

The Precarity Penalty

The impact of employment
precarity on individuals,
households and communities
—and what to do about it

YWCA Advocacy Advisory Committee
8 September 2015



POVERTY AND
EMPLOYMENT PRECARIETY
IN SOUTHERN ONTARIO



United Way
Toronto

Why we looked at employment

- Shift toward a community impact orientation in 2003
- Losing Ground research in 2007
- Intelligence from member agencies — our city's social barometer
- Wanted to examine the impact of changing employment on life outside of work

PEPSO: Poverty and Employment Precarity in South Ontario

- Research partnership involving universities, community groups and labour
- Studied Greater Toronto and Hamilton Areas
- 2 surveys and 6 case studies
- More than 4,000 people surveyed and 83 direct individual interviews

What are the social effects of precarious employment?

“Before I knew I had a job, I went and did it, I came home and I had a life. . . It’s like this precarious work . . . It changes you as a person.”

“We’re just giving you jobs or work as it comes. . . . You don’t have benefits. . . . If you get assigned work, great; if you don’t, you don’t get any. . . . That was stressful because you could get a month without work and then suddenly work a long weekend, twelve hour shifts. . . . You get all this money, but you have to make it last because who knows when they’re going to call you again.”

It's More than Poverty

Employment Precarity
and Household Well-being



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The study

- Random survey of 4,193 individuals by Leger Marketing
- Covers Hamilton and the GTA
- 28 interviews with individuals in precarious employment

How to measure precarious employment?

- Form of the employment relationship
 - Is it temp agency work, short-term, casual, own account self-employed?
- Characteristics of the employment relationship
 - Employment Precarity Index

The Employment Precarity Index

What is included?

- ⦿ Not paid if miss work
- ⦿ Not in standard employment relationship
- ⦿ Weekly income not stable
- ⦿ Hours worked not stable
- ⦿ Work on-call
- ⦿ Don't know work schedule in advance
- ⦿ Paid in cash
- ⦿ Temporary employment
- ⦿ No benefits
- ⦿ Weak voice at work

What is not included?

- ⦿ Income

Many people can be trapped in precarious jobs that make it hard to build a stable, secure life.

“I’ve done so much temporary work, and no one’s ever made me permanent or extended the contract. . . and it’s really frustrating because I’m tired of temping. I just want some stable employment, and it’s so frustrating.”

-Tanvi



#PEPSO

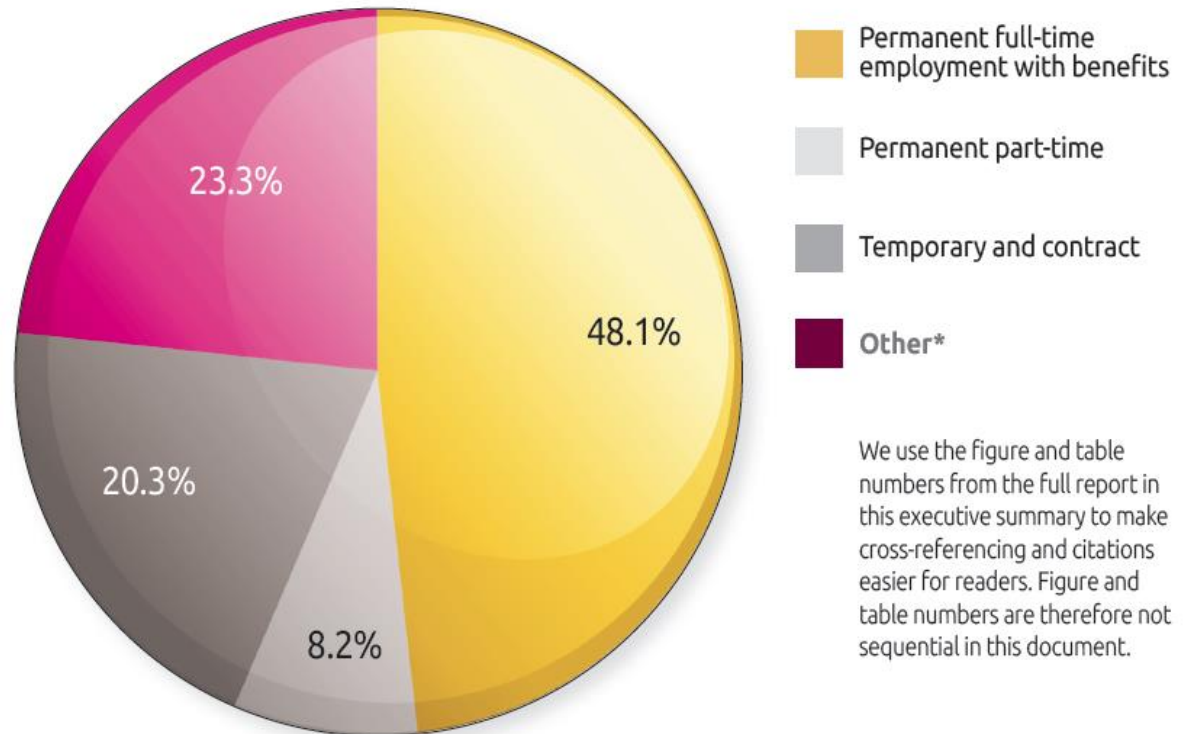


Our labour market has changed dramatically in just a few short decades

- Precarious employment has grown 50% in the last 20 years
- Wages have stagnated in low and middle income
- Labour laws and social programs haven't kept pace

Fewer workers are in permanent full-time employment in the 2014 sample

Figure 1: Employment categories in the GTHA, 2014(%)



