

## **WOMEN AND PENSIONS**

Studies suggest women are at a significant disadvantage to men when it comes to pensions.

Women still earn less than men, and are expected to shoulder unpaid caregiving responsibilities. Women are also concentrated in non-standard, poorly-paid jobs, which offer little hope for a decent pension.

This issue sheet offers the good and bad news for women and pensions. It explains how the CLC's "Retirement Security for Everyone" campaign can deliver the change women deserve.

### **THE GOOD NEWS**

Without question, Canadian women have made pension gains in recent decades. This is particularly true for women workers in the public sector, and women retirees accessing public pensions.

The number of women in workplace pension plans tripled from 1974 to 2004. During this period, almost all the increase in workplace pension plan membership came from women joining unions, and gaining decent pensions to boot.

In recent decades, women also fought for better pension legislation. They won part-time worker access to workplace pensions, and better pension vesting rights. They won fairer Canada Pension Plan (CPP) rules for those who stopped work to help raise children. They won a battle to index CPP and Old Age Security benefits to inflation, so the value of public pensions would hold steady over the course of one's working life.

These victories are the major reason fewer retirees today live in poverty.

In 1980, retiree poverty was twice the rate of the working-age population. By 2004, retiree poverty was half the rate of the working-age population.

### **THE BAD NEWS**

Despite these positive developments, research also shows a major gap in pension income remains between women and men.

Between 1991 and 2001, for example, retired women still earned 60% in pension income relative to retired men. Also, by 2004, 7.3% of retired women still lived in poverty, more than double the rate of retired men.

When the research is narrowed to unattached (single, divorced, widowed) elderly women, the results are far worse. A 2004 study found an astounding 45.6% of women in these circumstances still lived in poverty.

The stubborn persistence of a gender gap in pension income is easy to explain.

First, most currently-retired women faced a labour market that was partially (or largely) closed to those wanting jobs. As a result, they were unable to establish substantial pension incomes beyond their entitlements through public pensions.

Some think times have changed now that the majority of working-age women are on the job, comprising 46% of the Canadian labour market. But that isn't true at all.

Women still don't earn equal pay for work of equal value. Even today, women earn a 75 cent dollar relative to men. As a result, they'll face challenges accumulating the same pension income as men.

Secondly, while expectations for working women have changed, caregiving expectations have not. Women still shoulder the bulk of unpaid caregiving work for children and seniors. In 2002, over 2 million Canadians offered personal care for seniors, three-quarters of whom were women.

As a result, the absence of affordable, publicly-funded child care and elder care has put working women in stressful and frustrating circumstances.

Equally stressful is the dominant role of women in low-quality, precarious work. 40% of women work in these kinds of jobs, and won't be able to accumulate much (if any) pension income.

Also, the vast majority of workers today (over 60%) don't have access to a workplace pension, so even women in good jobs can face pension challenges.

## **LABOUR'S PLAN TO IMPROVE PENSION RIGHTS FOR WOMEN**

We can improve women's pension rights, and we can do it through pension activism.

Over the last three decades, unions have been effective vehicles to fight for women's equality in pensions. There's no doubt about it, unions make a difference in women's lives.

The CLC's "Retirement Security for Everyone" campaign wants to double CPP benefits, increase public pensions for poor seniors, and introduce a system of pension insurance. These demands will help women increase their pension security, and get the dignified retirement they deserve. They will ensure no retiree, current or future, gets left behind.

For this to happen though, we need the support of women across Canada, from coast to coast to coast. As an old adage goes, women make the union strong!



RETIREMENT SECURITY  
*for everyone*