

Centre for Urban Research and Land Development

## How Land-Use Is Fuelling the Workplace Gender Gap in the Greater Golden Horseshoe

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\*The opinions expressed in this research report are those of the authors only and do not represent opinions and views of either CUR or Ryerson University.



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Gender equality has become a top of mind issue for many governments around the world. In Canada, the Federal Government is now focused on gender equality and justifies it on economic grounds. In the words of the Prime Minister, "Women's empowerment is a key driver of economic growth that works for everyone."

The goal of the Federal Government is to encourage more women to enter the labour force and to reduce the gap in how much women are paid relative to men. In this report, the Centre for Urban Research investigates the role land-use planning policies can play in closing male-female gender workplace gaps. More specifically, the report looks at ways commute times can influence a woman's decision to work. The findings suggest that there is an opportunity to use land-use planning tools to help the Federal Government meet its objective of getting more women working.

## Women in the GGH less likely to work than women in <u>other regions of Canada</u>

The largest opportunity in Canada for improving female labour force outcomes exists in the Greater Golden Horseshoe (GGH), where women are both more highly educated than in other parts of Canada, and are also less likely to work. The female labour force participation rate in the GGH (the share of the female population that is either working or looking for work) has been on a downward trend since 2002 (see Figures 1) and is lower than that of women in other CMAs in Canada. The differences in labour force participation rates are largest for Millennial and Gen X women aged 25 to 44). The average labour force participation rate for women aged 25 to 44 in the 9 census metropolitan areas (CMAs) within the GGH is three percentage points lower than that of women in other CMAs across Canada

Data from the 2016 Census of Canada provides some evidence that women making higher incomes may be leaving the workforce as they start to have children. Figure 2 shows the share of coupled households with dual incomes by income group, for families with and without children. It shows that higher-income earning coupled households without children are very likely to have both partners working. However, higher income coupled households with children

#### Figure 1: Female Labour Force Participation Rate(%) by Age Group in Canadian Census Metropolitan Areas, 2002 to 2018











**Centre for Urban Research & Land Development** Faculty of Community Services are less likely to have dual income earners than low-to-mid income earning households. In contrast, lower income households with children are more likely to have both partners working than low income households without children. The presence of children creates the financial need for two working parents in low income households.

## **Availability of daycare may be one factor to blame...**

One well-documented reason for low female labour force participation rates is the high cost and the limited availability of daycare. For instance, some cities in Quebec (where daycare is cheaper and more readily available) have significantly higher female labour force participation rates than some cities in Ontario. According to the Canadian Centre for Policy Alternatives, Ottawa, the city with the highest female labour force participation rate in Ontario, also has the most daycare spots per child and the least amount of wait lists (David MacDonald, 2018).

## <u>...along with the land-use</u> policies of The Planning Act in Ontario

Land-use planning policies can also have an effect the female labour force participation rate, through the impact on commute times.

Women in Canada are still responsible for the majority (over 60%) of household and childcare chores, like cleaning and daycare/ school drop off and pick-ups (Statistics Canada, 2017). This means that women are more time constrained than men, and their commutes are more burdensome and have a higher opportunity cost. Women are also more likely to be commuting to work during peak rush hour times (see Figure 3), which adds time for every kilometer travelled.

For these reasons, women in the GGH are less likely than men to commute long distances for work (see Figures 4 and 5), according to Census of Canada data. Women are more

#### Figure 3: % of Commuters Travelling Between 8 am and 9 am for Work by Gender and by Region, in the GGH, 2016



# Figure 4: % of Commuters Travelling within the Census Division of Residency by Gender and by Region, GGH, 2016



#### Figure 5: % of Commuters Traveling More than 15 Kilometres (km) to Work, by Gender and by Region, 2006 and 2016





likely to take on jobs in the census subdivision in which they live, and to commute shorter distances for work. While almost half of men commute more than 15 kilometers for work, only 33% of women do so. The result is that women are more dependent than men on job opportunities available within a closer radius to their homes.

In addition, families are increasingly having to move to the suburbs to find affordable familyfriendly housing, while job creation has been largely concentrated in the downtown Toronto core in the last decade. This geographical wedge between families and jobs has increased commuting distances and times. The share of both men and women commuting more than 15 kilometers rose by three percentage points between 2006 and 2016 for those living outside the City of Toronto (see Figure 5, page 4).

The average commute time in the GGH (oneway) has increased by 1.2 minutes between 2006 and 2016 according to Census of Canada data, while some urban regions have seen an increase of up to 3 minutes (see Figure 6). Households living in CMAs in the GGH had an average commute of 31.5 minutes (one way) compared to an average of 26 minutes in other Canadian CMAs (see Figure 7).