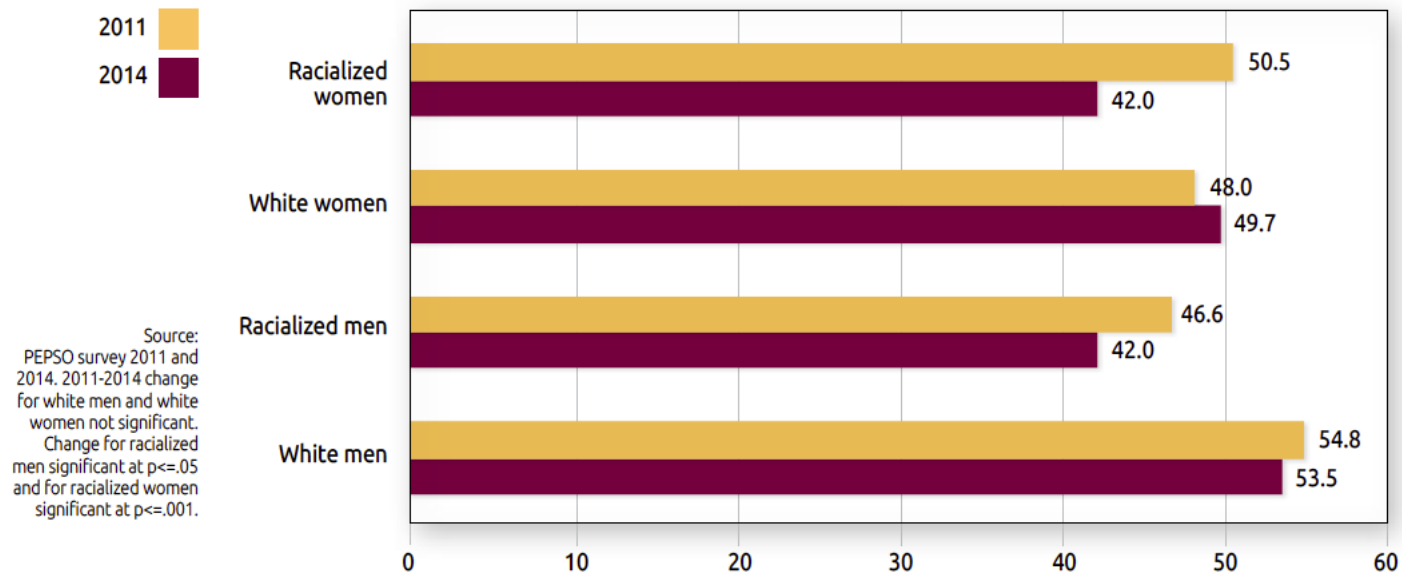
* In the "Other" category, 70% are in full-time employment but either receive no benefits beyond a wage or are unable to confirm they would be with their current employer for at least 12 months. 15% are self-employed with employees and 14% are in full-time employment but their hours varied from week to week and in some cases could be less than 30 hours.

Source:
PEPSO survey 2014.
This figure is a revised version of Figure 1 in the full report.

We use the figure and table numbers from the full report in this executive summary to make cross-referencing and citations easier for readers. Figure and table numbers are therefore not sequential in this document.

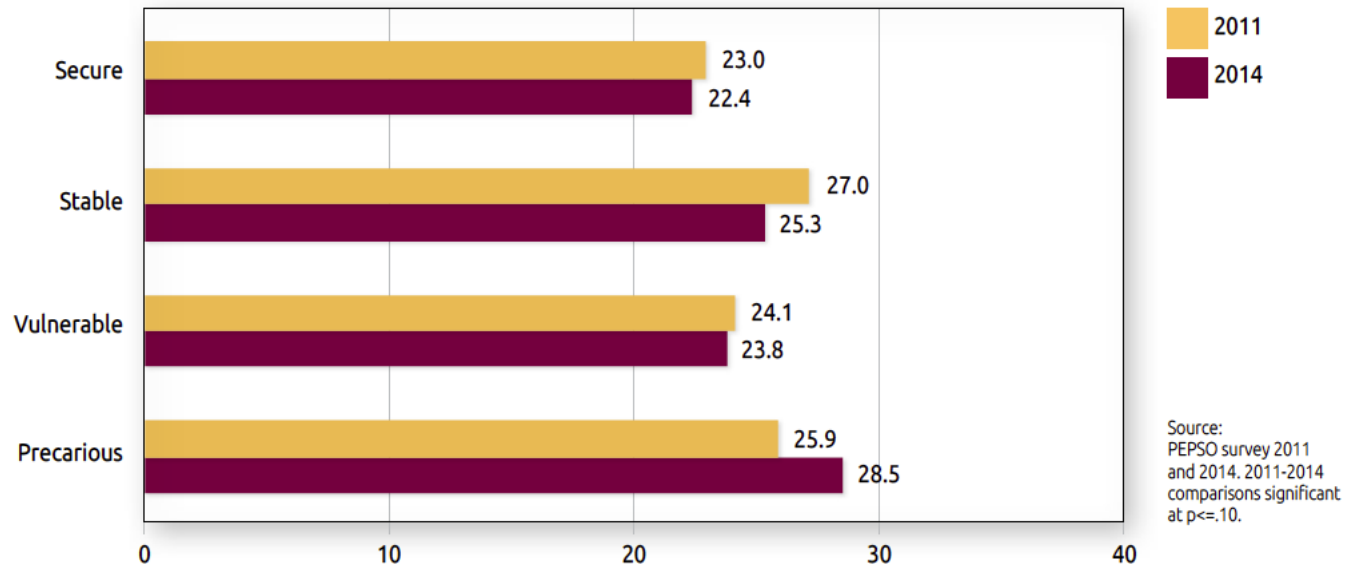
More polarized distribution of SER by race but less so by gender in 2014

Figure 4: Standard Employment Relationship by sex and race: 2011–2014 GTHA (%)



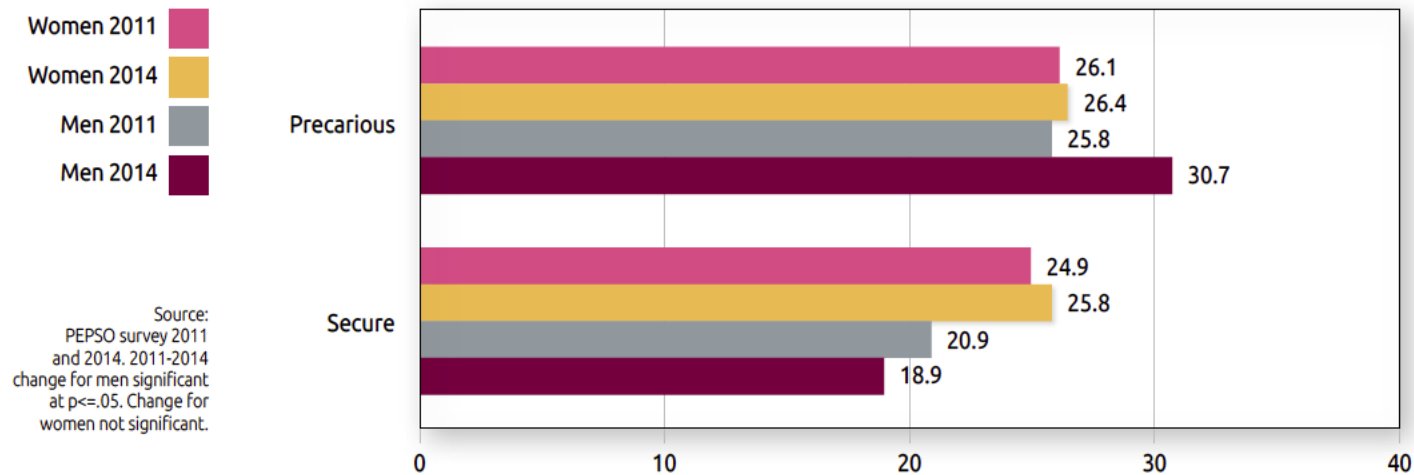
More workers are in the precarious cluster in 2014 compared to 2011

Figure 5: Employment-security categories: 2011–2014 GTHA (%)



Men are more likely to be in precarious work

Figure 6: Precarious and Secure employment by sex: 2011–2014 GTHA (%)



Many people in precarious jobs have a hard time moving into better opportunities.

