MEDIAN EARNINGS OF MEN.

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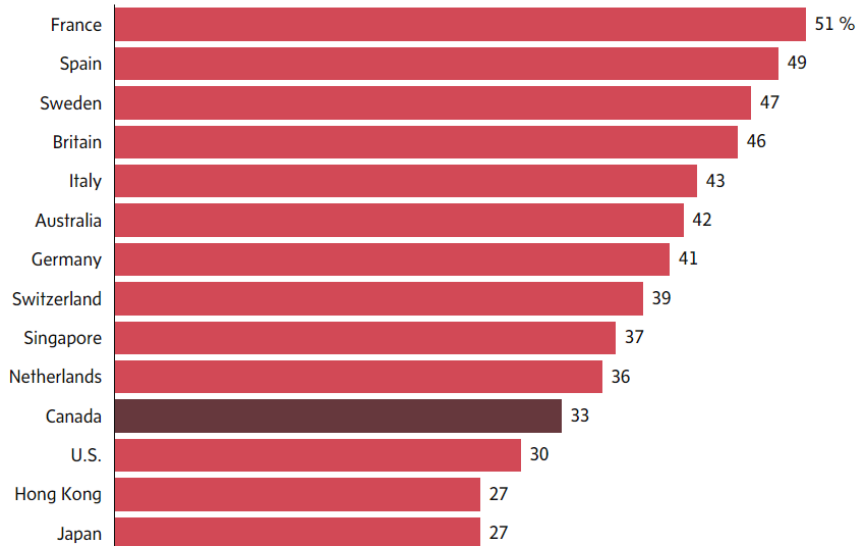
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Canada fell three spots in the World Economic Forum's last gender parity ranking, to 19th place; in a subset measure of women's economic participation, Canada ranks a distant No. 30. This country scores well for educational attainment, but poorly on representation in leadership and wage equality for similar work.

Yet another measure of gender equality in the workplace, which tracks factors such as composition of senior leadership, the pay gap and parental leave policies, shows publicly listed companies in Canada lag their peers in countries such as Britain, France and Australia. The ranking, released last week in a global report by Equileap, which compiles a database on gender equality, shows Canada sits at No. 11 out of 14 countries. "On average, Canada is not doing that great," says Diana van Maasdijk, Equileap's CEO, saying there is a lack of transparency in this country in areas such as the gender pay gap.

### Gender equality scores

Countries ranked on 19 gender equality criteria



THE GLOBE AND MAIL, SOURCE: EQUILEAP GENDER EQUALITY GLOBAL REPORT & RANKING. NOTE: BASED ON RESEARCH AND RANKINGS OF MORE THAN 3,500 PUBLIC COMPANIES, USING CRITERIA SUCH AS THE GENDER BALANCE OF SENIOR MANAGEMENT AND BOARDS, THE GENDER PAY GAP AND POLICIES RELATING TO PARENTAL LEAVE AND SEXUAL HARASSMENT.

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Improving Canada's performance on gender equality could have huge economic benefits. Gender diversity in leadership can boost innovation, improve financial performance, reach new markets and bolster risk management. Broadly, the WEF finds a "strong correlation" between a country's gender gap and its economic performance. Research has also found that more women in executive positions is associated with more flexible hours for employees, while firms with more women on their boards generally perform better in environmental disclosures.

There's no one fix to these problems. They are complex and multifaceted. But Canada has a lot to learn from other jurisdictions that have implemented policies and practices to address some of these barriers. Here are some of the best ideas from around the world (and even right here in Canada).

#### 1. ENFORCE TRANSPARENCY ON THE GENDER PAY GAP

At RBC Europe Ltd., a subsidiary of Royal Bank of Canada, women earned half the median hourly wages of men in 2019. Of the bank's mostly highly paid positions, meanwhile, men held 90 per cent of the jobs. At the British outpost of Waterloo-based software maker Open Text, women earned 72 per cent for every pound men earned in median hourly wages, and women's bonus pay was 55 per cent lower.

