



Nova Scotia Advisory Council on the Status of Women

Building Transitions to Good Jobs for Low-Income Women

Summary and Recommendations

July 2004

The report was prepared for the Nova Scotia Advisory Council on the Status of Women on the recommendation of its Round Table on Women's Economic Security. It focuses on transition-to-employment strategies and best practices that would enable women in Nova Scotia to move out of poverty into more stable, well-paid employment.

Through an assessment of best practices and other research, the report finds that one of the most generally recognized strategies for helping women with barriers to employment is a long-term process of educational upgrading and skills training and that programming that is woman centred and delivered by community-based organizations programs can play an important role in any transition-to-employment program mix.

The report discusses three central and related issues that arise from these findings: how can community-based transition-to-employment programming play a role in the program mix in Nova Scotia; is there an opportunity, through current government policies and programs, to develop a province-wide community-based training infrastructure for women in the province; and what kind of programs should be offered in Nova Scotia.

Recommendations are offered at the end of the report to guide the development of a transition-to-employment strategy for low-income women in Nova Scotia.

Women, Poverty, and Precarious Employment

Low income is a fact of life for many women living in Nova Scotia. Women in full-time employment in 2001 earned an average weekly wage of \$523 before taxes¹; gross annual wages at this rate would be \$27,196. For many women the economic reality is far worse. In 2002, 69,200 (or 37 per cent of all women workers in Nova Scotia) earned less than \$10 an hour. A woman working full time, full year at \$10 an hour would earn only \$17,500 a year. As a point of comparison, the low-income cutoff in 2000 for a family of two was \$18,200. For a family of three, it was 22,600.²

Although many low-paid workers are employed full time, an increasing number work in precarious jobs—temporary, part-time, casual, or other non-standard forms of employment that are characterized by low wages and few benefits. Women are over-represented in both non-standard work and in precarious, low-paid employment: 69 per cent of adult workers in Canada earning less than \$8 per hour in 2000 were women. Although women accounted for 46 per cent of the labour force in 2001, they constituted 63 per cent of those in precarious jobs.³ Many of those in low-paying jobs are unable to move up, and those who are trapped tend to be female and to have high school education or less.

Changes to federal Employment Insurance regulations in 1996 have made many of these workers ineligible for employment insurance and benefits such as parental leave. Their employment usually does not include non-statutory employment benefits such as health insurance, paid sick leave, and pensions; it seldom leads to career progression; and provides limited on-the-job training.

Low levels of education, combined with lone parenting or a disability, greatly enhance a woman's probability of being poor or on income assistance. Department of Community Services data show that over half of single mothers requiring social assistance have less than a grade 12 education.

Grade 12 education may not be enough to ensure a living wage; jobs in the knowledge-based economy require more than basic literacy and math skills. However, opportunities

for skills upgrading and for lifelong learning, whereby workers have the opportunity to upgrade their education and skills are not widely available for low-income people. New strategies and supports are needed to help women move from precarious, low-waged employment or social assistance into stable, well-paid, and secure jobs.

The Changing Policy Landscape and Its Implications for Women's Access to Training

The economic situation of low-income women has been affected by restructuring and changes to social policies and programs in the 1990s, including the loss of designated status for women in government-funded programs. These changes, and especially those associated with the 1996 Employment Insurance Act, have translated into disproportionate losses for women's access to skills-development, training, and employment programming. Fewer women are qualifying for EI and therefore for benefits under Part II of the EI Act such as wage subsidies and skills-development programming. The biggest barrier to women's ability to access transition-to-employment programming that encourages long-term self-sufficiency, therefore, lies in the lack of government funding for skills development and training.

Funding cuts and program restructuring have also had a negative impact on community-based organizations that previously provided transitional training or support to women seeking employment. Core financial support and direct purchasing ended, and organizations have had to rely on short-term project funding.

Currently, the Canada–Nova Scotia Labour Market Development Agreement and new priorities under the Skills and Learning Framework offer a new opportunity to help some low-income women to move into more stable employment through the funding of transitional programming. One of the framework's guiding principles, that programming be inclusive and accessible to all Nova Scotians, including “women and persons with low income,” has already translated into limited direct investment in transitional programming for low-income women.

A coordinated approach to employability exists, but still missing under the Skills and Learning Framework are new funding mechanisms and firm financial commitments to the priorities on the part of all federal and provincial partners in the framework. An overall strategic approach to developing province-wide transition-to-employment programs that takes into consideration the diverse and complex needs of women on low income has also not yet been developed.

A major constraint on the effectiveness of the framework's priorities is the lack of specific financial commitments by the federal government in its innovation strategy for the knowledge-based economy, *Knowledge Matters*, to realistically assist low-income people, including women, to access skills-development training.

Transition-to-Employment Strategies: Best Practices and Lessons Learned

The literature shows that best practices do exist for helping people to move from social assistance or reliance on low-income jobs to stable well-paid employment, but there is no “quick fix” to the problem of low-waged work. Almost all successful approaches require time (two to three years' minimum for many individuals) and a mix of interventions.