“I’ve never been at a job where they were offering that kind of training. They actually wanted you to know the stuff already. . . . They’re not going to say “Oh, we’re going to be willing to train.” All they see is a bunch of applicants in front of them and they’re not going to take somebody on that doesn’t have the training or the experience.”

-Francesca

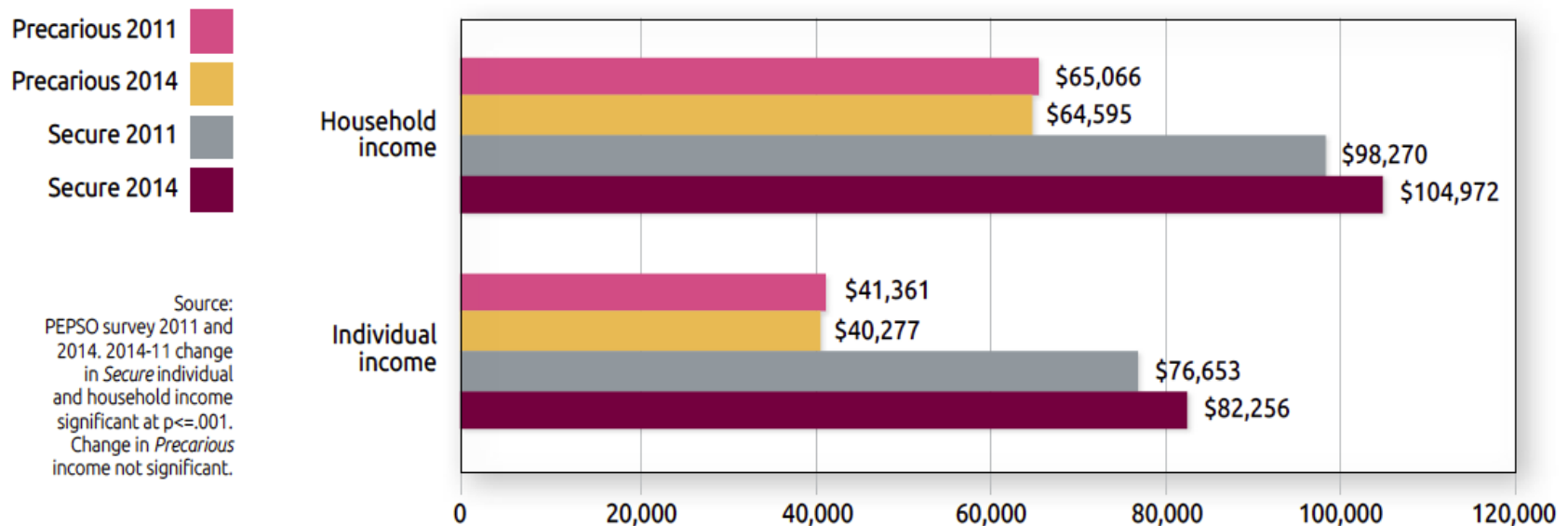


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Workers in precarious employment earn less and live in households with less income

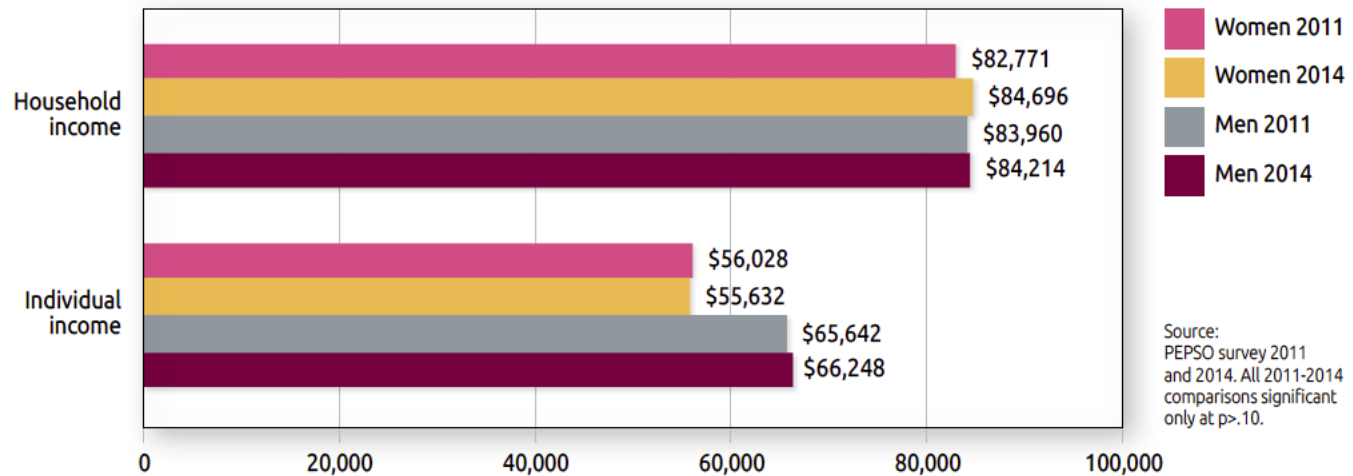
Figure 14: Average individual and household income by employment security: 2011–2014 GTHA (\$)



Source: PEPSO survey 2011 and 2014. 2014-11 change in *Secure* individual and household income significant at $p < .001$. Change in *Precarious* income not significant.

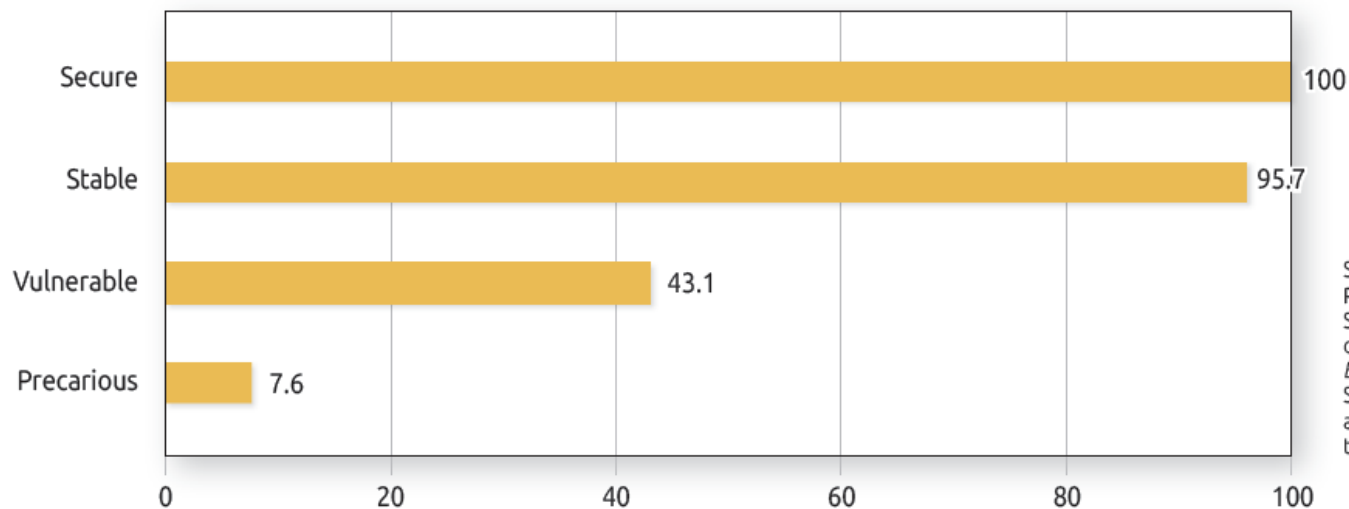
Women and people from racialized groups earn less

