En la intersección de la crisis económica global y el estado anti-feminista: mujeres en Canadá, 2008-2009

Kahtleen A. LAHEY

Queen's University, Kingston (Ontario)
kal2@queensu.ca

Recibido: 08.10.2011
Aceptado: 15.11.2011

RESUMEN
Este trabajo presenta el deterioro de la igualdad de género en Canadá a medida que los gobiernos fracasan en entender cómo la recesión de 1991 afectó negativamente el estatus económico de las mujeres hasta mediados de los años 2000 y cuando el gobierno conservador anti-feminista tomó el poder en 2006. La autora pone ejemplos de cómo las políticas anti-recesión y de recuperación económica tomadas por un gobierno antagónico a las demandas de las mujeres se empezaron a notar entre 2008 y 2012. El trabajo incluye datos sobre el impacto en el empleo femenino, el distinto acceso a los subsidios de desempleo, la asimétrica participación en los programas de estímulos, el reparto de las reducciones en el impuesto personal y la creciente desigualdad salarial.

Palabras clave: Crisis económica, políticas de recuperación económica, programas de estímulos, impacto de género de la política presupuestaria.

At the intersection of global economics crisis and state anti-feminism: women in Canada, 2008-2009

ABSTRACT
This paper traces the deterioration of gender equality in Canada as governments failed to understand how badly the 1991 recession affected women's economic status well into the mid-2000s, and then as an anti-feminist conservative government took office in 2006. The author provides examples of how anti-recession and economic recovery policies formulated by a government antagonistic to women's demands for equal treatment accelerated the economic deterioration women continued to experience between 2008 and 2012. The paper includes gender impact data on women's employment, access to unemployment benefits, participation in infrastructure stimulus programs, shares of personal income tax cuts, and the growing wage gap in Canada.

Key words: Canadian recovery policies, stimulus program, economic crisis, gender impact on budgetary policy.

1. INTRODUCTION

In its call for pre-budget submissions in the summer of 2011, the Canadian Parliamentary Finance Committee declared that the true function of the federal government’s budget-making process is to enhance ‘shared prosperity’ and ‘a high standard of living for all’ while promoting job growth and business investment. In
answer to the call for innovative ideas on how to strengthen the Canadian economy, a record number of women’s organizations filed formal pre-budget submissions and made special requests to address the committee as it toured the country over a period of four months ‘listening’ to Canadians. For the first time since Parliament began taking small steps toward gender-based analysis of some policies in compliance with its obligations under CEDAW and the national constitution, not one feminist group was permitted to meet with the committee.

This was not the first time women had been shut out of the budget-making process from the outset. Long before the global economic crisis began to take shape, the newly-elected minority conservative government in Canada had ruthlessly shut down its women’s bureau research facility, stripped valuable social policy and fiscal research data from government webpages, defunded women’s groups across the country, and begun the process of systematically dismantling employment equity, anti-violence, and equality-promoting structures, research institutes, and legal aid programs. Despite having inherited a substantial fiscal budgetary surplus of over $50 billion when it took over the government in 2006, this was done in the name of ‘cutting out the fat’ from government programs.

Between 2006 and 2011, while this conservative government remained a minority, opposition parties on the Parliamentary Committee on the Status of Women in Canada courageously used the committee structure to carry out a series of studies of economic and other equality issues, including the first-ever official inquiry into the government’s obligation to engage in gender budgeting. The result was an outpouring of new and detailed information on exactly how gender-neutral, women-unfriendly, and ‘going for growth’ policies were affecting women in Canada. Even as the highly-respected Auditor General of Canada reported that the federal government was virtually ignoring its responsibilities to carry out gender-based analysis of all laws, programs, and policies, however, the 2008-2009 economic crisis and recession quickly ended debate over women’s social and economic needs, and reinforced even more strongly the insistence that only business and investment policies could stave off the effects of recession.

In such a dynamic, it became routine to imitate US media descriptions of the impact of the recession as being essentially a ‘he-cession,’ and women were depicted as being somehow immune to layoffs or lost incomes. At the same time, sympathy for men who found themselves suddenly thrust into the day-to-day life of caregiving and housekeeping grew rapidly, intensifying the focus on getting men back to work. Thus there was virtually no examination of the exclusive focus on ‘stimulus’ programs that created jobs mainly for the heavily male-dominated construction industries, and the government refused to reconsider its narrow and discriminatory unemployment insurance program, which excluded large numbers of women from benefits despite the high levels of unemployment they faced during the worst of the recession.

