

## STRATEGIES

### EQUAL PAY FOR WORK OF EQUAL VALUE

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Margot Trevelyan

Although the great majority of us work for the larger part of our lives, there is great misunderstanding about the way people are paid. When garbage collectors go on strike, for example, there is often much sympathy. People say "Well they do important work and it's very unpleasant. If the garbage weren't collected regularly we'd have health problems and rats. So I guess it's only right that they should get paid more than they do."

When people think in these terms, they are betraying the misconception that people are paid according to the value of their work. They are saying that the garbage collectors should get paid more because the work they do is socially useful. They are saying that people should get paid - at least partly - according to the social value of their work.

Most people do not carry the thought any further but if they did they would soon realize that no one gets paid according to the social

value of their work. It does not take an economics degree to notice that a child care worker, for example, gets about \$8,000 a year - if they're lucky - while an advertising firm consultant might get \$50,000 a year. Obviously the value of their work to the public is not a factor in their pay.

Well how are wages arrived at? (For the strategy we adopt to achieve equal pay for work of equal value will depend on what it is that has to be changed)

In a free enterprise or capitalist economy, wages are determined by the labour market. By the "labour market" we mean the number of workers available for a given job. If, for example, hundreds of workers are after one job opening, the employer knows he or she can keep lowering the wage of the job because no matter how low it goes, there will always be someone desperate enough to take it. This is why Trudeau recently explained that he was not concerned about large wage increases after controls were lifted because the

large unemployment figures would keep the wages down.

If, on the other hand, there is much work to be done and not enough people to do it, employers will raise the wages of the jobs they are trying to fill in order to attract workers and discourage them from going elsewhere for employment. During the second world war, when there were more jobs than ever and fewer people to do them, wages doubled and trippled and whether you were man or woman, white or black, you got paid the same as everyone else because you were so desperately needed. Sometimes too, a new occupation will open up and for a while there will be a shortage of people to do that job. The wage of the job will be high for a while but will soon decrease relative to other jobs when more people are trained and available for it. So this is what we mean when we say that labour market conditions determine wages.

There are, of course, some limitations on the labour market's ability to determine wages. Minimum wage laws are inadequate but many people, particularly immigrants and women, would receive far

less if they didn't exist. This is why we should view with great alarm suggestions by the Ontario Department of Labour that the minimum wage law might be dropped.

A more serious challenge to the influence of labour market conditions on wages are unions. The stronger and more militant a union is, the more possible it is to negotiate a wage which is higher than what the labour market would allow. Workers without a good union are totally dependant on the whims of the labour market and are the most vulnerable to crises in the economy such as inflation and recessions.

How well do women and minorities fare in the labour market?

How well do they compete with Anglo Saxon men? In other words, how much is an employer willing to give up in order to hire them, compared with how much he or she is willing to give up to get an Anglo Saxon man?

Let's first look at the position of women in the labour market. Are there more job openings than they can possibly fill, or are there more women than there are jobs available? In times of high unemployment such as we have today, everyone is adversely effected. Even Anglo Saxon men find there are too many of them for the jobs they want to do. This forces them to look in non-traditional areas of work. College graduates take jobs as street cleaners settling for lower wages than they think their education deserves. At the same time they fill up the jobs that were traditionally left to women and immigrants resulting in even higher unemployment among them.

Even when the economy is relatively stable, however, women do not compete well in the labour market. Often women come into the labour force after raising their children. The only job the new employer has to compete with when fixing his wage is unpaid housework. That's not much

competition. Secondly, when women come out of the schools they are trained for and prepared for very few kinds of work. As almost all of these women still look to job openings in the secretarial, clerical, service, textile or health fields, they are forced to compete against each other for the jobs available in these few fields. They glut the labour market for these jobs and their large numbers force down the wages. Finally, few women workers are organized, and many of those that are find themselves in a union dominated by men who fear that any gains by women will be at the expense of their own salaries.

Why are women in this disadvantageous position in the labour market? Why do so many of them apply only for traditionally female jobs? Although some changes are being made, thanks to a great deal of pressure exerted by the women's movement, women in the labour force now, suffered discrimination in training and in schooling. For example, I am only thirty

three, but when I went to high school I was not allowed to take manual training. I was forced to take home economics and was discouraged from pursuing an interest in science. So that even if changes are being made now in the schooling of girls, the make-up of the labour force today is the direct result of past discrimination against women.

Furthermore women today are still not considered to be as good employees as men in almost all occupations. In many cases, employers will hire women only "if they make it worth his while", by accepting lower pay than he would be willing to give if the applicant were male. As you well know, we could go on a great length discussing the inferior position of women in the labour market. For the purposes of this session, the only thing we need keep in mind is that women fare badly on the labour market because of past and continuing discrimination against them. In fact, I

can think of no other pay system in the world that more effectively exploits every blow that has ever been hurled at women to the profit of the employer.

