

**WOMEN AND THE ECONOMY:
LONG-TERM POLICY
RESEARCH ISSUES**

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Consultations held by Status of Women Canada in early 1996 included discussions of possible directions for research to be funded by the Independent Policy Research Fund. Economic issues emerged as a key priority for research. Within this area, participants in the consultations identified concerns such as the impact on women of globalization and economic restructuring, the economic impact of the federal government's current policies, the importance of women's economic autonomy, and paid and unpaid work. The concerns raised point to the need for policy research that documents the economic impact of these developments on women and that would provide policy alternatives. There is also a need for research that points to new and emerging areas to examine from a policy perspective.

While some of the issues identified by the consultations are currently on the public policy agenda, an examination of longer-term trends now emerging will enable Status of Women Canada to put some of these issues into a longer-term framework and perhaps provide a different perspective for the development of policy research priorities. Consideration of some of these longer-term trends may then result in specific research projects that can be fitted into the framework.

First, however, three important points must be raised. (1) Economic issues cannot be studied in isolation from social trends; (2) An appropriate time frame must be established for longer-term analysis; and (3) Some assessment must be made of whether issues that are currently at the top of the public policy agenda are likely to remain there.

Inter-connections between economic and social questions

It is clear that economic issues cannot be studied in isolation from social trends. Indeed, participants in the consultations strongly emphasized the importance of recognizing the inter-connection of issues. Most feminist analysts have always recognized that women's economic well-being is not determined by trends in the economy alone. However, policy-makers have been slow to come to a recognition that social and economic realities are inevitably intertwined. All too often, economists have studied "the economy" without considering the social consequences of economic decisions - let alone the economic consequences of social pressures and trends. It must also be recognized that political decisions can determine both economic and social outcomes. For example, a political ideology that favours increasing individual responsibility and a reduction in the involvement of the state will have both social and economic consequences.

Any consideration of long-term policy research questions relating to women and the economy must therefore recognize the inter-connection between social, economic and political developments. Planned research into women's economic well-being must avoid arbitrary distinctions between economic and social issues.

Appropriate time frames

The question of an appropriate time frame in which to situate long-term policy research questions must also be addressed. Planned policy changes already announced, economic

trends already evident, and demographics might be used as signposts. For instance, if we were to select the next 20 years as a frame of reference, a number of key developments could be situated at various points along the continuum. The list below highlights some possibilities, but is by no means comprehensive.

- Over the next five years (by 2002) the following markers might be identified:
 - Canada should have entered a "post-deficit" economy
 - pressure for tax cuts may have intensified
 - employment growth is a big question mark
 - devolution of social policy to the provinces, now well under way, may have given way to devolution of key social policy areas from provinces to municipalities
 - the new Seniors' Benefit (based on family income) will be in place

- By the end of the next ten years (by 2007)
 - globalization of markets may well have progressed further, allowing a better assessment of the impact on Canada
 - trends to non-standard employment may be well established
 - privatization of social services may also be well established
 - devolution of social responsibilities to municipalities and downsizing of government generally, may have brought the notion of "community" responsibility into prominence
 - restructuring of the tax system (as opposed to simply cutting taxes) may become an issue as the size of government is reduced
 - unpaid work and lack of paying jobs may be high on the agenda
 - the leading edge of the baby boom generation will start to retire (baby-boomers, defined as those born between 1947 and 1966, will be aged 41-60)
 - Further changes to the Canada Pension Plan may be considered - abolition of the CPP in favour of mandatory private savings accounts is still a possibility

- By the end of the next 15 years (in 2012)
 - the baby-boom generation will be aged 46-65, so there will be proportionately many more seniors than there are in 1997 (especially as most people will likely retire prior to age 65)
 - a "pension crunch" may then be evident as a result of cutbacks in government pension programs in the late 1990s, combined with inability of individuals to set aside personal savings during that period
 - poverty of elderly women may again become an issue
 - predictions about "the future of work" and the growth of "the Third Sector" will have been tested and either proved or disproved

- By the end of the next 20 years (in 2017)
 - the elderly will form a huge percentage of the population
 - care of the elderly will replace child care as a key social issue for women

- unpaid work for women may have become as important or even more important than paid work

Of course, most of these events cannot be predicted with any accuracy. While demographic trends such as the aging of the population are virtually a foregone conclusion, how we choose to deal with such trends will determine the economic consequences for women. In other cases, directions we now view as inevitable - for example, privatization of social services - may be reversed as a result of policy choices made over the next 20 years. Such reversals may indeed be possible in a post-deficit economy, but are we already committed to smaller government and unwilling to go back on that commitment? Even the economic impact of globalization may be altered by political decisions.