Figure 15: Average individual and household income by sex: 2011–2014 GTHA (\$)



Workers in precarious employment do not receive supplemental health benefits

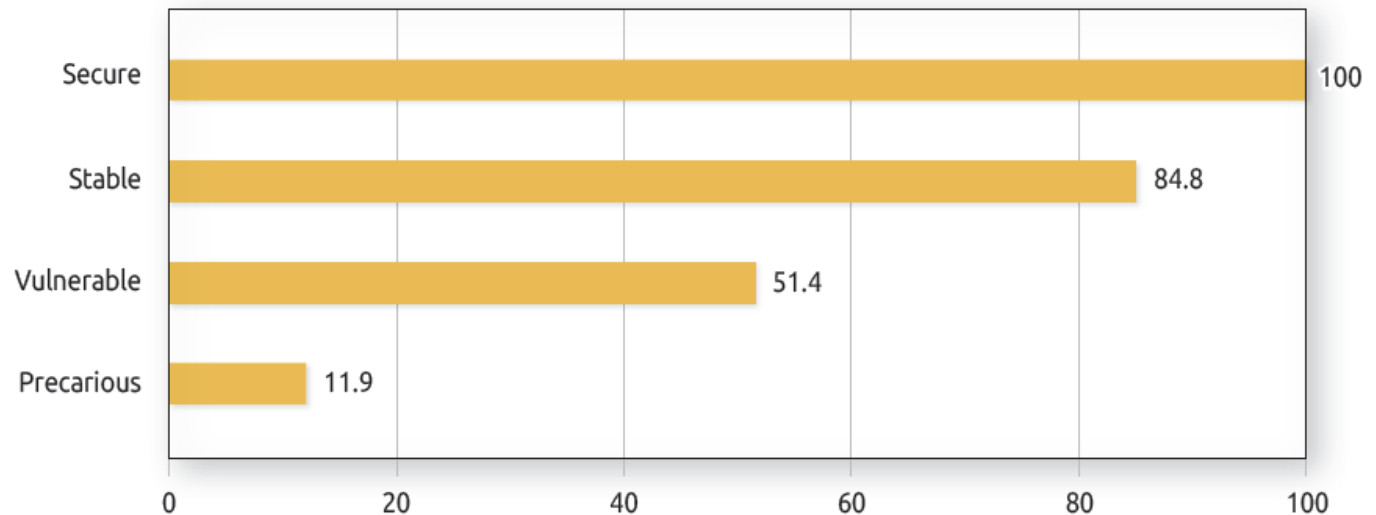
Figure 33: Employer funds drug, vision and/or dental benefits by employment security (%)



Source: PEP SO survey 2014. Significant at $p \leq .001$. This question is included in the *Employment Precarity Index*. Survey respondents were asked if they have any of these benefits.

Workers in precarious employment do not get paid if they miss work

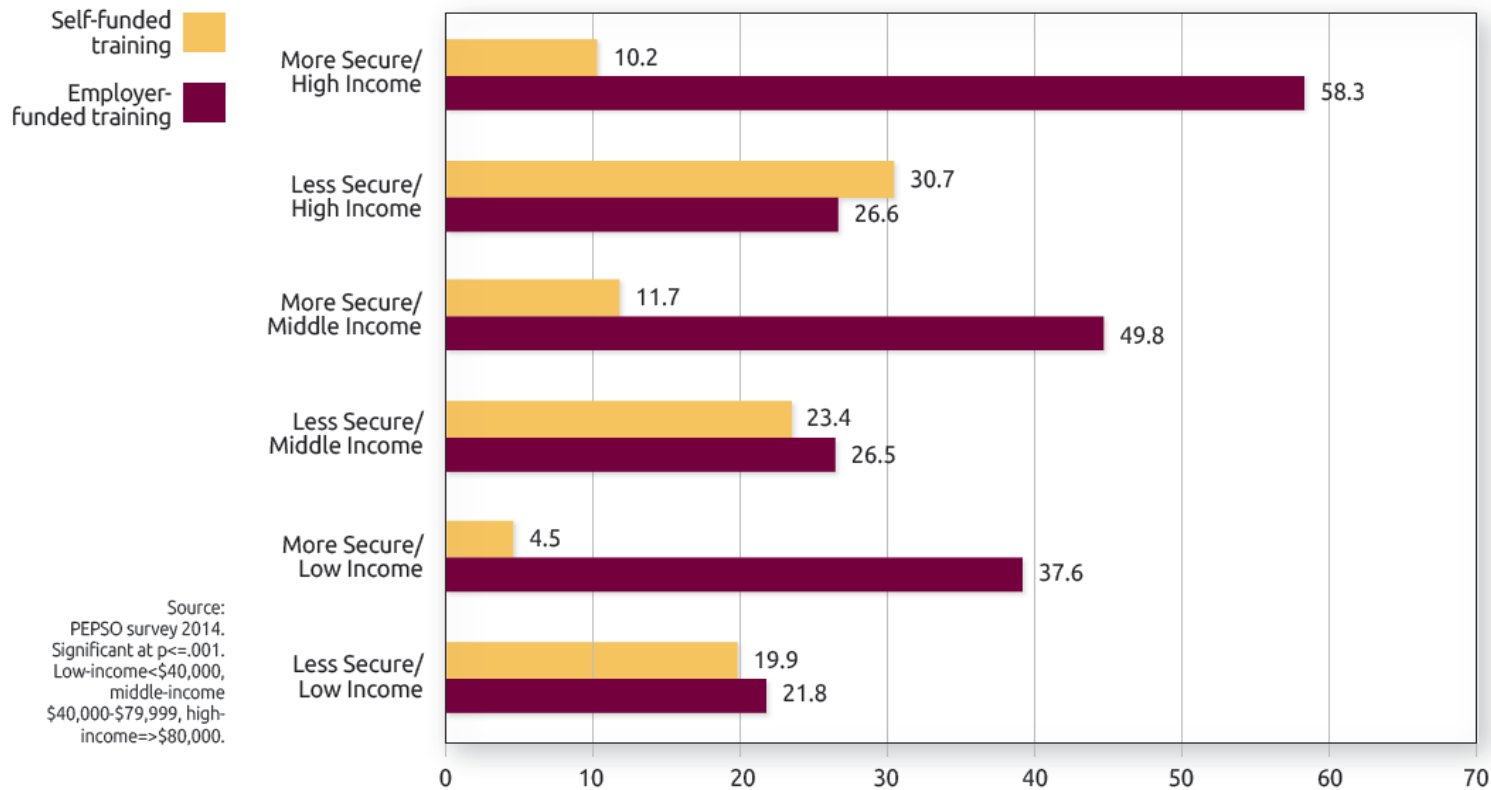
Figure 35: Paid if misses a day's work by employment security (%)



Source:
PEPSO survey 2014.
Significant at $p < .001$. This
question is included in the
Employment Precarity Index.