This paper outlines how previous governments had set women up for this harsh treatment with changes that grew out of ‘deficit reduction’ policies implemented after the
1991 recession in Canada, and how the new policies ushered in beginning in 2006 made it extremely difficult for women to find any voice in policy circles. It also emphasizes that even countries like Canada, with their stellar records of gender equality initiatives in the 1980s and early 1990s, can easily halt women’s slow movement toward economic equality and social inclusion simply by abandoning basic equality measures.

2. BEFORE THE CRISIS: WOMEN’S SLOW RECOVERY FROM THE 1991 RECESSION

Beginning in the 1970s, increasing emphasis on equality-promoting policies had resulted in dramatic improvements in the status of women through the 1980s. These advances resulted in Canada being ranked number one in the UN gender-related development index throughout the mid- to late 1990s. However, with the 1991 recession, the federal government had already begun to make major changes to employment and social programs that quickly eroded that trend. The irony is that during the same years in which Canada was ranked number one, those changes had already ended the momentum that had brought women to that point. By the time Canada’s ranking began to fall in 2000, men had recovered from the 1991 recession, but women remained at a standstill.

The figures in table 1 show this impact. Between 1986 and 1991, women’s share of market incomes had increased rapidly – by 3.2 percentage points. In contrast, their overall share of market income increased by just 0.9 percent between 1991 and 1997, and then took another eight years to increase by another 0.9 percent.

Table 1 Economic gender equality indicators, Canada, 1967-2010

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment rate</td>
<td>33.0</td>
<td>41.9</td>
<td>52.8</td>
<td>51.9</td>
<td>52.6</td>
<td>57.8</td>
<td>59.1</td>
<td>58.3</td>
</tr>
<tr>
<td>(as % of women)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unpaid work</td>
<td>80.0</td>
<td>68.0</td>
<td>67.0</td>
<td>66.0</td>
<td>65.0</td>
<td>64.0</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>Part-time work</td>
<td>n.a.</td>
<td>69.8</td>
<td>69.3</td>
<td>68.9</td>
<td>69.9</td>
<td>68.8</td>
<td>68.2</td>
<td>67.3</td>
</tr>
<tr>
<td>Market incomes</td>
<td>20.0</td>
<td>31.0</td>
<td>34.2</td>
<td>34.2</td>
<td>35.1</td>
<td>36.0</td>
<td>36.0</td>
<td>36.3</td>
</tr>
<tr>
<td>After-tax incomes</td>
<td>***</td>
<td>34.2</td>
<td>37.1</td>
<td>37.9</td>
<td>38.7</td>
<td>40.0</td>
<td>40.0</td>
<td>40.0</td>
</tr>
</tbody>
</table>

If the overall proportion of women in paid work had remained stable during this time, this slow increase in shares of market incomes could be interpreted as a sign of progress toward equality. However, even after women had nearly recovered pre-recession employment rates in 1997, and then another 5.2 percent more women became employed by 2005, women’s shares of market incomes increased by just 1.8 percent over that entire period. In other words, by 2007, it took a 6.3 percent increase in the proportion of women in paid work women in paid work to earn less than 2 percent more of total market incomes in that year. It took more women working to maintain and only slightly increase women’s shares of total market incomes.

The explanation for this constrained progress lies in the structure of women’s labour markets in Canada. Since the early 1970s, women have been disproportionately relegated to part-time work, with fully 70 percent of part-time workers in that year being women. That figure has fallen by less than 3 percentage points in the last fifty years, and during the 1990s, it actually began to grow again as women struggled to regain paid work. But in response to the 1991 recession, government policies focused on eliminating large government deficits instead of on supporting women’s paid work lives. Eligibility for unemployment benefits was cut, and as federal social and health contributions were cut, it became more difficult for women to afford child care, obtain unemployment benefits, survive on social assistance benefits, finance post-secondary education, and obtain social housing.