Any pay gaps that exist at RBC or Open Text here in Canada remain a mystery, because Canadian companies aren't compelled to publish these figures at home. But any business that operates in Britain must release them there – and many of their filings reveal stark, often embarrassing, divides.

Britain passed disclosure requirements in 2017, forcing employers with 250 or more employees in both the private and public sectors to publish data on pay gaps between their male and female employees. Since then, businesses have had to file those figures annually (with the exception of last year, when the practice was suspended because of the pandemic; this year, the reporting deadline is extended by six months).

Britain's measure has been "incredibly useful in terms of stirring up the conversation, in making employers and society at large more sensitive to the issue – in particular for the financial sector, which has had a huge scandal around a very wide gender pay gap," says Jana Javornik, assistant professor of work and employment relations at Leeds University Business School. (A few of the headlines the disclosures have generated: "Sexism in the City: the great gender pay scandal," "U.K.'s most unequal bank: HSBC's gender pay gap grows to 61%" and "Men's pay packets at the top of banks are still out of whack.")

"The whole exercise is making everyone aware of how strongly entrenched and embedded certain biases are" in terms of hiring, promotions and retention," Ms. Javornik says.

Britain is a world leader on transparency around pay gaps, but it's not the only country to introduce these measures. France is also enforcing gender pay reporting, while Ireland has proposed legislation for mandatory reporting on the gender pay gap for large private and public-sector employers.

In Canada, new rules are taking effect this year that will require large federally regulated employers (such as banks and airlines) to disclose pay gaps based on both gender and race. This only apply to a few sectors, however, comprising about 5 per cent of the Canadian work force. And the results won't be made public until 2023.

## 2. INTRODUCE MANDATORY MEASURES ON REPRESENTATION

Canada's efforts to boost the representation of women in leadership through voluntary measures have had mixed results. The share of women on boards grew to 17 per cent in 2019 from 11 per cent in 2015, according to the Ontario Securities Commission, thanks to initiatives such as the OSC's "comply or explain" rule. On the executive side, however, the numbers haven't budged: According to law firm Osler, Hoskin & Harcourt, which publishes annual reports on diversity, the share of women in executive officer positions has remained "largely unchanged" since 2015. At the very top, just 4 per cent of CEOs on Canada's benchmark index are women, The Globe has found.

Other jurisdictions have introduced mandatory measures to speed up the pace of change. Back in 2003, Norway became the first country in the world to implement quotas for women on boards. Others, including France, Iceland, Italy and Belgium, have also introduced quotas. Germany is the latest to impose requirements for women on management boards after years of voluntary measures that didn't work.

In 2018, California became the first state to mandate gender diversity on boards (others, including Washington and Hawaii, are considering or have already introduced new acts that require gender-diverse boards). Since California's act was implemented, the number of female directors has climbed to 25 per cent from 17 per cent when the edict was introduced. California now ranks No. 17 in the U.S. in terms of board diversity, compared with 29th before the measure was introduced, according to Equilar, which tracks corporate governance data. "It obviously speaks volumes that legislation of that nature does work, and it propels the movement around diversity on boards," says Amit Batish, Equilar spokesperson.

California's approach has been controversial, however, sparking at least two legal challenges and some non-compliance (a first offence carries a fine of \$100,000). Quotas have other limitations: They haven't necessarily led to improvements on the executive side, and on their own, they aren't enough to solve gender inequality. Nor are quotas the only approach; others advocate introducing mandatory targets (the vast majority of Canadian firms don't have any).

It's not just governments and regulators that are pushing change. Institutional investors are, too – BlackRock Inc., the world's largest asset manager, is ratcheting up pressure on companies to put more women in executive roles; this year, as Bloomberg has reported, it plans to push companies for both greater racial and gender diversity on boards and among corporate employees. Asset manager State Street Global Advisors is also nudging firms in this direction.

### 3. CREATE A NATIONAL GENDER EQUALITY BODY WITH CLOUT

In mid-February, the White House introduced a Gender Policy Council that will ensure gender issues are a central part of decision-making. "It's a plan to take a government-wide approach to gender equity and equality," Jennifer Klein, the council's co-chair, told The New York Times.