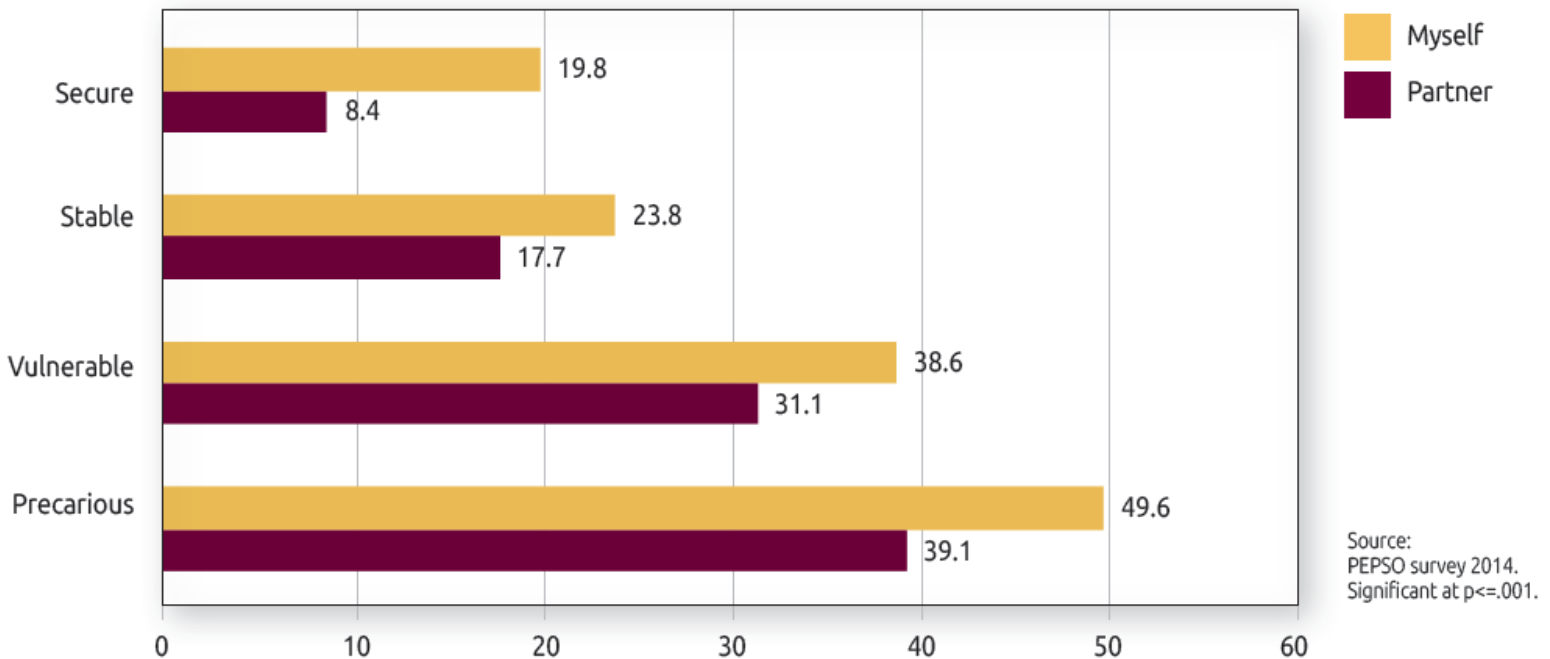
Workers in precarious employment have less access to training

Figure 38: Self-funded versus employer-funded training by employment security and individual income (%)



Lack of childcare is an issue for workers in precarious employment

Figure 85: Lack of access to childcare limits ability to work by employment security (%)



Precarious employment has a major impact on the health and well-being of individuals and their families.

“You’re just constantly fighting for work; you’re constantly trying to find work. . . . But the way that my brain is going right now is like I just need a steady income because this is just getting ridiculous. Where I’m at right now is, financially, really precarious; it’s really precarious.”

-Eva

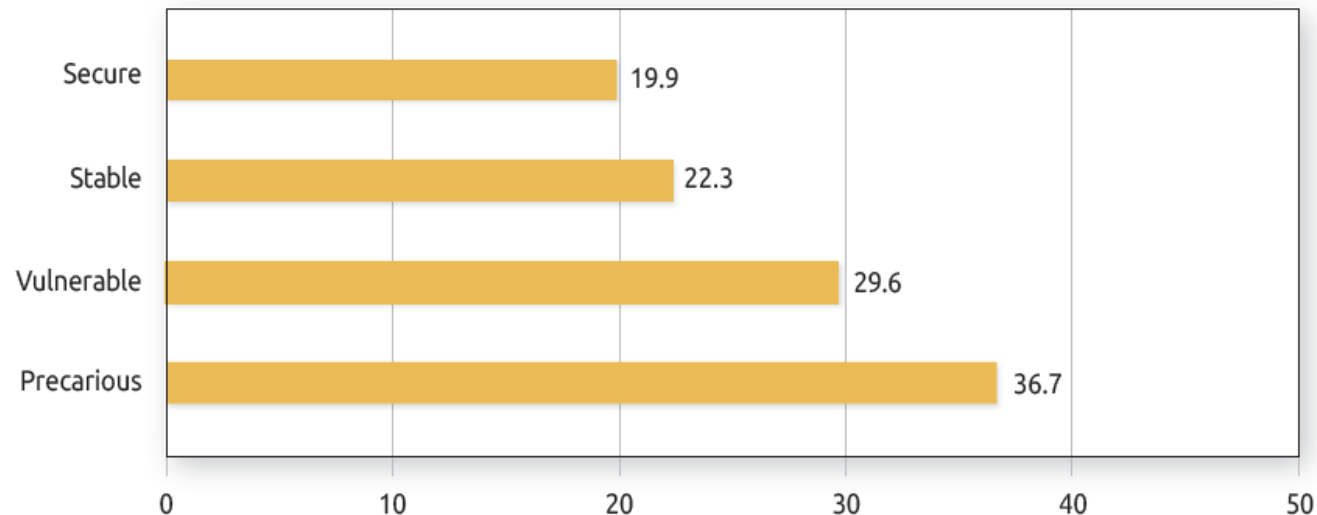


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Precarious employment is associated with increased risk of mental health issues