The potential longevity of current policy preoccupations

It would appear that some issues rise to the top of the public policy agenda only to fade away again as policy makers move on to some other preoccupation, generally without having solved the particular problem or issue they had been trying to address. A few years ago, for example, literacy was high on the public policy agenda. While problems of illiteracy remained, policy makers moved on to tackle child care, training, the debt and deficit, and other "hot" policy issues. More recently, child poverty has come to dominate the public policy agenda. Concerns about "social cohesion", "the end of work" and globalization have also become current policy preoccupations.

In the development of a longer-term policy research framework, it will be necessary to examine carefully the current policy preoccupations and to take into account the possibility that policy makers may move away from their current preoccupations to make some other issue a priority. Such developments are generally determined by political considerations and are therefore difficult to predict. But an advantage of trying to set policy research into a longer-term framework is that it provides an opportunity to be proactive in stimulating public policy responses, rather than simply reacting to the current public policy agenda.

Ten key areas for research

Recognizing that economic, social and political issues are inextricably intertwined, and keeping in mind the caveats outlined above, it is possible to suggest ten key areas where long-term policy research questions on economic issues from a gender perspective might be developed. Throughout all of these, the issue of establishing and maintaining women's economic autonomy should remain paramount.

1. Labour market trends

a) The increase in non-standard work, defined as part-time, part-year, temporary, contract work and own account self employment (without any employees). There is a need to document the extent of the trend, the implications for women's economic autonomy, and present and future financial security. Policy implications range from pension policy, employment standards, and how to address pay inequities and discrimination.

b) The increase in self-employment - a sub-set of (a) above. Who are the self employed? Could be highly skilled or no skills; sweatshop-type home workers, or managerial and professional consultants. What kind of earnings do they have? Should self-employment be encouraged? Are special measures needed to protect self-employed people? Are self-employed women more economically vulnerable? What are the implications for women's equality? Special concerns for minority and Aboriginal women and women with disabilities.

c) Women in business - does owning a business improve women's chances for economic autonomy? Should special efforts be made to help women start businesses? What barriers are there for women entrepreneurs? Is women's experience different from men's?

d) The long-term social and economic impact of unemployment and underemployment on women as workers and family members when another family member - particularly a spouse or partner - is unemployed. What have been the trends in women's frequency and duration of spells of unemployment compared with men? How widespread is underemployment among women - especially among Aboriginal women, women of colour and women facing language barriers? Have women fared better or worse than men because of their occupational segregation in the paid work force? Do measures to deal with unemployment have a gender bias? - e.g. geographical mobility as a solution to women's unemployment when spouses or other family members must also be considered; infrastructure programs that emphasize men's work, such as construction; training and retraining programs that are inaccessible to women because child care is unavailable.

e) Technology and its application to women's work, taking into account women's occupational segregation in the paid work force. Computers in banking and retail trade, Internet, home-working. What are likely developments? Will women be more likely than men to be displaced because of the application of new technologies? Has technology allowed jobs to be exported to low wage countries? How can women benefit from developing technologies?

f) Training - how can it be used to benefit women and improve their economic autonomy? What kind of training do women need? How does training fit with lifelong learning, prevalence of non-standard work, labour market restructuring? Is

unemployment high because people don't have the right skills? Does this apply more to women than to men?

g) Job prospects for young women. Will youth unemployment continue to be a concern as the population ages? Do young women fare better than young men and if so, why? Differences in education, job search techniques, types of jobs they look for?

h) The informal economy. What do we know about it? Have high taxes really contributed to the growth of the informal economy? Are women more likely than men to work in the informal sector (e.g. child care, cleaning jobs, barter, sex trade workers, domestic workers). How are women's financial security and economic autonomy affected if they work in the informal economy? Should there be policies to discourage the growth of the informal sector? If so, what might be done? If not, how can women working in this sector be protected from exploitation? Right to organize, application of labour standards, etc.?