It is generally accepted that childcare costs, health benefits, and transportation must be covered before single mothers can be expected to make the move from assistance to employment. Without these supports, no employment strategy will work. This means coverage for both the transitional period (up to two years) and at least the first year in a job.

Academic upgrading is also key to any strategy for moving people into well-paid work. Job-development and training programs that combine formal learning with skills development and on-the-job experience have been found to be effective in helping recent labour force entrants and re-entrants encountering employment difficulties move into the mainstream economy.

Job-training programs alone have been less successful in assisting single parents on social assistance to move into stable employment. In part, this is because programs did not adequately take into account the multiple barriers

that single mothers face, such as access to child care, transportation, and health benefits. It is also because women have usually been trained for jobs that do not pay a living family wage.

Transition programs, common in the 1980s and early 1990s, typically helped women to overcome educational, attitudinal, and structural barriers; determine and realize their job aspirations; and acquire the basic skills needed to participate in the labour force or to go on to further education or training. They were delivered by community-based non-profit organizations and by small private businesses.

The literature shows that transition programs that are woman-centred, socially and culturally inclusive, and delivered at the community level by community-based organizations are most effective for assisting low-income women with multiple barriers to employment to move along a continuum towards more stable employment. This includes women with a background of abuse, women with disabilities, aboriginal women, women from visible minorities, low-income women, and women wanting to re-enter the workforce after some time at home raising children.

Providing training for women in areas suffering a shortage of qualified workers would also help to reverse the trend of women being relegated to low-wage service and clerical employment. There are numerous examples, nationally and internationally, of successful bridging, or pre-employment, programs for women interested in exploring careers in the trades or technological occupations. Many of these programs are also used in conjunction with re-entry or pre-employment programming designed specifically for women.

Strengthening community economic development (CED) has also proven to be a viable strategy for creating jobs and moving low-income people into more stable, better-paid employment. A CED approach specifically designed for women can offer a job creation focus and transitional programming that is of real benefit to women and the community.

Strategies to Improve Living Standards

Employment alone may not be a way out of poverty. Longer-term transition-to-employment programs and other interventions are required to ensure that women do not remain in poverty or on the periphery of the labour market.

Options for improving living standards in both the short and the long term include wage supplements (alone or in combination with healthcare and childcare benefits and full-time employment) and income packaging (a mix of social assistance including child care and other benefits and part-time work). Other options that go one step further include a guaranteed annual income and a negative income tax.

Income supplementation in the form of tax credits and child benefits is currently being used to address child poverty. None of these measures, however, address the underlying problem of low-waged work. Europe has recognized that breaking through the low-wage barrier takes more than income supplementation schemes. The European approach is to implement economic and social policies that encourage better-paying jobs and support families through tax-supported child care.

Some strategies Canada could consider along this line include larger investments in education and training, higher minimum wages and better labour standards, income security alternatives to welfare, investments in health benefits such as Pharmacare, as well as a real commitment to child care.

The Case for Community-based Transitional Programs for Women in Nova Scotia

Transition-to-employment programs for low-income women and women with multiple barriers to employment must address the issues of low expectations and lack of self-confidence. The most effective programs have been shown to be those that are built on women-centred and adult education principles, are flexible and multi-dimensional, and have sequential learning components with multiple points of entry. They include a mix of programming, similar to building blocks, which women can use to upgrade their education and build their skills. Such programs are most effective when they are developed and delivered in the community by women's organizations, and take women's living conditions into account.

Recommended transitional programming components for women in Nova Scotia include educational upgrading; pre-employment training; mentoring, support, and orientation to trades and technology training; and training in community economic development skills. These programming types fit the goals of the Nova Scotia Skills Agenda and many of the approaches are already recommended under the Skills and Learning Framework.

Some low-income women still find it difficult to access educational upgrading because of lack of confidence, distance, travel time, or affordable transportation. Educational upgrading programs and post-secondary preparatory training offered in the local community through community-based organizations would help to fill the gaps in the community college and Adult High School programs and alleviate accessibility problems for those living in more isolated regions of the province.

A basic, though fragile, community-based infrastructure for the delivery of transition-to-employment and CED programming for low-income women already exists in Nova Scotia. These programs and the organizational infrastructure to deliver them deserve to be better supported through more sustainable funding. This infrastructure and capacity should be developed and built upon so that a variety of programs are available to women living throughout Nova Scotia.

There is also some organizational capacity to mentor and support women to participate in community college trades and technology programs, but if a full-fledged community-based orientation to trades and technology program is to be developed, it will be necessary to develop more capacity to deliver such a program at the community level.

Conclusions

The Canada–Nova Scotia Skills and Learning Framework, with social inclusion as one of its goals, offers a better mechanism for coordination, planning, and support of community-based transitional programs than in the past. Improved funding mechanisms (including longer-term, multi-year, and program-based funding) with accountability reporting more appropriate for voluntary sector organizations, however, should be developed.

All government partners in the framework should also make firmer financial commitments to the employability and career development priority. The framework's business plan and the business plans of government partners in the framework should include accountability reporting for the framework's priorities and goals, including the goal of addressing the transition-to-employment needs of low-income women.