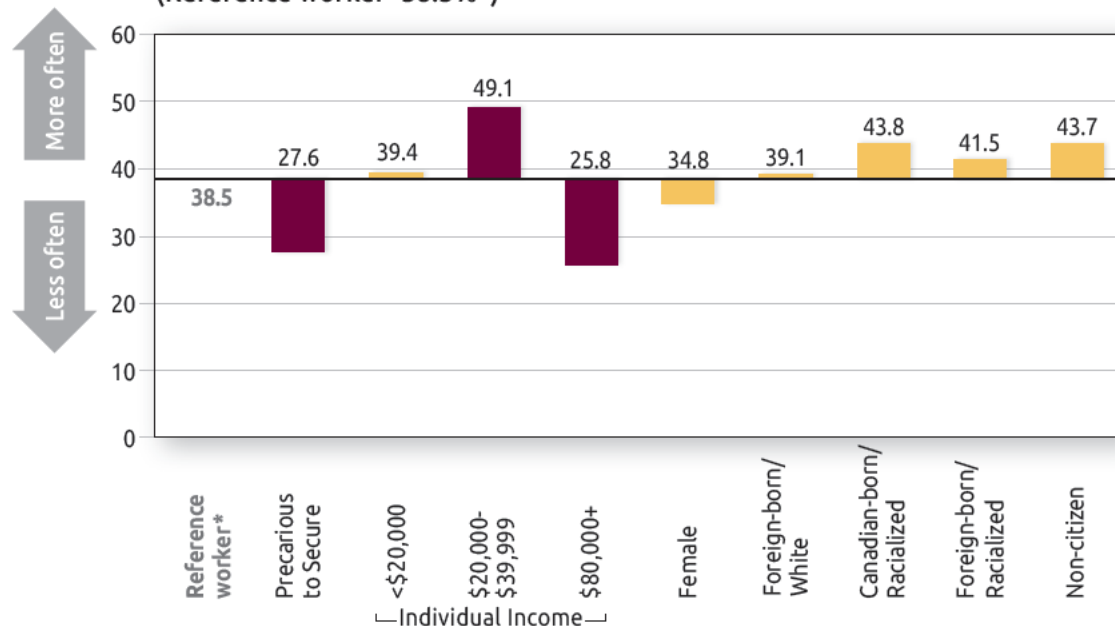
Figure 58: Mental health is less than very good by employment security (%)



Source:
PEPSO survey 2014.
Significant at $p \leq .001$.

Precarious employment is associated with increased risk of mental health issues

Figure 60: Percentage for whom mental health is less than very good (Reference worker=38.5%*)

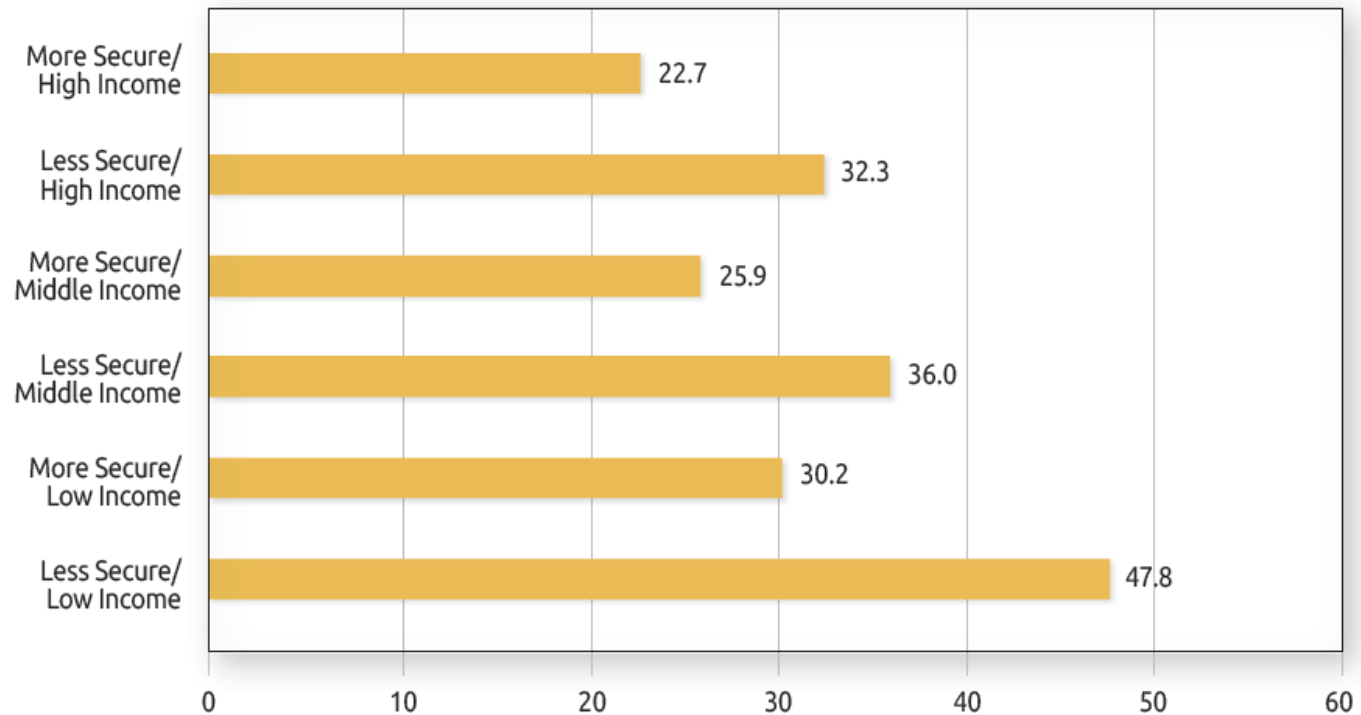


* Reference worker: Canadian-born, white male in Precarious employment, individual income \$40,000-\$79,999, aged 35-44.

Source: PEPSO survey 2014. Maroon bars significant at the 5% level. Analysis based on logistic estimations. The non-citizen category included 219 workers of whom about two-thirds are racialized.