The focus on deficit reduction continued unabated until 2006, resulting in the accumulation of a total of some $90 billion in annual surpluses. Most of this surplus was used to reduce the national debt, and the final surplus, in 2007, was $13.8 billion, or 1 percent of Canada’s GDP for that year. Beginning in 2000, potential surpluses were diverted to selected private sectors through the mechanism of corporate and personal income tax cuts. These foregone revenues did not erase surpluses but certainly reduced their size.
Although the focus on deficit reduction had easily financed surplus accumulation and growing tax cuts, the government steadfastly refused to establish a national child care program to support women’s economic recovery. Just as the last liberal government realized that it had to fight to hang onto a minority government, it adopted a five-year $2.5 billion national child care program in 2005 in a last-minute effort to hang onto power. But apart from this one effort, every other major fiscal change that was made during this period was biased in favor of higher income individuals, of which men are the large majority, and against those with lower incomes, of which women are the large majority.

When the new minority conservative government took over in 2006, it pursued this same pattern, but even more aggressively. It quickly cancelled the national child care program, cut or cancelled Status of Women Canada’s research, communication, and operating budgets, began focusing new and larger tax and spending measures on mid- to high-income taxpayers, enacted several joint tax benefits to subsidize single-earner high-income couples, let poverty supports shrink with inflation, repealed crucial pay equity provisions, slashed tax rates for corporations, businesses, and high-income earners, and began concentrating government spending on the business, corporate, and overseas investment sectors.5

In the years before the global financial crisis reached Canada, it became clear that the combined effects of nearly two decades of deficit-reduction policies and neglect of equality issues had already flatlined women’s progress toward sex equality. Between 1994 and 2004, women’s labor force participation rates increased by a total of 6 percent, while men’s had risen by only 2.7 percent. Yet for all this increased time in paid work, women’s shares of market incomes had risen by less than 2 percent between 1994 and 2004.6

Of even greater concern was the fact that by 2008, even further and advanced education and training was no longer sufficient to overcome longstanding gender income gaps. Table 2 demonstrates that even women with university degrees have steadily lost earnings as compared with men for much of the 2000s. Their gender income gap was smaller in 1987 than in 2008. For women with the lowest educational attainment, their gender income gap is actually larger than it had been 37 years earlier – in 1971 – when overt sex discrimination was still very much the norm.

---

6 STATISTICS CANADA 2006, at 119, table 5.1; Status of Women Canada 2001, at 3.
The consistent dismantling of equality measures over the last decade has taken Canada from first to eighteenth in the UN sex equality indexes in just over a decade, and even lower in other indices. The SocialWatch Gender Equity Index trend analysis for the years 2005-2008 ranked Canada 136 out of 157, which reflects the accelerating rate at which sex equality policies, programs, and laws have eroded since the minority conservative government began ‘trimming the fat’ in 2006. In March 2011, Canada was further downgraded in the UN rankings to reflect rising maternal mortality rates.

### 3. DURING THE CRISIS: NO HELP FOR WOMEN

When the global financial crisis began to affect Canada in 2008, the government took no steps to counter it until strongly pushed by opposition parties. Even then, the government attempted to repackage its many individual, corporate, and VAT (GST) tax cuts as ‘economic stimulus programs,’ arguing that tax cuts of all kinds ‘create jobs’ and lead to longterm economic growth and vitality. After further political pressure, the government did extend the unemployment benefit period by five weeks, and released existing longterm infrastructure funds in response to the demand for some sort of ‘public works’ program to help the unemployed.

---

7 Source: STATISTICS CANADA, *Women in Canada*, 1985-2010 editions. The first year listed in the column headings is the year in which the data were collected; the second year is the year of publication of the relevant edition of *Women in Canada*. The gaps in years reflect the lag involved in collecting, analyzing, and publishing data. Data for the * year were reported in the first edition of *Women in Canada*, 1985.


None of these programs were designed to meet women’s needs, or took women’s patterns of employment, unemployment, poverty, and unpaid work into consideration. Instead, all the programs were constructed around male models of work and social responsibilities, and completely ignored the realities of women’s lives. As a result, all three of the government’s main strategies benefitted men far more than they did women: (1) As the labour market recession deepened, the gender gap in unemployment benefits grew dramatically because women’s work was structurally under-insured. (2) Stimulus programs overwhelmingly benefitted men due to traditioned gendered divisions in labour marked. (2) Not only were previous tax cuts not reversed, but new and increasing tax cuts continued to be put into effect throughout the recession and recovery period at the same time that deficit reduction became a top budgetary priority – and all of the tax cuts under-benefitted women as compared with men, while cuts to public programs increased women’s unemployment in that sector.