This difference in commute times may not seem like much, but research suggests that it is enough to drive the divergence in the female labour force participation rates between women in the GGH and those living in the rest of Canada. More recently, Dan Black, Natalia Kolesnikova, and Lowell Taylor studied the relationship between female labour force participation rates and commutes times across metropolitan areas in the United States using data for the year 2000. They found that commute times impacted the decisions of married women to participate in the labour force, particularly among those with children. This research found that a one minute increase in commute times lead to a 0.3 percentage point reduction in the labour force participation rate among women, even after accounting for other variables that could impact a woman's willingness to engage in the labour market.

#### Figure 6: Change in Average Commute Times by CMAs in the GGH, 2006 to 2016



#### Figure 7: Average Commute Times by CMAs in Canada, 2016



Ryerson University Women were far more likely to work in urban regions with shorter commute times, for example Minneapolis, than in urban regions with longer commute times such as New York. The female labour force participation rate was 79% in Minneapolis in 2000 compared to just 52% in New York City (Dan Black et. al, 2018).

While more research is needed, there may be some evidence that the relationship found in the United States may exist here in Canada. When comparing commutes times for men (more reflective of unconstrained commuting patterns) for select census divisions in Canada to the female labour force participation rate for the same areas using data from the 2016 Census of Canada, the analysis suggests there may be a negative relationship between commute times and labour force participation rates in Canada as well. This means that women are less likely to be participating in the job market in census divisions with higher commute times (see Figure 8). Further, Figure 9 shows that CMAs in the GGH that have had the longest commute times, including Toronto and Oshawa, also had the biggest decline in the female labour force participation rate between 2006 and 2016.

### The commute may also impact the type of jobs women take on...

There is also some evidence that longer commutes not only impact a woman's decision to work, but may also influence the type of job she is willing to take on (usually lower paying jobs), which then has an impact on the gender wage-gap. Because they take on shorter commutes, women are subject to job opportunities closer to home – and the type of jobs more readily available within a short commute distance are sales and customer service and support and administration jobs, which are also lower paying jobs. 41% of women in the GGH work in these jobs, compared to just 26% of men.

Figure 10 links the male-female wage difference by census division in the GGH to average commute times. The negative correlation evident in this chart suggests that women

#### Figure 8: Female Labour Force Participation Rate and Male Average Commute Time in Canada by Census Division, 2016



Source: CUR based on Statistics Canada

Figure 9: Change in Female Labour Force Participation Rates (%) over 2003 to 2018 by Commuting Time for Major CMAs 2016, GGH









Centre for Urban Research & Land Development Faculty of Community Services who live in census divisions further from job opportunities experience a larger gender wage gap.

## **Conclusion and policy** <u>implications</u>

The divergence in female labour force participation rates between the GGH and the rest of Canada suggests that a regional factor (something specific to the GGH) has resulted in relatively fewer highly educated women remaining in the job market.

Our research suggests that one policy tool for getting more women employed may be to bring families and jobs closer together. Commute times have gone up through the GGH as households with children move out to the suburbs and the majority of office job creation continues to occur mainly in the City of Toronto. The resulting higher commute times across the GGH have a more negative impact on women than men given they face more cumbersome commutes and are more time constrained.

There is some evidence that the increase in commute times has contributed to the decrease in the female labour force participation rate in the GGH since 2002, when compared to other regions in Canada.

Some options governments have for addressing this issue are:

- Implement policies to increase the creation of missing middle housing in the City of Toronto near jobs. A recent CUR report, "A Strategy for Significantly Increasing the Supply of "Missing Middle" Housing in the City of Toronto" addresses policy options for increasing the supply of missing middle housing.
- Prioritize development along Ontario's major transit nodes, including subways, GoTrain Stations and LRT lines. Transit Oriented Developments helpd reduce both commuting times and costs for households. And, women also account for 60% of transit users (see Figure 11), so the benefit of these developments are likely largely flow to women. A recent CUR study "Ontario Transit Nodes have Untapped Development Potential" indicated that there is

plenty of room to build missing middle typologies around Ontario's 200 transit nodes.

Develop the urban centres in the suburbs near families to open up job opportunities closer to home. Pamela Blais argued that the region needs a second downtown location to help alleviate some of the pressures development in downtown Toronto is having on the infrastructure (Blais, 2018). A gender-based analysis could be used in picking and planning this location. Mixed-used communities help bring households, jobs and services (like daycare) closer together. Not only does the amount of daycare and other services (like grocery stores) matter in the gender debate, but so does the location. Having to drive 5 minutes out of the way for daycare or school drop off can be just as much a deterrent to female labour force participation as not having it at all.

#### Figure 11: % of Transit Users by Gender, and by Region, GGH, 2016





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