Precarious employment is associated with increased anxiety at home

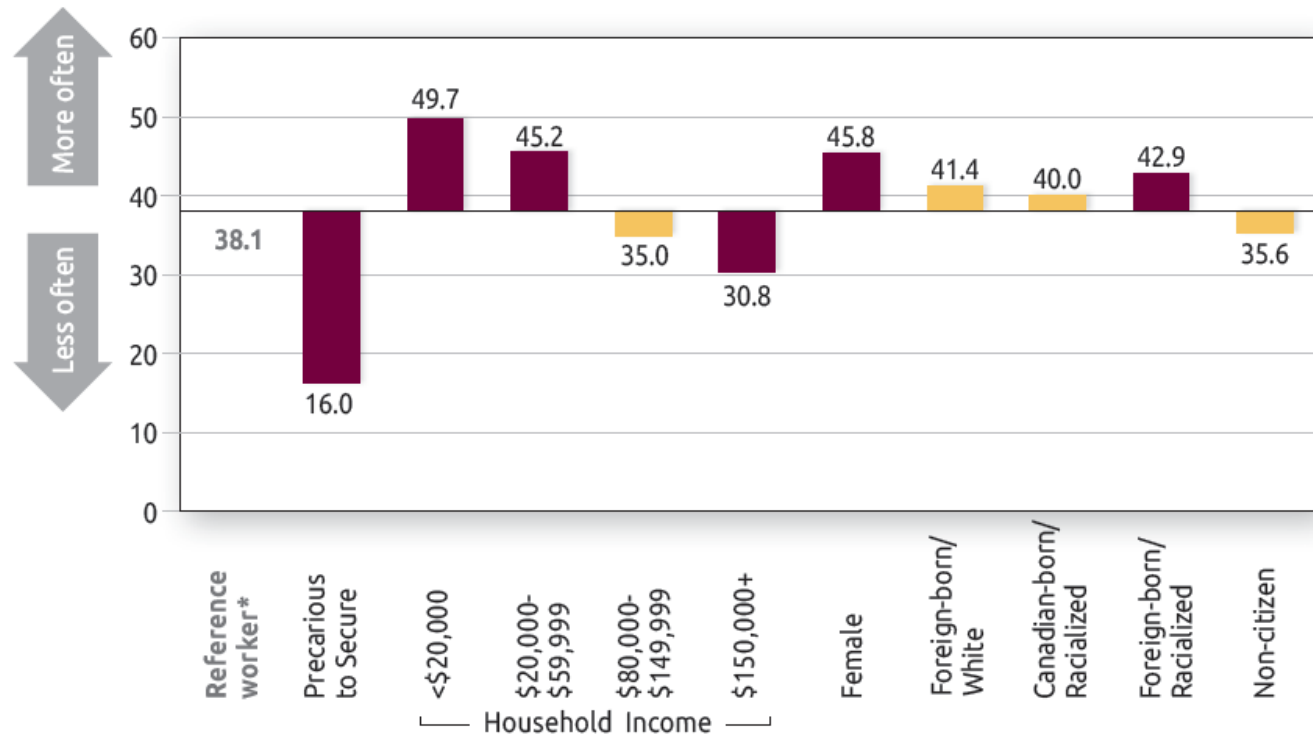
Figure 66: Anxiety about employment situation interferes with personal or family life by employment security and household income (%)



Source:
PEPSO survey 2014.
Significant at $p < .001$.
Household low-income < \$60,000, middle-income \$60,000-\$99,999, high-income \geq \$100,000.

Precarious employment is associated with increased anxiety at home

Figure 67: Percentage reporting anxiety over employment interferes with personal or family life (Reference worker=38.1%*)

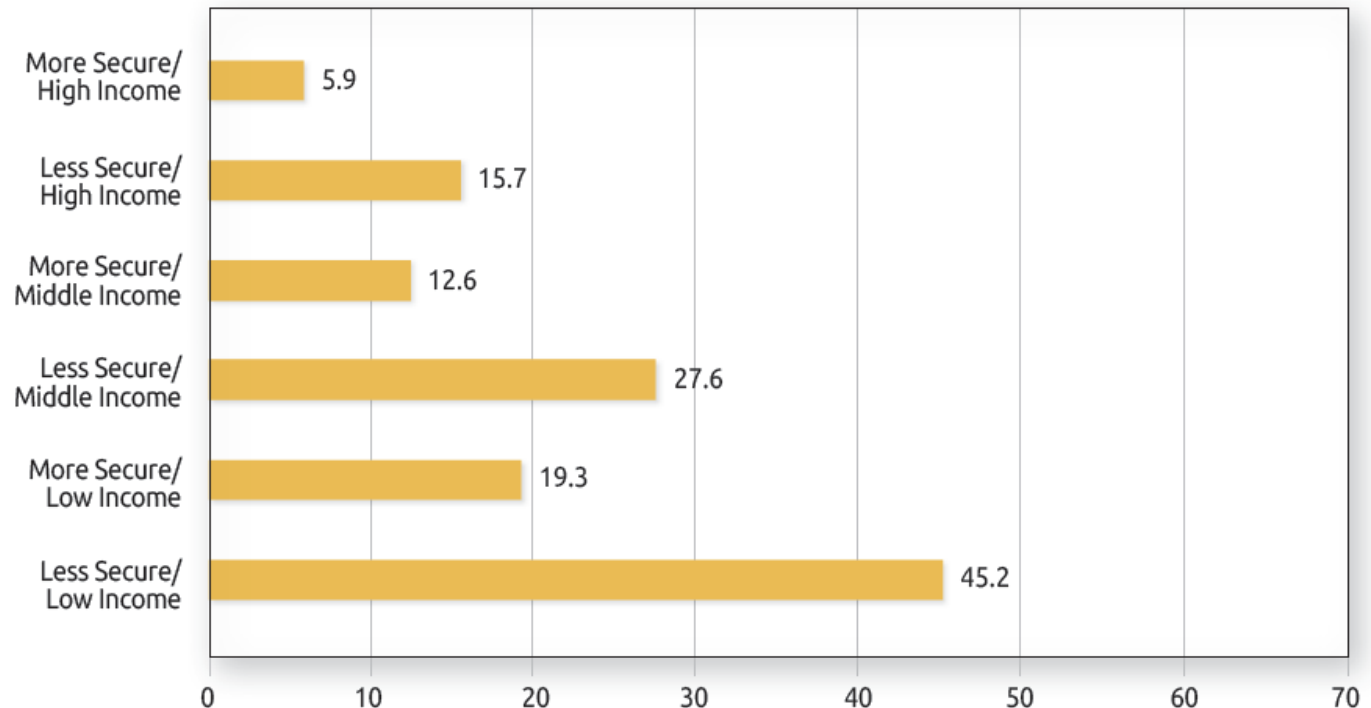


* Reference worker: Canadian-born, white male in *Precarious* employment, household income \$60,000-\$79,999, aged 35-44. The analysis also controls for living alone, children in household.

Source: PEPSO survey 2014. Maroon bars significant at the 5% level. Analysis based on logistic estimations. The non-citizen category included 219 workers of whom about two-thirds are racialized.

Precarious employment is associated with increased income stress.

