

# Intelligence MEMOS



From: Parisa Mahboubi and Tingting Zhang  
To: Canadians Concerned About Labour Shortages  
Date: July 5, 2023  
Re: **EXPLORING THE FEMALE EMPLOYMENT GAP**

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The COVID-19 pandemic has had a profound impact on the working lives of Canadians, with women affected differently than men.

Our recent C.D. Howe Institute [E-Brief](#) examines how women fared before the pandemic, how the pandemic affected their work lives, how they are performing post-pandemic and how to improve their labour market outcomes.

Although women's outcomes have improved significantly according to these indicators, they still lag behind men.

There are gender disparities in job characteristics depending on employment type, occupation and industry. For example, women are more likely than men to work part-time.

In 1976, about one-quarter of employed women worked part-time, compared to 6 percent of men, representing more than 71 percent of all part-timers. Although women are still much more likely to work part-time than men, part-time employment has grown substantially faster among men than women since 1976, resulting in a reduction in women's share in part-time employment to about 64.4 percent in 2022. Women's share of part-time employment depends greatly on age, with women aged 25-54 having the highest share in part-time employment. Regardless of gender, youth (15-24 years old) are more likely to seek a part-time job due to schooling, while personal preference is the main reason among all workers aged 55 and older.

Among part-timers aged 25 to 54 in 2022, men cited economic conditions as the main reason (32 percent), while parental responsibility was the main reason for women's part-time employment (about 28 percent). Narrowing the focus on part-timers to those aged 25-44, the share citing childcare increases only among women, to 33 percent. The childcare factor is lowest in Quebec, highlighting the role of accessing affordable childcare in women's employment decisions.

Differences in childcare support among jurisdictions provide insights into the impact of childcare for mothers who wish to work and opt for part-time roles. For example, the median childcare fee has been lowest in Quebec and highest in Ontario. Quebec's reduced-fee universal childcare program has supported the higher workforce participation by women, giving the province a higher employment rate for women with young children and the lowest share of women working part-time due to caring for children.

Meanwhile, gender imbalances remain across industries and occupations. Women are overrepresented in healthcare and education services, followed by the accommodation and food services industry (the lowest-paying sectors) and are underrepresented in some in-demand jobs such as skilled trades and in high-paying occupations such as STEM as well as in management occupations.

Some gender differences in occupations and industries are related to educational and occupational choices and workplace culture, as well as societal norms. Although women in Canada have become more educated, they continue to have fewer trades certificates and STEM university degrees. In 2021, women made up just 12 percent of the 72,714 new apprenticeship registrations in Canada, down from 13.5 percent in 2019. According to Statistics Canada, men represented more than half (60.5 percent) of postsecondary STEM enrolments in 2020/21. Only about one-third of the STEM enrollment gender gap (17 percentage points) among bachelor's degree students can be explained by gender differences in academic performance or by student and school characteristics. Other contributing factors could be related to gender differences in STEM role models (teachers or parents), interest, confidence and societal norms.

Industrial differences between men and women explain why, unlike in the 2008-2009 financial crisis, the pandemic hit women harder. During the 2008-2009 financial crisis, the goods-producing industries had the highest employment drop, but only about 11 percent of women worked in these industries, compared to 35 percent of men. In contrast, a higher proportion of women (29.3 percent compared to 24.6 percent of men) worked in the pandemic's hardest-hit industries: accommodation and food services, wholesale and retail trade, and information, culture and recreation.

Reducing disparities in gender participation and employment rates and encouraging women to work in STEM occupations and skilled trades would help mitigate aging's impact on labour force growth, address labour and skills shortages, and strengthen the economy. These measures require encouraging greater labour force participation and removing employment barriers for women who wish to work, especially older women and those with children.

Our recommendations to get us there include: better policies for increasing accessibility to affordable childcare, improvements to women's workforce development and flexible work arrangements.

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