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Briefs

UAW RESPONSE
to the
ONTARIO GOVERNMENT GREEN PAPER
ON PAY EQUITY

by the
UNITED AUTO WORKERS UNION OF CANADA
Robert White
President

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"As for the principal of equal pay for comparable work, you will remember that this demand was once known as 'the-part-I-agree-with.' Sometimes, it still is. But that easy agreement usually precedes the realization of how many women are doing comparable work without equal pay, ... or, what massive redistribution of wealth could result if women as a group were no longer available as a cheap, unorganized surplus labour force. A system that rests on cheap labour and allows unearned wealth to accumulate deserves to be transformed by pressures of the many on the few."

Gloria Steinem

Introduction

The United Auto Workers Union welcomes the opportunity to appear before this committee to present our views on the Ontario Government Green Paper on Pay Equity. We are especially pleased that Sister Janis Sarra, Human Rights Director of the Ontario Federation of Labour, is in attendance to provide the balance in perspective of a woman and a trade unionist.

The UAW in Canada represents 143,000 workers. Fully 91% of our members work in Ontario, primarily in the metal industries: the manufacture of autos and auto parts, aircraft, farm machinery, communications equipment, metal stampings and metal fabricating. These industries have been traditionally male areas of work, and consequently only 12%, or about 17,000, of our members are women. For the most part they work in offices or in light manufacturing such as auto trim and electronics.

The UAW has long been an advocate of pay equity and therefore supports the government commitment to legislate equal pay for work of equal value--a commitment made both in the NDP-Liberal Accord and in the Green Paper.

We are pleased that there will be no debate about the necessity of equal pay for work of equal value, but rather a discussion as to how the legislation should most effectively be implemented.

We support the response and analysis presented to you by the Equal Pay Coalition and we will not attempt to duplicate their efforts.

The UAW Canada wholeheartedly supports the Ontario Federation of Labour Model Pay Equity Legislation presented to the government in October of 1985. Our union played a major role in the consensus building process which resulted in the drafting of the bill. We feel it provides an extensive and practical approach to ensuring a workable piece of legislation.

As a union with a long, respected history in the field of collective bargaining, we urge the government to apply the OFL Model in the best interests of Ontario workers both union and non-union.

Finally, we believe the legislation should be retroactive to the date that the Green Paper was made public as a further signal of sincere commitment to the issue of pay equity.

In our presentation we will share with you some examples of pay equity problems and of our collective bargaining experience in dealing with pay equity.

Collective Bargaining

Equal pay for work of equal value is not, as some would claim, a threat to the collective bargaining process. The UAW welcomes the opportunity to negotiate pay equity programs. The employer and the trade union, where workers are organized, must be the parties who determine the form that the pay equity program will take.

The successful negotiation of a pay equity program depends on the establishment of a separate fund, that is, money up front, to finance the program. Our experience in collective bargaining is that when pay equity has been negotiated, the employer usually attempts to just shift wages from men to women. This system pits worker against worker and suggests that women can only achieve equality at the expense of men.

We concur with the Ontario Federation of Labour proposal that a minimum amount of money (3% of total payroll of the previous year) go into a pool for the pay equity program. This would ensure a minimum standard of benefit plus a fairly equal and reasonable economic impact on employers.

In large companies such as General Motors, there is master bargaining, that is, one contract to cover all the unionized employees. There is not a huge differential between the lowest and highest pay rates. The vast majority (92%) of the GM workers are men. However the few women covered by the GM contract have had their wages pulled up by the sheer numbers of men they work with. For example, sewing machine operators make \$14.00 an hour plus excellent benefits and pension.

This rate contrasts sharply with the \$9.00 an hour and dramatically inferior benefits and pension that sewing machine operators make at Bendix Safety Restraints Ltd. and TRW Canada Ltd. The difference is that these two small parts manufacturing plants employ predominantly women and their pay rates are subject to the downward pressure of the labour market and the historic exploitation of women. The ability of the employer to pay higher rates is not at issue since both these small companies are subsidiaries of large multinationals.

In bargaining units where no one sex predominates, the UAW has fought for years against the segregation of men and women into different assembly lines, with different job titles and different wage rates.

For example, in an automobile parts manufacturing plant, men would be assigned to work on large part assembly and women to work on small part assembly. The two types of jobs require the same level of skill. However women are paid lower wages because in general their overall value is viewed as lower than that of men.

There are other limits to bargaining for pay equity that can only be redressed by legislation. One example is the recent strike at EKCO Canada Ltd. in Toronto. The workers are mainly immigrant women with many years seniority. Their average wage is about \$9.00 per hour with poor benefits and a pension of \$3.00 per month times their years of service (i.e. \$90.00 per month after thirty years' service).

The employer argued that any pay increase would decrease the firm's competitiveness. The workers had no choice but to go on strike for the issue of simple justice in wages and benefits. After six months on the picket line, the workers had to give up and return to work or face the loss of their jobs since Ontario labour law allows the employer to refuse to take back strikers after six months.

Merit pay is often, in practice, discriminatory against women. With our pressure on employers to practise affirmative action, we are noticing that more and more often gender-based differences are excused by the employer on the grounds of "merit."

For example, in the office bargaining units that we represent, women are usually hired at the entry level classification or typists classifications. Then by means of job postings and affirmative action programs that the UAW has negotiated women work their way up into the less traditional classifications.

However men are first hired into these higher classifications. Very often they commence at a higher wage rate than women doing the same work because of the merit scale.

Merit pay runs counter to the concept of equal pay for work of equal value and must not be an exception to pay equity legislation.

Conclusion

The women in our union are better paid than the average for working women simply by virtue of belonging to a union. They make about 72% of the average male wage as opposed to 62% for non-union women.

However, as we have shown, we continue to encounter difficulties at the bargaining table on the issue of pay equity. The employers' arguments about market value and the necessity to be internationally competitive are difficult to fight on a contract by contract basis.

Legislation is required to supplement the collective bargaining process by setting minimum standards for certain types of jobs and to stop the undervaluing of women's jobs in general. Women in Ontario need this legislation now. Until the wage gap is closed we cannot hope to find more men in traditionally female jobs. No one would voluntarily take that kind of a pay cut.

Employer arguments in opposition to pay equity legislation that such a measure would make them uncompetitive, sound very much like their arguments against paid holidays, pensions, health and safety laws and many other progressive laws that we now take for granted as necessary.

Similarly in the future we will probably look back at all the fuss employers have made about the costs of pay equity, and simply wonder why we waited so long.

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