2. Unpaid work

I would suggest this topic needs a fresh approach. Instead of haggling over housework, how to measure it, who does what, and so on, I suggest redefining "unpaid work" into possibly three categories: (1) child care; (2) care for other dependent family members, specifically the elderly and those with disabilities; (3) volunteer work of a caregiving nature in the community. As social services are privatized and the role of governments is reduced, there will be increasing pressure on women to do this kind of unpaid work. (On the other hand, almost everyone - including men and older children - has to do housework of some kind.) Possible research topics would include:

a) Is unpaid work increasing? Using my proposed definitions, what kind of trends can be observed in unpaid work? Is women's share increasing or decreasing? How much unpaid work is being done by men? Can we observe any relationship to government cutbacks? to population aging? Are more women staying home to care for children, elderly or disabled family members? What developments can be observed in work and family policies of employers?

b) How to reward unpaid work? Should there be tax credits, drop out provisions in public pension programs, credits for hours worked? What concerns are raised by financial rewards being given? Would women be pushed back into traditional caregiving roles? What protection against this needs to be built in? How is unpaid caregiving work to be measured if it is to be financially rewarded? Will men do caregiving work too? What evidence is there of new trends in this area?

c) The "Third Sector" and the "end of work" as described by Jeremy Rifkin and others. (See "The End of Work: The Decline of the Global Labour Force and the Dawn of the Post-Market Era" by Jeremy Rifkin, 1995. New York: G.P. Putnam's Sons.) Is there any merit in this kind of prediction? What evidence do we have that it is happening? What are the implications for women?

3. Globalization

Is this a lasting phenomenon? Are national governments powerless to prevent it? What are the long-term implications for women if globalization continues? Does it mean national governments can no longer implement their own economic and social policies? In a recent speech, Sylvia Ostry, chair of University of Toronto's Centre for International Studies, predicted a growing backlash against globalization as workers, non-governmental organizations and others challenge the role of multinationals and seek to make them more accountable. Could such pressure result in international attention to the negative consequences of globalization? How are women affected by globalization? Are there implications for immigration policy?

4. The tax system

Research on women and the tax system has been spotty, at best. There will be growing pressure for tax cuts as Canada moves into "post-deficit" mode. What kind of tax cuts might be contemplated, and will cutting some kinds of taxes be better for women than cutting other kinds? For example, will we move to rely more on regressive consumption taxes, such as the GST and less on progressive taxes such as income tax? Are payroll taxes (EI and CPP contributions) out of line and killing jobs? Will downloading to municipalities put more pressure on regressive property taxes? What are the implications for women - and particularly older women on their own, if this happens? What would a fair tax system for women look like? Is there any chance of implementing it?

5. Downsizing government

Is downsizing of government likely to continue? Recent polls indicate a backlash against cutbacks is starting to develop. Yet most of the national political parties seem to favour smaller government and are proposing policies to achieve that. If governments are successful in eliminating their deficits, there could be less pressure to reduce government spending. Several possible research projects might be suggested in this area:

a) The impact of a smaller public sector on women public sector workers. Many of the best jobs for women in terms of wages and working conditions have been in the public sector - nurses, teachers, and so on. Much of this could be attributed to strong unions. Programs of pay equity and employment equity have also been widely implemented in the public sector, possibly allowing more opportunities for women to advance. These jobs are disappearing as government services are cut or privatized. Does this imply a ratcheting down of women's wages and working conditions as displaced public sector workers try to find jobs in the private sector? How many women public sector workers have lost their jobs?

b) The impact on women of smaller government. What are the direct and indirect impacts on women? Are women expected to provide (without remuneration) the services previously provided through the public sector? Impact on women's economic autonomy?

c) Individual responsibility replaces collective responsibility. Reducing the role of government means individuals have to fend for themselves. How are women affected - when they are unemployed, disabled, sick, or retired? Can "community caring" replace government support? Is it a new kind of collective responsibility? What role might women be expected to play? Can men be encouraged to take on caregiving too? How would this be done? Sweden once had a Royal Commission of the Status of Men designed to encourage men to shoulder a greater share of family responsibilities. (Cross reference to "the end of work.")

d) Social cohesion seems to have come into fashion as a new policy preoccupation. What exactly does it mean? Discussion of the term has sometimes described social cohesion as an ongoing process of developing a community of shared values, shared challenges and equal opportunity within Canada.

The vagueness of this kind of definition may be problematic in the context of gender-based research. Are "shared values" defined to include values of gender equality, for example? In addition, for researchers with experience in women's equality issues, the mention of "equal opportunity" may raise negative connotations. They will be aware of the extensive literature indicating that the inequality of those who start from a disadvantaged position - as women do - cannot be adequately addressed through "equal opportunity".

It will not be enough to develop research on "social cohesion" where different areas to be considered simply include the effects of gender. Research in this field must ensure that gender issues are also central to the research and not merely seen as an added dimension of each topic. For example, a research question that looks at inequities among groups which can potentially lead to conflict might cover themes such as intergenerational equity, regional disparities and rural and urban gaps - each one of which might have a gender dimension. But the research should also include inequities between women and men. In other words, the continued inequality of women may in itself undermine "social cohesion".