WOMEN AND UNEMPLOYMENT:

In Canada, women’s labour market recession lasted longer than men’s, and each group experienced very different patterns of unemployment. Both groups began losing large numbers of jobs in October 2008, but male workers began to regain jobs in July 2009, while women’s employment continued to fall in July and did not evidence recovery until August 2009.10

Overall, the largest proportion of jobs was lost by married women – 176 percent of all jobs lost by women were lost by married women. Married men also lost the largest share of men’s jobs, but on a much smaller scale than married women (98 percent of all men’s jobs were lost by married men).

As workers in each group experienced job losses, some were able to shift into other forms of employment. Although the longer-term impact of these shifts cannot yet be identified, these shifts suggest complex patterns of gender privilege. For example, of the 176 percentage points of jobs lost by married women, 102 percent were lost from full time employment and 74 percent from part time employment. In contrast, while single women gained 230 percent of the number of women’s jobs lost during the recession, all these gains were in the form of temporary full time employment. At the same time, the only job gains registered by married women during the recession were in the form of self-employment: During the same time, women’s rates of self-employment soared while men’s fell markedly – and most of women’s self-employment evaporated quickly as the recession ended, demonstrat-

10 All the data referred to in this section are derived from STATISTICS CANADA, Data Liberation Initiative, Labour Force Survey via ODESJ (Ontario Data Documentation, Extraction Service and Infrastructure), http://search2.odesi.ca/.
ing that it was not self-employment motivated by entrepreneurial interests but by sheer economic necessity.\textsuperscript{11}

These figures suggest several gendered dynamics. First, while many married workers of either sex may be disproportionately disadvantaged by having children, this factor affects married women much more heavily than it does married men. Second, these figures also suggest that although single women gained more jobs during the recession than women of any other marital status, they were overwhelmingly relegated to temporary full time jobs or self-employment as opposed to permanent jobs, themselves less secure forms of employment.

For women, however, unemployment or shifting to less secure or well paid work was only part of the gender pattern: As the recession continued, the gender gap between women vs men who were qualified to receive unemployment benefits grew rapidly. Table 3 tracks the relative percentages of unemployed women and men who received employment benefits from the federal government’s Employment Insurance program at intervals throughout the recession. At the outset of the labour market recessions in October 2008, the gender gap was just slightly over 2 percentage points. At its peak, it was 14 percent. And when it ended, while women’s unemployment levels remained at an all-time high and men’s had begun to fall, that gap was still 10 percent.

Table 3 Percentage of unemployed receiving employment benefits, by sex, 2008-2009\textsuperscript{12}

<table>
<thead>
<tr>
<th></th>
<th>Women</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>Men</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of unemployed</td>
<td>454.7</td>
<td>458.3</td>
<td>544.9</td>
<td>563.8</td>
<td>601.8</td>
<td>569.4</td>
<td>681.7</td>
<td>954.7</td>
<td>988</td>
</tr>
<tr>
<td>Number of beneficiaries</td>
<td>163.6</td>
<td>204.2</td>
<td>244</td>
<td>256.5</td>
<td>236.3</td>
<td>217.5</td>
<td>360</td>
<td>561.1</td>
<td>570.8</td>
</tr>
<tr>
<td>Percent receiving EI</td>
<td>35.6</td>
<td>44.6</td>
<td>44.8</td>
<td>45.5</td>
<td>39.3</td>
<td>38.2</td>
<td>52.8</td>
<td>58.8</td>
<td>57.7</td>
</tr>
</tbody>
</table>

In the larger context of the time, it is clear that women were not well-served by the Employment Insurance system. At the outset of the recession, the federal government had reluctantly allocated a total of $4.8 billion to enhance unemployment programs across a two year period. Unfortunately, women who did not qualify for EI as the consequence of the cuts made to the EI system in the mid-1990s did not qualify for these special measures, either. The 1990s cuts increased the numbers of hours that

\textsuperscript{11} INDUSTRY CANADA. 2010. \textit{Key Small Business Statistics} (July).

had to be worked each year to qualify for benefits and reduced the financial replacement values of benefits and created additional barriers for workers who had made recent claims. With Canadian women continuing to hold nearly 70 percent of all part-time and other nonstandard jobs in the years leading up to the recession, these changes posed increasing barriers to women unemployed during the recession because their eligibility base would have eroded even more quickly as they lost full time permanent employment and ended up in less stable forms of employment.