In Norway, long ranked as one of the world's most gender-equal countries by the WEF, the Centre for Research on Gender Equality conducts studies on gender and work; it is funded by the country's Ministry of Children and Equality. Recent research includes gender bias in academia and representation in politics; it also publishes a gender balance scorecard that examines leadership at Norwegian businesses.

In Australia, the Workplace Gender Equality Agency publishes detailed data and even provides regular updates on the gendered impact of the pandemic. "As far as we can ascertain, there is no other country in the world collecting the depth and breadth of data around workplace gender equality that we are," says Libby Lyons, the agency's director.

Canada's own Status of Women, created in 1976, has traditionally been a lower-rung agency – but it is now being turned into a full-fledged federal department called Women and Gender Equality Canada, or WAGE. Most of its press releases over the past year, however, have been restricted to funding announcements, with little current, in-depth or original research, data or publications. Though the change took effect in 2018, the old Status of Women website remains in place, with no timeline for an updated WAGE site.

A more robust central agency could better track how women are faring and deepen the quality of gender-based analysis, which is currently "superficial," says Diana Sarosi, director of policy and campaigns for Oxfam Canada. "The research and data gap is still huge, especially when it comes to breaking down the various intersecting identities," such as Indigenous women, women with disabilities, immigrants and those living in low-income situations, she says. "It would be very valuable for WAGE to really ramp up their research and data-collection capacity."

### 4. ENTRENCH THE NOTION OF FLEXIBLE WORK

The global pandemic spurred the shift to remote work for many white-collar employees, and the postpandemic world could see flexible work arrangements become the norm – a shift that benefits both women and men.

Flexible work options – allowing employees to set their own schedules, reduce their hours or do their jobs remotely – encourages mothers to return to work (and stick around), and promotes better work-life balance over all, so employees can avoid stress and burnout. Flexibility, says Australia's Workplace Gender Equality Agency, is "a key enabler of gender equality."

Global companies that lead in gender equality ratings also tend to have flexible work policies. That includes General Motors – whose female CEO, Mary Barra, has said it is striving to become the most inclusive company in the world. In Canada, for instance, 1,200 salaried employees who work remotely (such as those in engineering, finance and admin) have flexible work hours, access to job-sharing programs and the option to extend parental leaves of absence. These practices improve employee engagement and attract diverse talent, according to GM.

On a national level, Finland, which ranks third in the world for gender equality, according to the World Economic Forum, and whose female Prime Minister is the youngest in the world, has been a global leader in flexible work for decades. As of last year, updated legislation gives most full-time employees the right to determine when and where they work for at least half of their hours.

## 5. ENGAGE AND INCLUDE MEN

More than a decade ago, Australia started a “male champions of change” program that saw powerful male leaders commit to taking action on workplace gender inequality. Today, that program has gone global; the newly named Champions of Change Coalition includes more than 250 leaders across 155 countries.

Its mission – to “disrupt the status quo and to accelerate change” – means men work alongside women to achieve gender balance on boards and at the executive level. Coalition members must also report on actions taken, making it one of the largest voluntary public disclosures on workplace gender equality globally.

Here in Canada, “the need is to engage men in the conversation and as a critical part of the solution,” says Vandana Juneja, executive director of Catalyst Canada, an organization that works to advance women in the workplace.

Men hold the vast majority of positions of power in the world, she says, including, here in Canada, 96 per cent of publicly traded companies. “If we’re going to make meaningful progress, it’s essential that we involve those in power – so those being men.”

Catalyst runs a learning initiative called MARC, or Men Advocating Real Change; so far, Enbridge CEO Al Monaco and CIBC CEO Victor Dodig are among the early supporters in Canada. The program holds summits and spurs conversations on topics such as confronting biases and the benefits of paid paternity leave.

In tackling the problem, women “don’t need to be fixed,” Ms. Juneja says. “Organizations instead need to look at what are the broader systemic issues taking place.” Inclusive environments, she adds, don’t just benefit the women – they’re good for everyone.