The trend to smaller government will also have serious implications for women. Research on social cohesion should not merely accept this trend as a given. Another research question might be "is social cohesion undermined by the trend to individual responsibility and reducing the role of government?".

e) The post-deficit economy. Is there such a thing? Will the elimination of deficits mean a reinstatement of social programs? Would taxes be cut instead, so that reductions in the role of the state could continue? How committed are we to smaller government? Could new and improved versions of the social safety net be developed to meet the needs of a changing society? What kind of programs would we need? What is the role of the private sector? What are the gender dimensions of a post-deficit economy?

6. Devolution to the provinces

What are the economic consequences of devolution of policy-making to the provinces? Macro-economic policy levers (such as monetary policy) operate at the federal level. Provinces have some taxing (fiscal) powers. Will more taxing powers be handed over? What are the economic issues involved with devolution? How might women be affected?

7. New ways to promote women's equality

Developments in the labour market, such as increasing non-standard work, mean traditional policies to promote women's economic equality, such as pay equity and employment equity, may no longer be appropriate. Women increasingly will not be employed in large hierarchical organizations where these policies have generally been used. What new initiatives might be undertaken to promote women's equality, given the other trends identified in labour markets and the economy generally?

Are women themselves increasingly polarized between low earners and high earners, women with disabilities and without disabilities, immigrants and Canadian-born, etc.?

8. Aging of the population

The aging of the population is probably the only sure thing in projecting what will be key issues over the next 20 years. We have a lot of research on seniors and older women. There is very little on how women (or men) prepare for old age. Several possible projects suggest themselves here.

a) Retirement readiness. Are women preparing effectively for retirement? How or what prevents them from doing so? What are the barriers to future financial security for women? What role is played by family responsibilities during women's lifetimes? Will changing roles and social structures make it more or less difficult for women to prepare for retirement? What impact will changes to public pension programs have?

b) Lifetime transitions of women from youth to marriage and family, to divorce or separation and single parenthood, to old age, to widowhood. How do women make these various transitions? Are there cultural differences? Aboriginal and minority women, for example? How does it affect their economic autonomy in the present and future?

9. Women's poverty

Now that child poverty has become the policy issue of choice, the fact that children are poor because their parents are poor seems to have been overlooked. Perhaps it's time to revisit women's poverty. Can we still talk about "the feminization of poverty"? To what extent are women "poor"? What roles do racism and illiteracy play in poverty? How does poverty affect health, self esteem, long-term well-being of women? What innovative policies might be proposed to address women's poverty?

10. Women's economic autonomy

Can it be established, maintained? How is it affected by the changing nature of the "family"? Do family responsibilities prevent it? Economic autonomy in conjugal relationships, whether same sex or opposite sex. Cultural context - is economic autonomy for women an appropriate concept in all cultures represented in Canada? A number of specific research studies might be undertaken on this issue:

a) Intra-family sharing of financial resources. How are financial resources shared within families? New surveys such as the Survey of Labour and Income Dynamics and the Asset and Debt Survey might be used for some original research in this area.

b) Family-income testing. Does the shift to family-income testing for social programs undermine women's economic autonomy? How could income support programs be delivered in ways that would preserve women's economic autonomy, while maintaining fairness between families at different family income levels?

c) The impact of marriage (or a relationship) on women's economic autonomy. What are the consequences of assuming women have economic autonomy when the reality is otherwise? For instance, potential impact of proposals to eliminate or seriously curtail surviving spouse benefits in the CPP "because women now have their own pensions."

New datasets are gradually becoming available to support research in many of these areas. For example, Statistics Canada's General Social Survey has a wealth of information on everything from caregiving and unpaid work to retirement plans and family support networks. The new Asset and Debt Survey will eventually provide some measure of women's economic well-being. The Survey of Labour Income and Dynamics is generating information about income and financial resources within families as well as labour market experience and other issues. The RRSP Tax File has longitudinal data on retirement savings and contributions to RRSPs by gender. In some cases, original research might be commissioned with funding for special surveys or tabulations which Statistics Canada might be asked to provide.

The key to an effective program of research that would apply a gender analysis to important economic issues over a longer period of time will be to take a fresh look at issues that have long been a concern for women, such as unpaid work, poverty, and inequality in the paid work force, and women's economic autonomy, while at the same time encouraging a thoughtful analysis of emerging trends such as globalization, population aging, and reductions in the role of government. The objective of this paper has been to stimulate discussion of new approaches to a gender analysis of economic issues.