

Wage Gap - An Economic Imperative

New Brunswick's population is aging faster than the national rate and our working age population is projected to decline over the next decade.

New Brunswick's demographics point not only to a shrinking labour force, but also a rise in demand for skilled workers.

Our Demographics

Statistics Canada's population projection indicates that senior citizens will outnumber children in about a decade. New Brunswick's demographic profile is a concern for our economic future.

New Brunswick's population trends indicate a:

- Declining population
- Faster decline of youth population
- Faster growth of senior population

What does this mean?

- We have fewer youth upon which to build our economy;
- In 2011, the first baby boomers reached retirement age – earlier than in the rest of Canada;
- A steadily growing senior population;
- A decline in the proportion of the working-age population.

"New Brunswick will face critical talent shortages within the next decade. To maintain productivity and profitability, employers need to develop more effective and efficient ways to manage their workforce. Wage gap reduction strategies will assist employers to address these looming shortages while staying competitive."

*- Anne Hébert, Directrice générale
Conseil économique du Nouveau-Brunswick Inc.*



Our Labour Force

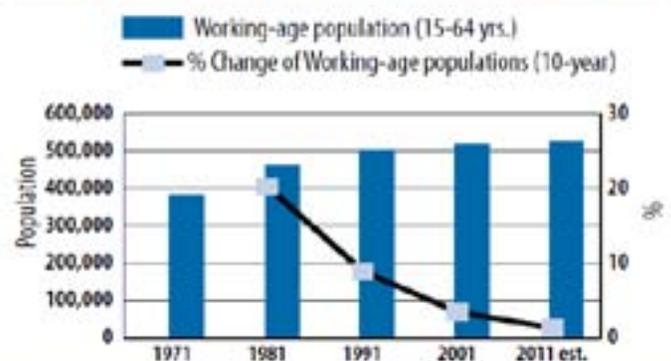
Labour market analysts forecasted the beginning of an important decline in the size of New Brunswick's labour force in 2011 when the first baby boomers are likely to retire.

Despite the projected decline of the working-age population, labour force participation rates in New Brunswick are expected to grow.

New Brunswick's female participation in the labour force has been growing rapidly over the past decade and is expected to be equal to male participation's by 2019.

By addressing the wage gap now, not only will more women be working, but these women will be more fully employed and therefore more economically productive. This will clearly lead to overall economic gains for the province.

New Brunswick's Working-Age Population



Source: Statistics Canada 1971-2001 - CANSIM Table 051-0001
Estimates of population by age group and sex, for July 1

N.B. Facts & Figures

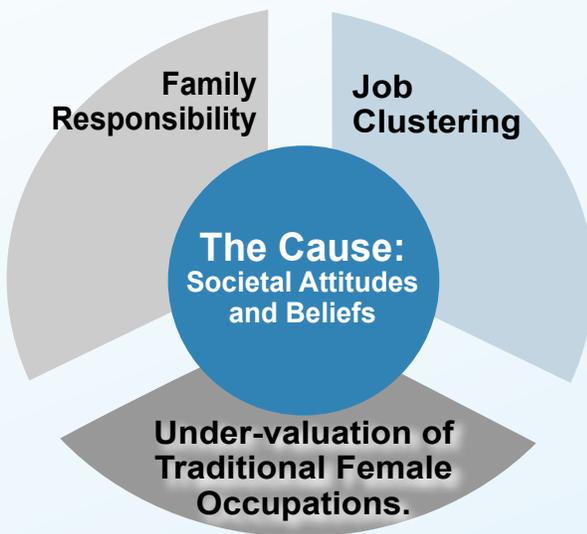
A wage gap is the difference between the average wages earned by men and the average wages earned by women.

What Causes the Wage Gap?

The wage gap is caused by outdated societal attitudes and beliefs about the place and value of women in the workplace.

Contributors to the Wage Gap are:

1. the balancing of work and family responsibilities of working women,
2. the job/industry clustering of working women, and
3. the under-valuation of traditional female occupations.



Source: Report of the New Brunswick Wage Gap Roundtable, 2003

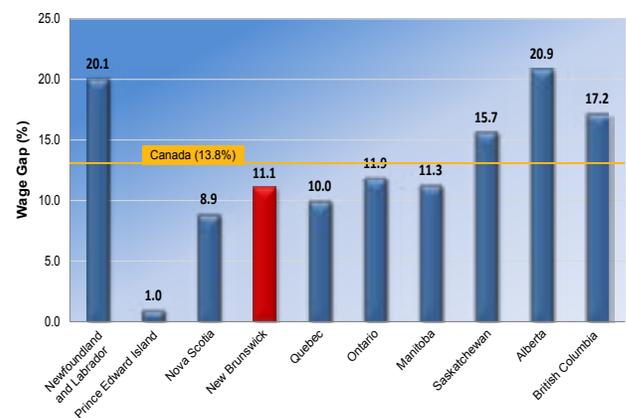
With a wage gap, women face greater challenges to their economic status, their quality of life and health, and their human rights. All of these factors represent costs to the economy. Reducing the wage gap can encourage women's economic equality which in turn may help address these costs.

The Wage Gap and Prosperity

An increase in skilled workers is critical to sustain our economy. Women are a key element of the solution because they represent nearly half the labour force. However, many New Brunswick women are not yet in the labour force. Of those who are, many are working in jobs that underutilize their full working potential.

It is assumed that women and men in New Brunswick have equal economic potential. The wage gap shows the actual degree to which New Brunswick women are underutilized. That's why some researchers call the wage gap the "productivity gap".

Provincial Hourly Wage Gaps 2014



An Opportunity for Economic Growth

The wage gap is an economic matter because it has a direct impact on our economic productivity. It has been proven that strategies to reduce the wage gap also increase the number of skilled workers, create a stable workforce and improve a company's bottom line. This will also address New Brunswick's looming skills and labour shortages. By closing the wage gap, New Brunswick will move towards a more competitive economy and progressive society.

Want To Know More About The Wage Gap?

Visit our website at: www.gnb.ca/economic_security

For more information, contact us:

1-877-253-0266 web-edf@gnb.ca and sign up for our WomenFemmes NB newsletter.