## 6. PROVIDE AFFORDABLE CHILD CARE

For half a century, experts have called on Canada to introduce affordable child care, which has long been a barrier to work-force participation among women. (Across Canada, their participation rate is 82 per cent, compared with 90 per cent for men; it slid to a four-year low amid the pandemic last year.) And you don’t have to look outside the country to find a jurisdiction where it’s having a real impact.

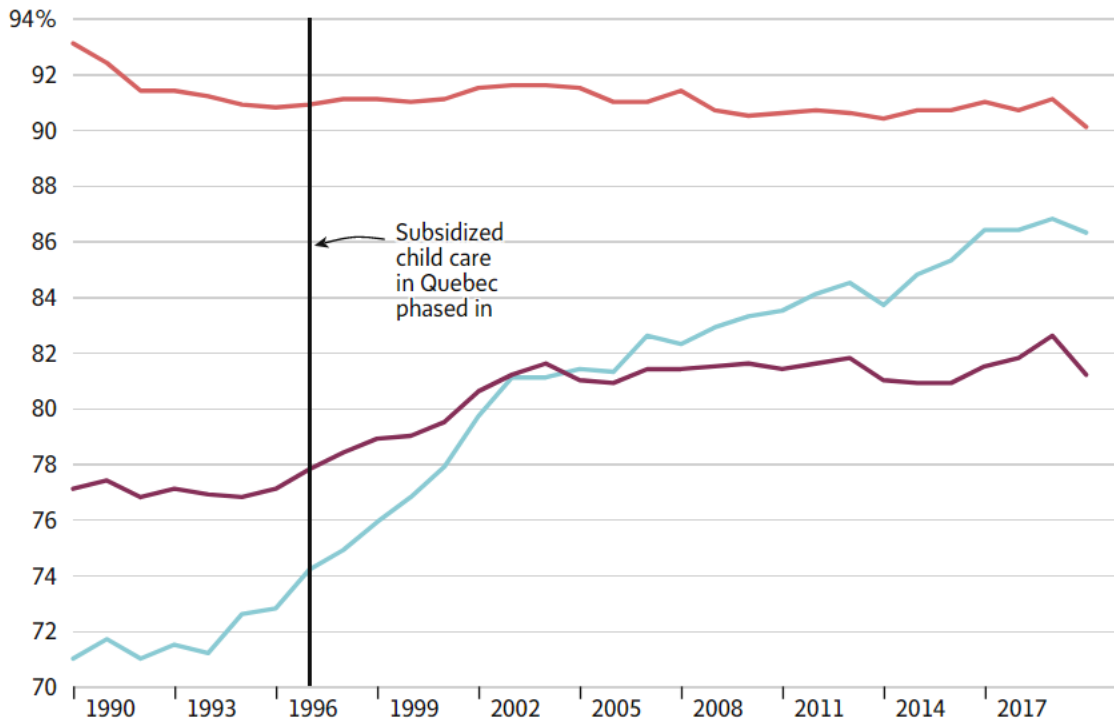
In Quebec, which introduced universal, low-fee child care in the 1990s, the effect is clear: Having access to child care has helped boost women’s participation in the labour force by more than three percentage points, with research showing it benefitted the broader economy by increasing the province’s gross domestic product through higher employment. Since subsidized child care was introduced in the province, Quebec’s participation rate among women has been above that of the rest of Canada since 2005.

Daycare in the province currently costs \$8.35 a day. (In Canada’s largest city, by contrast, per-day costs can be nearly 10 times that.) The federal government’s fall economic statement pledged a Canada-wide child-care system, in part to help women return to the work force postpandemic. The Quebec model has shown that making child care more affordable “can dramatically increase the participation of women in the work force and keep women from having to choose between a career outside of the home or paying for child care,” Bank of Nova Scotia CEO Brian Porter said in an op-ed last year. “Making quality child care more accessible is good for women, it’s good for families and it’s good for Canada.”

# Labour participation rate among women since 1990

Per cent. Ages 25-54

● Women rest of Canada ● Women in Quebec ● Men



THE GLOBE AND MAIL, SOURCE: STATISTICS CANADA; SCOTIABANK

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