Ethnic groups also do not do well on the labour market, although as a group they do better than women. Just as the employer of women has only to compete with unpaid housework, the employer of the immigrant - or the prospective immigrant - usually has only to compete with the low wage in the country of origin. What difficulty would an Ontario employer have, for example, in luring away a Mexican worker from his poor village and offering him the minimum wage? Secondly, as many immigrants are trained in jobs available in their original country but not in Canada, they are thrown into the unskilled labour pool, where there are thousands more like him. Unlike the highly skilled worker, the unskilled labour pool provides a vast resource from which an employer can draw at any time. As the job itself often requires little in the way of trained skills, the employer does not



need to spend money training the man and therefore has no hesitation in dropping him for another as soon as he starts demanding better pay. Thirdly, immigrants suffer from our society's prejudice against non-verbal skills.

An immigrant who speaks little or no English often appears "stupid" to the prejudiced employer who is often less well educated than the immigrant himself. Finally, racism is present in this society as in most others and a non-white immigrant, or for that matter a non-white native Canadian, is often expected to be "grateful" for any work at all and to accept whatever crumbs are thrown his way.

For all these reasons and more, ethnic minorities do not do well in the labour market. Like women they struggle along trying to cooperate with a pay system which exploits and takes advantage of some of the most shameful and hurtful aspects of our society. Furthermore, those employers who exploit racism and sexism the most, who exercise their biases

through low wages are those who usually make the most profits within their industry. In order to compete with this "successful" employer, other employers in the same industry are forced to do the same. It has nothing to do with attitudes. Those employers who can exploit their workers the most, on whatever bases, are those we look to as "successful" .

As we can see, the sex or ethnic origin of a person plays a strong part in the wage they receive. "But," you may argue, "if there is a job opening for a cleaner, does this mean the wage will go up or down depending on who gets the job?" Although this could very well happen, in most cases discrimination in wage rates is more subtle. Let's take an organized work place, for example, where negotiations have resulted in a wage scale. In such a case, the union will not tolerate any interference with the wage scale whether the person who fills the job is male, female, black or white. But for all kinds of reasons, the very wage the

employer and the union agree upon is often largely influenced by labour market conditions. One way this happens is by their agreeing to look at wages given in other establishments for a few selected jobs. These selected jobs are called "benchmark" jobs . The negotiators may decide, for example, that a seamstress in their company does about the same work as a seamstress in a few other companies and that what these other companies pay will serve as a basis for their own negotiations. But the wage rates of these seamstresses have themselves been established by labour market conditions, in the way I described earlier. To use their pay as a basis for negotiations simply drags the influence of the labour market into collective bargaining and destroys the chance the women might have had to radically alter the relative pay of their job. The negotiators settle on a wage which will be given to whoever holds the job, male or female, but it is a wage that is unfairly low because women have for so long dominated the job. It is no wonder that men are not interested in taking jobs traditionally held by women. A man today who takes a job as bank teller receives a much lower wage relative to other jobs than he would have

when bank tellers were mostly men. An Anglo Saxon man who today takes a job as a janitor receives a wage which has resulted from the proponderance of immigrants in that job. So while a wage rate for a job may not change according to the sex or race of the succesful applicant, the wage may still be discriminatory because it was fixed according to the race or sex of the person expected to take the job or because of the sex or race of the people who have traditionally held the job.

For the most part, the United States has enacted much stronger legislation than we have to ensure equal opportunity. Title Seven is an important act that says that no law can be passed, and no clause put into a collective agreement which results in any group being in a disadvantaged position because of prior discrimination against them. For example if, ten years ago, a firm refused to hire blacks, that firm cannot now use seniority as a factor in promotion because

it would be impossible for blacks to have equal seniority to whites due to the past discrimination against them. If we had a law like Title Seven in Canada, I would argue that paying people according to the law of supply and demand in the labour market is illegal because it results in some groups being in a disadvantaged position due to past discrimination against them. In other words, we should work towards finding an alternative way of paying people other than according to the law of supply and demand in the labour market.

One alternative is to pay people according to the value of their work, rather than according to the availability of people to do that work. We realize that with this economy, it is impossible to pay people according to the social value of their work. For that, everyone would have to be paid by the state and a group of elected people would have to decide with us which jobs are the most important and should get paid the most.

Most of us are not paid by the state, and those who are are as vulnerable to the labour market as anyone else.

So the best we can do is to insist that we be paid according to the value of the job to the employer. If a woman thinks her job is just as vital to the employer as another completely different job, she should be able to receive the same pay.

How do we determine the value of a job? Or more accurately how do we determine the value of one job in an establishment relative to other jobs in the establishment? Although evaluating the relative worth of one job to another is very complex (and we don't have time to go into it fully here) the following illustration may help to understand how it can be done.

Let us assume the provincial government has passed a law which provides for equal pay for work of equal value. Under this law, a secretary feels that she should receive the same pay as a truck driver who works for the same firm she

does. She takes her complaint to the government who sends in an inspector. The inspector first gets a full understanding of what exactly the jobs entail, what skills are required to do each, what the responsibilities and working conditions are. He or she then gives points for each of these factors. Let us say, for example, that under "Skill" the inspector gives the secretary 7 and the driver 4 points. After all, the secretary had to spend some years learning short hand, typing and so on whereas the driver, while needing skills, doesn't need as many. Under "Responsibility" she gives them both a 5. The driver must drive carefully, and the secretary must be careful not to antagonize potential clients. Under "Working Conditions" she gives the driver 8 points and the secretary 4. Under "Effort" she gives them both a 5. When the points are totalled, she sees that the driver gets 22 points and the secretary 21. We will assume that the law considers jobs to be of equal value if they are within three points of each other. These two jobs are therefore considered to be

of equal value.