Because women’s incomes in Canada remain substantially lower than men’s in any event, EI gender gaps made many more women than men vulnerable to having to turn to the social assistance system for support. Canadian social assistance laws are notorious for not providing adequate living allowances. In addition, anyone who accepts social assistance is required to “spend down” virtually all their assets before they can obtain assistance. If they own their own home, the assistance given is secured against future income by liens placed by the government on title to the property, and, if those liens cannot be paid off over time, people have been known to lose their homes when they are seized to pay off the “spend down” amount.

The full impact of these effects will not be known for some time yet, but anecdotal evidence indicates that women have experienced grave losses in the workplace and in terms of overall well being.

WOMEN AND INFRASTRUCTURE ‘STIMULUS’ FUNDING

The other measure the Canadian government took reluctantly at the outset of the recession was to shift longterm infrastructure funds that had been set aside out of accumulated surplus accounts to fund infrastructure projects to stimulate employment in the private sector. Some $9.6 billion was set aside for ‘matching’ federal-provincial and often municipal-level projects to fund heavy construction projects — the construction or repair of roads, water facilities, waste facilities, new facilities, energy retrofits, brown field redevelopments, port and ship facilities, parks and trails, transit, municipal buildings, airports, and community centres. (While a temporary income tax credit was offered to stimulate homeowner improvements, that only ran for one year.)

Even though ‘cultural infrastructure’ was included in the lists of qualifying projects, it was made very clear that new and expanded childcare facilities, women’s shelters, and other resources for women could not be funded under these programs.

---


Investigaciones Feministas
2011, vol 2 55-70
‘Cultural infrastructure’ was narrowly defined in program criteria as consisting of ‘museums, preservation of designated heritage sites, provincial, territorial and local government-owned libraries and archives, facilities for the creation, production and presentation of the arts, and infrastructure in support of the creation of a cultural precinct within an urban core.’ Early suggestions that some social housing could be constructed with this funding were replaced with rules limiting contractors to building publicly owned social housing on decontaminated brownfields, even though adequate decontamination could not be carried out quickly.

As the result of this skewed definition of ‘cultural infrastructure,’ most of the federal-provincial funding awarded to cultural projects, community centres, and community services by the end of 2009 went to restoration of heritage buildings (often unoccupied and even derelict) and sports facilities (frequently used more extensively by males) — but none to women’s shelters or emergency services. The only exception to this was in Ontario, where two women’s shelters received renovation funding. These two projects had a total combined federal-level budget of $572,475 – a mere 36% of the amount awarded for three animal shelters that had, in comparison, received total funding of $1.58 million.

In addition to focusing this infrastructure funding on large-scale projects and excluding build infrastructure that could benefit social services, women as a class of workers received far fewer benefits from this funding than did male workers and the predominantly male-owned companies that earned the profits supported by these projects. Women in Canada remain markedly under-represented in construction, trade, transportation, industrial, and manufacturing jobs (ranging from 7 to 31 percent, variously), and the numbers of women engineers has actually been falling in recent years.15 All of these areas continue to be ‘non-traditional’ for women and unquestionably ‘traditional’ for men. And most of the companies receiving these lucrative contracts are owned by male-dominated shareholder groups and run by almost exclusively all-male management teams.16

The only portion of this infrastructure funding that could have been considered to support social infrastructure was the $1.9 billion provided to universities in each of 2009 and 2010. While most of this funding was earmarked for heavy construction projects, $440 million was allocated to educational operating expenses such as salaries and research costs associated with the technology and innovation areas. However, these are the areas in which women’s enrolments have remained the lowest — even more significantly, this funding was restricted to recruiting senior university researchers to ‘create the economy of tomorrow.’ To date, the first 19 research

chairs thus created went to men, with not one woman on any of the short lists, and with some $18.5 million in funding attached to each of those 19 chairs. 17

In short, it was quite obvious from the outset that women would be unlikely to benefit from these infrastructure programs on any level. The situation was worsened by the enactment of new federal legislation prohibiting labour unions from bargaining over pay equity issues. Thus women and members of demographic minorities remained without effective legal remedies to challenge this situation during the recession as well.

