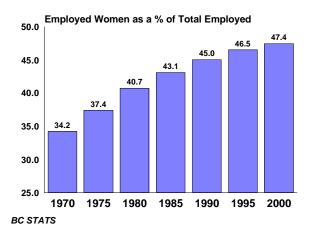




Ministry of Management Services

## Earnings & Employment Trends August 2003

In the last 30 years, women have made significant progress in the workforce, demonstrated by increased representation and a reduced male/female wage gap





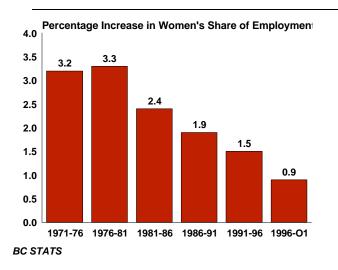
Women's successful integration into the workplace over the past three decades has been well documented. Much progress has been made, but there still remain distinctive differences between the sexes, particularly with regard to salaries.

The monitoring of progress is usually in the form of either comparing women's representation in the workforce or by tracking the male/female wage gap over time, both at the aggregate level and within specific occupations. This article explores the changes that have occurred in BC in the relative standings of the sexes in both these areas. Emphasis is on the comparative shifts of the last decade.

## Women's Representation in the Workforce

In terms of women's share of total jobs, from the 70's to the 90's, women aged 15-64 flooded into the workforce, increasing their participation rate from the 50 per cent range in the early 70's to 70 per cent by 1991. Throughout the 90's their participation rate continued to hover around the 70 per cent mark<sup>1</sup>. Despite this flattening out of the participation rate, their share of total jobs continued to increase. This was due to, not a change in women's behaviour, but a change in men's. In the 90's, men's participation in the workforce declined from 85 to 81 per cent. The outcome has been that by 2001, 47 per cent of all jobs were held by women. This compares to 34 per cent three decades earlier.

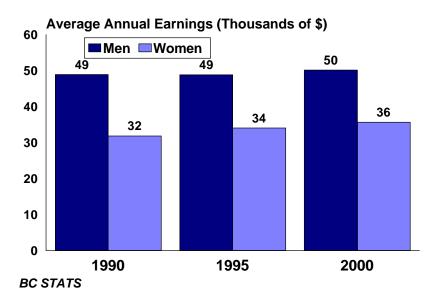
<sup>&</sup>lt;sup>1</sup> Data from the Labour Force Survey show a continuation at the 70 per cent level since the 2001 Census.



The gains in the representation of women in the workforce have definitely fallen off since the 1970's. In fact, in the last half of the 90's gains were barely perceptible, averaging only 0.2 per cent annually. The fact that women's participation has remained around the 70 per cent mark for over a decade may imply that future advances are unlikely. Women occupying 47 per cent of all jobs may be the upper limit unless men decrease their participation further.

## The Male/Female Wage Gap

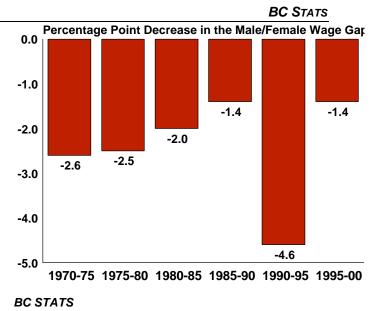
Throughout the same time period women were also making gains on men in their earning power. In 1970, women earned not much more than one-half of what men earned, but by 2000 this rate increased to 71 per cent. The 2001 Census shows that women who worked full-year/full-time in 2000 earned \$35,636 compared to \$50,159 for men.



## BC Women who work full-year/full-time still earn considerably less than their male co-workers

So while women's earnings still fall well short of men's, they did increase by 11.9 per cent over the decade while that for men increased by only 2.6 per cent. Women's earnings seemed to edge up throughout the decade while men's stalled in the first half of the 90's and then increased by 2.8 per cent between 1995 and 2000.

The faltering of men's earnings in the first half of the 90's meant that women made a significant catch-up. Their earnings as a per cent of men's increased from 65.1 to 69.7, which is a decline in the wage gap of 4.6 percentage points. Then between 1995 and 2000 the reduction in the gap dropped back to 1.4 percentage points, more in line with what had been going on in the 1980's. However, over the ten vear period, the 90's saw women reduce the earnings gap with men by 6 percentage points, which exceeds the gains of either the 70's or 80's.



Although women still have a long way to go to earn comparable salaries to men, the 90's saw big improvements. As well, it is likely that much more of the gap will be chipped away in the years to come. Currently, the older the woman the less she earns relative to the men in her age group. An explanation for this gap is that women's relative education level is far surpassed by men's among the older workforce. However, the male/female education gap does a switch around in the under-35 age group – women now have relatively more university degrees than men among this younger workforce. Thus, it will only be a matter of time before women's wages approach those of men's, as the relatively lesser-educated women retire.