Now that it is determined that these two jobs are of equal value and therefore must be paid the same, how is their exact wage decided? In order not to totally disregard labour market conditions and turn the whole economy upside down, the wage for these two jobs must be the existing wage of the higher paid job. They cannot take the wage of the lower paid job because this would mean that discrimination which effects much of the labour market would be extended to influence all. We don't want men to suffer discriminatorily low wages as do women; and we don't want Anglo Saxon men to suffer the discriminatorily low wages of minorities. That is why the two jobs of equal value must be paid the rate of the better-paid job.

Of course, as you can imagine, the techniques for evaluating jobs are much more complex. The points awarded are in the hundreds and some factors are given more "weight" than



others. The decisions arrived at in evaluating the two jobs are also somewhat arbitrary. You probably disagreed with some of the points I awarded to the secretary and the truck driver, but at least what is being debated is the value of the job - not the degree to which the person most likely to fill the job can be exploited.

There are two laws in Ontario which should be mentioned relative to equal pay. One falls under the provincial government and is called the Employment Standards Act. It says that an employer cannot pay a man and a woman different rates of pay for performing the same or substantially the same work. Many of us don't like this law because most women do not do work similar to men and they therefore have no man with whom to compare their work. Because women are isolated in job ghettos, the only way of decreasing the wage gap between men and women is to compare the value of their jobs as we did a minute ago with the secretary and the truck driver.

(Nor does the answer lie solely with improving the access of men and women to each other's jobs. As long as work traditionally done by women is paid less than that done by men, men will not enter into these female jobs. In times of low unemployment they will stick to the higher paying, traditionally male work; in times of high unemployment they will enter into the female job ghettos temporarily, causing higher unemployment and even fewer job opportunities for women.)

A second act which just came into effect yesterday should also be mentioned. This is the Canada Human Rights Act. This act does provide equal pay for work of equal value for men and women and is a very important act. It has come about because of a long and determined lobby by women's groups. Its weakness is that it only allows for comparisons between men and women - not between minorities and others - and it only applies to federal employees. It is still new and we have not had a chance to try and implement it yet

so we don't know how effective it will be. It is, however, a very important first step. We must keep our eye on it, put on pressure to see that it is strictly enforced, and try to get a similar act passed by the Ontario government so that all employees can be protected.

I should mention that both these laws allow comparisons only between men and women. The Ontario Human Rights Act, however forbids discrimination in conditions of employment on the basis of race or ethnic origin (among others). Like women, though, minorities often find themselves working only with other members of their ethnic group, or with members of other ethnic groups, and so have the same problem evaluating their jobs under the present law that women do.

Putting legislation aside, what can an individual or a group do who want to obtain equal pay for work of equal value? First of all, if you are not a member of a union you can do nothing about raising your pay without the risk of being fired. Your first task, then, is to organize a

union. Once you have a union, you have a base from which to work and you cannot be fired for trying to raise your pay. Those already in a union should educate themselves on the pro's and con's of job evaluation plans, which are in effect at many work places now and which attempt to evaluate all the jobs in the establishment at once. Many people are reluctant about job evaluation plans because they fear that the members in the union will start fighting with each other over who should get paid the most, rather than presenting a solid front to management. Whether your union decides to use job evaluation or not, an understanding of the technique - how it can be used and abused - is essential when trying to get equal pay for work of equal value.

There are also many things that can be done by volunteer groups, the most important being to publicly encourage the concept of equal pay for work of equal value. It is still a new idea for most people and there is much misunder-

standing about it. Although there has in the past been little written about it, recently pamphlets and books have begun to appear. The Equal Pay Coalition at 521 Parkside Drive has some material which can be requested; the Ontario Government recently printed a book called Equal Pay for Work of Equal Value which explains why they fear the law would result in too many losses for employers; the public libraries now have some books on the issue, many written in the United States and England; many of the unions, such as the Canadian Union of Public Employees (233 Gilmour St., Suite 800, Ottawa) will send excellent books on job evaluation at a small cost; and the National Film Board of Canada even has films on the subject of equal pay for work of equal value.

Statistics Canada can also be a source of useful information, Most information they provide is free and can be obtained by phoning them in Ottawa or writing a letter. By looking at statistcis, one can learn to what extent, if any,

one's ethnic group is stuck in a job ghetto, if there is an unexplained pay gap between one's ethnic group and other Canadians, if the members of one ethnic group represent a disproportionately large number of the unemployed or those on minimum wage and so on. Recently Statistics Canada has stopped breaking down their information by race or ethnic group, claiming that such a break-down is discriminatory. This, of course, is ridiculous and minority groups should insist vigorously that these statistics be kept.

Once a volunteer group is well informed on the issue, it can lend valuable support to members of the group or others who may have begun that long, uphill battle for equal pay for work of equal value.