WOMEN AND LONG-TERM TAX CUT PROGRAMS:

Since the early 2000s, successive Canadian governments have put great effort into leading the OECD in tax rate cut initiatives. These cuts accelerated when the new minority conservative government began handing out both rich tax benefits (from income splitting, for example) to high income couples and valuable VAT, personal income tax, and corporate income tax rate cuts that gave the biggest tax benefits to higher-income individuals and corporations.

When the 2008 recession began, these large rate cuts had already been put into motion on the justification that the population was taxed too heavily and rate cuts would unleash the productivity and innovative energies lurking in the Canadian economy.

As soon as the recession began, at the same time that the government resisted expanding unemployment insurance benefits or to begin infrastructure project funding, the government repackaged its massive tax cut program as its ‘Economic Action Plan’ and actually extended it further into the future, calling for more and deeper rate cuts – particularly for the corporate sector. This time the justification was that lower taxes would help those in need. The fact that only corporations with taxable profits could benefit, and only individuals with above-average incomes could obtain tax relief, was shrugged off. Such was the political dynamic of the day that few were able to engage in this debate.

In contrast with most other pro-equality sectors, women’s groups quickly mobilized to make gender budget submissions regarding these tax cuts through

Parliamentary committees, particularly the House of Commons Standing Committee on the Status of Women. Although copious detailed documentation of the negative gender impact of such cuts was filed in committee evidence, the government did not respond to these criticisms, nor take any steps to ameliorate the men-first approach enacted in these cuts.

Table 4 illustrates on the global level how lopsided these tax cuts were and continue to be, in terms of gender impact. Unlike increases in progressive tax rates, the largest benefits of cuts to personal income tax rates go to those who need them the least – and either very small tax cuts or none at all to those with low incomes. With at least 40 percent of all women having incomes so low that they pay no taxes, as compared with just 25 percent of men, large numbers of women with the lowest incomes are thus denied all benefits from any personal income tax rate cuts. This strongly regressive allocation of such tax benefits violates the cardinal principles of both vertical and horizontal equity around which progressive tax rate structures have been built, with no attempt to provide offsetting benefits to those whose low incomes cut them out of the benefits of tax reductions.

Table 4  Estimated revenue costs of 2006-2012 tax cuts and taxpayer benefits, by sex, for 2012

<table>
<thead>
<tr>
<th>Type of tax (federal only)</th>
<th>Revenue foregone</th>
<th>Women’s shares of cuts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate income tax</td>
<td>$14.8 billion</td>
<td>10 to 37%</td>
</tr>
<tr>
<td>Goods and services tax (VAT)</td>
<td>13.4 billion</td>
<td>38%</td>
</tr>
<tr>
<td>Personal income tax</td>
<td>6.7 billion</td>
<td>40%</td>
</tr>
<tr>
<td>Total</td>
<td>$34.9 billion</td>
<td></td>
</tr>
<tr>
<td>Percentage of GDP</td>
<td>2.0%</td>
<td></td>
</tr>
</tbody>
</table>

Cuts to the GST (VAT) tax rates operate in much the same way. Those on low incomes have relatively little capacity for saving, and thus pay the VAT on any consumption goods or services that are not zero- or low-rated. The 2 percent cut in the federal GST rate is extremely expensive, from a revenue perspective, but it has little beneficial impact on those with low incomes while providing substantial savings on high-income consumers. While low-income taxpayers do receive some nominal benefit from the GST cut, the loss of government services and benefits that could have been funded with this tax revenue would increase wellbeing more directly than small personal cuts. The effect of huge corporate income tax rate cuts is similar in gender...

impact. Due to male control and ownership of much of the corporate sector in Canada, women receive even smaller shares of corporate income tax cut savings, while the loss of another substantial revenue stream further shrinks the size of the government budget and forces further ‘austerity’ measures designed to justify eradication of many government benefits and functions.

As the staged cuts producing the figures in table 4 have come into effect over the last six year, no one set of cuts has caused much public alarm. However, when the cumulative budgetary impact of all the cuts that are now in effect are costed out and quantified, as above, it can be seen that the cuts to just these three major tax instruments are the equivalent of a full 2 percentage points of GDP. The OECD reported in 2009 that Canada had already surpassed every other country except the Slovak Republic in tax cuts between 1995 and 2007 with cumulative cuts equal to over 3 percent of GDP. The above figures calculate the 2012 impact of further cuts many of which came into effect after 2007, which indicates that if anything, the overall reduction in Canada’s tax revenues as a share of GDP may well be headed for the 5 percent level in the near future.

