

# Does pay transparency close the gender wage gap?



Women earn less than men, on average, in the Canadian labour market. The gender pay gap may persist, in part, because **it is hidden**.

By examining the introduction of public-sector salary disclosure laws across provinces on faculty salaries at universities, **pay transparency is found to reduce the gap** between men's and women's earnings.

## The gender pay gap in Canadian universities, 1981 to 2017

The gender pay gap among faculty at Canadian universities **has been closing gradually over time**, especially around 1996 when the first salary disclosure laws were introduced in several provinces.



## Pay transparency helps reduce the gender pay gap

University departments where some faculty members' salaries were disclosed saw a

**30% reduction**

in the gender pay gap relative to departments where no salaries were disclosed.

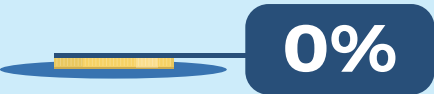
## Collective bargaining matters

Reduction in the gender pay gap when salary disclosure laws were introduced

Among unionized faculty:



Among non-unionized faculty: Approx.



Source: Baker, M., Y. Halberstam, K. Kroft, A. Mas, and D. Messacar. *Pay transparency and the gender gap*. Analytical Studies Branch Research Paper Series, no. 430. Statistics Canada Catalogue no. 11F0019M. Ottawa: Statistics Canada.

© Her Majesty the Queen in Right of Canada, as represented by the Minister of Industry, 2020