Other constraints on the ability of the framework to fulfil the goal of social inclusion must also be addressed. A more effective longer-term strategy probably means moving beyond the Skills and Learning Framework as it stands. This would likely involve developing a renewed and strengthened LMDA with expanded partnership arrangements, focusing more on social inclusion goals, enhancing federal government financial support for skills development (outside of its current limited obligations under Part II the EI Act), and changing existing EI legislation and regulations to ensure more women are eligible for benefits and programs.

Recommendations

Partners in the Canada–Nova Scotia Skills and Learning Framework

- That community-based transition-to-employment programs be recognized by both levels of government and all departmental partners involved in the Canada–Nova Scotia Skills and Learning Framework as an appropriate strategy for supporting low-income women in their move into employment.
- That giving due consideration to costs and the fiscal capacity of the province, the partners in the Skills and Learning Framework establish a task group to develop next steps for the development of transition-to-employment programs for low-income women in the Province of Nova Scotia, consistent with the findings of this report, namely that:
 - More stable funding mechanisms are required for community-based organizations currently delivering transitional programs; and funding should extend beyond the present 12-month timeframe so that program delivery may be more efficient and effective and offer a more diverse range of training for low-income women.
 - Transition to employment for women with multiple barriers to employment can be a long-term process and requires program flexibility to enable women to move from one stage of learning to another.
 - Transition-to-employment programs work best when they include various components and approaches specifically designed for low-income women and when they are flexible in design and content and can be tailored to individual needs.
 - Transition-to-employment programs in Nova Scotia should incorporate various components such as prior learning assessment and recognition, educational upgrading (including post-secondary readiness components), pre-employment programming, community economic development programming, and transition-to-trades-and-technology programming.
 - Prior learning mechanisms and processes should be recognized and developed so women can transfer within and between community-based learning and other transition-to-employment programs,

and between these and the various programs offered through post-secondary institutions.

- Provision for appropriate support, especially child care, elder and disability care, and transportation costs, should be in place for the duration of all transition-to-employment training programs.
- The specific needs of rural women should be taken into account in relation to access to educational upgrading and other transition-to-employment programs, as well as their particular transportation and caregiving needs and costs.
- Existing community-based women’s organizations with a successful record of delivering transition-to-employment programming to low-income women should be considered as a basis for the development of a community-based infrastructure to deliver transitional programs to women across the province.

The Nova Scotia Advisory Council on the Status of Women

- That in collaboration with the various partners in the Canada–Nova Scotia Skills and Learning Framework and the Round Table for Women’s Economic Security, the Nova Scotia Advisory Council on the Status of Women continue to provide advice and support for the development and implementation of a strategy to develop community-based transition-to-employment programs for low-income women throughout the province.

Federal and Provincial Governments

- That the federal government review and revise the Employment Insurance Act and regulations to ensure that more women are eligible for benefits and programs.
- That the federal and Nova Scotia governments consider expanding their partnership arrangements under the Labour Market Development Agreement (LMDA) and the Skills and Learning Framework to allow greater flexibility for the development of a jointly funded Employability, Career Development, and Employment Counselling program in Nova Scotia so that these services can be developed province-wide and in a socially inclusive manner.

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- That in the context of a renewed and strengthened LMDA, the federal government consider enhancing its financial support for skills development (outside of its obligations under Part II the EI Act) so that transition-to-employment programs can be expanded to people in poverty (including women) who are not currently eligible for, or in receipt of, social assistance or EI (sometimes referred to as “gap” clients).
 - That both levels of government consider policies that would allow better access for low-income women, including women on social assistance, to post-secondary education.
 - That both levels of government consider the need for stable, affordable, and accessible childcare services and focus on the enhancement of these services under the federal government’s Early Childhood Development Initiative.

Governments, Business, Labour, Education, and Community Organizations

- That all levels of government, educational institutions, business and labour organizations, and community organizations recognize that everyone has a stake in assisting women to move towards economic independence and that they continue to work together to identify solutions to poverty. These should include ways to improve the quality of jobs in the labour market, better income security programs, accessible and affordable child care, workplace accommodation, improved supports for persons with disabilities, and better access to post-secondary education and continuing learning programs to assist people to participate in the labour market.

References

- 1 Ronald Colman, Social Determinants of Women’s Health in Atlantic Canada, vol. 1 of Women’s Health in Atlantic Canada, January 2003 Update (Halifax: GPI Atlantic, 2003), 16. Ronald Colman, Social Determinants of Women’s Health in Atlantic Canada, vol. 1 of Women’s Health in Atlantic Canada, January 2003 Update (Halifax: GPI Atlantic, 2003), 16.
- 2 Ibid., 3.
- 3 Cynthia Cranford, Leah Vosko, and Nancy Zukewich, “Precarious Employment in the Canadian Labour Market: A Statistical Portrait,” *Just Labour* 3 (Fall 2003): 6–22.

The full report, *Building Transitions to Good Jobs*, by Stella Lord and Anne Martell, can be downloaded from the Nova Scotia Advisory Council website: www.gov.ns.ca/staw