With nearly 51 percent of the population being female, this distribution of the benefits of tax cuts is gender regressive and unfair. With women’s share of total market incomes still in the 36-37 percent range, allocating 60 to 90 percent of tax cut benefits to men can only intensify the misallocation of incomes. And these allocations do little to offset unequal market incomes by making much-needed distributional adjustments via the tax or spending functions of government. Instead, the distribution of these tax cuts mirrors the men-first focus of the other two major initiatives used to counter the 2008-2009 recession – the infrastructure funding programs and employment insurance extensions discussed above.

4. THE FUTURE OF WOMEN’S EQUALITY IN CANADA

Given the size of the anti-recession budgetary initiatives taken by the federal government in Canada over the last four years, and the substantial gender imbalances built into each component of each initiative, it is likely that the deterioration of women’s equality in Canada will accelerate as the future arrives.

Canada has had longstanding problems in achieving competitive levels of labour productivity. Gender is an important factor in this. As women have been increasingly pushed into part-time work, multiple jobs, intermittent employment, lack of adequate employment insurance benefits, and fair pay in Canada, their labour productivity has necessarily been impaired. And to the extent that any policies or practices continue to permit women to be pushed to the margins of paid work, overall productivity will continue to be impaired.
For Canada, under-rewarding women in paid work should be seen as a serious problem. Since 2008, the OECD has noted that women have been the ‘mainstay’ of per capita real income growth since the late 1990s, and has expressed concern about lack of basic supports for women’s stable labour force participation.\textsuperscript{19} As confirmed by the Parliamentary Budget Office, Canada has limited potential for increased labour inputs and labour productivity.\textsuperscript{20} In Canada, it is clear that withholding basic social infrastructure from working parents directly undercuts women’s potential labour productivity. As Statistics Canada found in 2006, ‘[t]he increase in [women’s] participation rates in the East appears associated with the greater use of day care...in Quebec,’ while young women’s rates of participation in post-secondary education and paid work fell in Alberta as the number of childcare spaces remained inadequate and their birth rates increased.\textsuperscript{21} Most recently, the OECD study on growing income inequality has warned that inequality in Canada is growing faster than in any other OECD country.\textsuperscript{22}

Despite all this, it is no secret that the current federal government considers women to be a suspect ‘special interest’ group that should not be permitted to engage in political discussions. Indeed, the current government appears to believe that even if there is a good ‘business case’ for equal participation of both women and men in today’s societies, it is happy to pay the high price of encouraging women to abandon paid work and political engagement. Thus other types of tax cuts, such as those resulting from income splitting and costing billions more in lost revenues, are scheduled to take effect within the next two years to give women an incentive to ‘choose’ to stay at home to raise and educate their children there. At the same time, anti-abortion legislation is being discussed openly, and other retrograde social and economic policies such as reductions in health care funding are being proposed. If nothing else, the ease with which women’s equality in Canada has been so quickly and severely eroded in just a decade provides compelling evidence of the necessity of ongoing and bona fide gender budgeting and gender-based policy development.

REFERENCES


\textsuperscript{20} PARLIAMENTARY BUDGET OFFICE. 2010. Fiscal Sustainability Report. Ottawa: PBO, at 7–10, outlining Canada’s prospects for further increases in labour inputs and labour productivity.

\textsuperscript{21} STATISTICS CANADA. 2006. “Changing Patterns.” The Daily (15 June); also see Bibbee, supra, at 22.
En la intersección de la crisis económica global y el Estado Anti-Feminista...

MINISTER OF FINANCE (2010). Budget 2010
En la intersección de la crisis económica global y el Estado Anti-Feminista...

STATISTICS CANADA, Data Liberation Initiative, Labour Force Survey via ODESI
(Ontario Data Documentation, Extraction Service and Infrastructure),
http://search2.odesi.ca/.
Ottawa: Status of Women Canada, at 3.
STATUS OF WOMEN CANADA (2001); GPI Atlantic. n.d. Work and Life: Balancing
Paid Work, Unpaid Work, and Free Time;
Program. Toronto: Canadian Centre for Policy Alternatives, at 4-11.
UNITED NATIONS. 1997-2000. ‘Gender-related Development Index,’ Human
World Economic Forum.