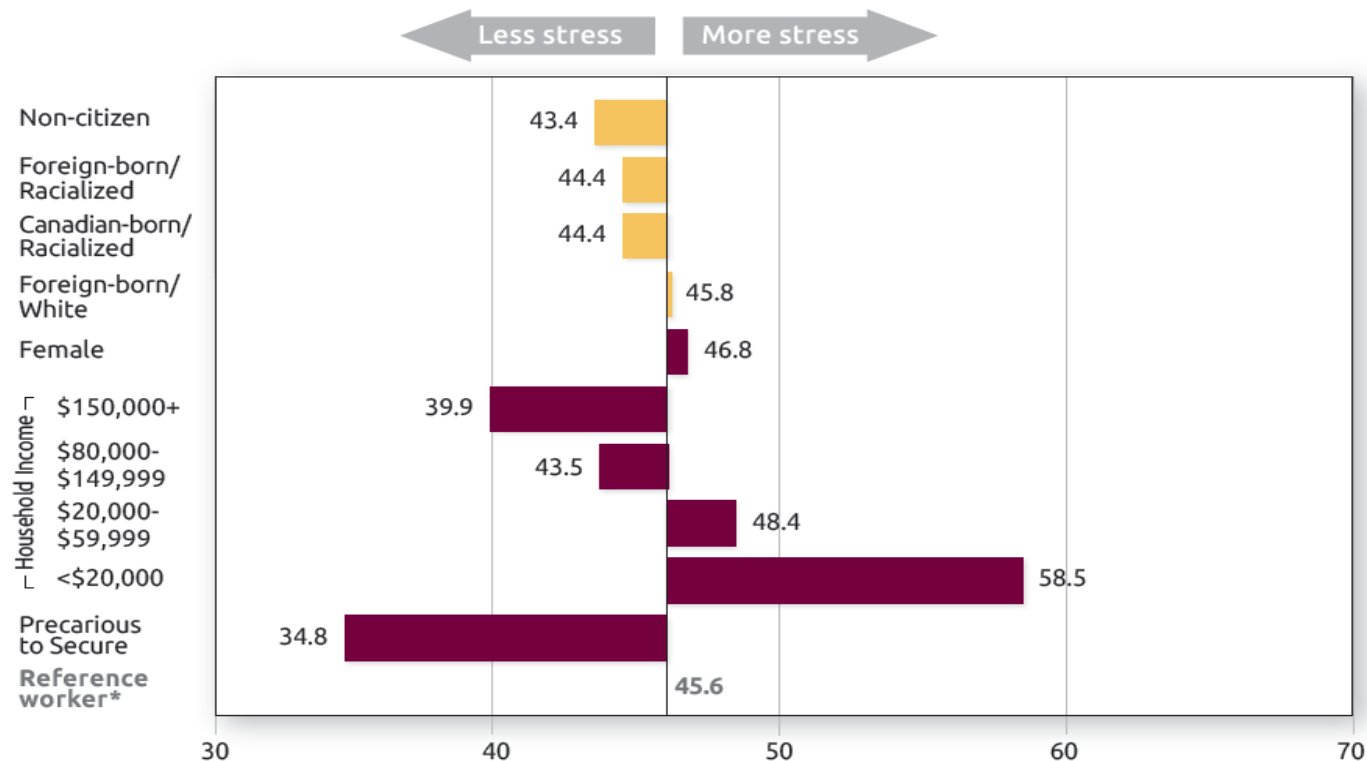
Figure 74: Concerned about maintaining standard of living in the next 12 months by employment security and household income (%)



Source:
PEPSO survey 2014.
Significant at $p < .001$.
Household low-income < \$60,000, middle-income \$60,000-\$99,999, high-income \geq \$100,000.

Precarious employment is associated with increased income stress

Figure 70: Impact of income and employment security on Income Stress Index (Reference worker score=45.6*)

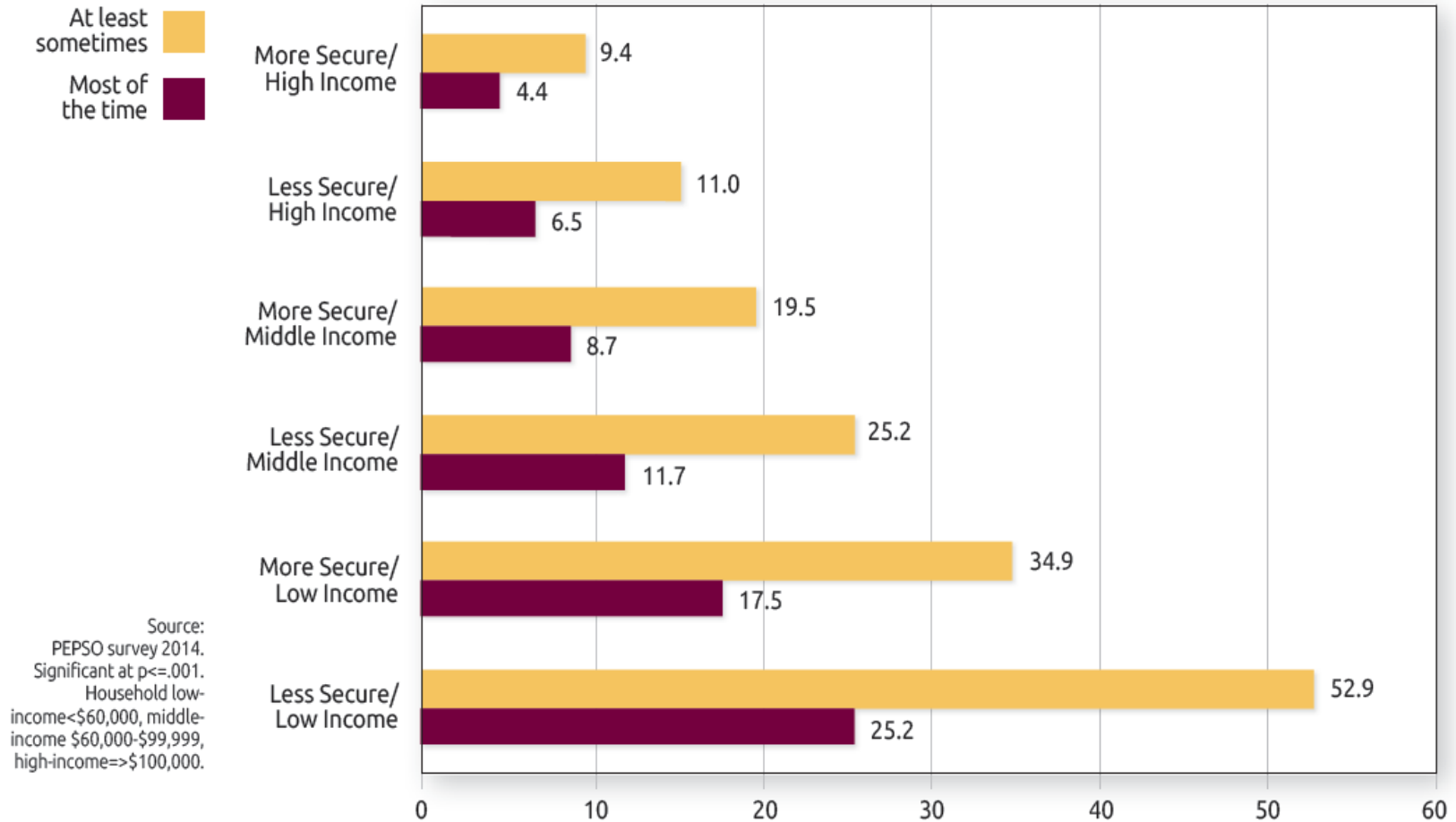


* Reference worker: Canadian-born, white male in *Precarious* employment, household income \$60,000-\$79,999, aged 35-44. The analysis also controls for living alone and children in household.

Source: PEPSO survey 2014. The Income Stress Index includes: employment affects large spending; keeping up with bills; concern about debt; concern about maintaining standard of living; income lower this year. Estimates calculated using OLS regression. Maroon bars significant at the 5% level. The non-citizen category includes 219 workers of whom about two-thirds are racialized.

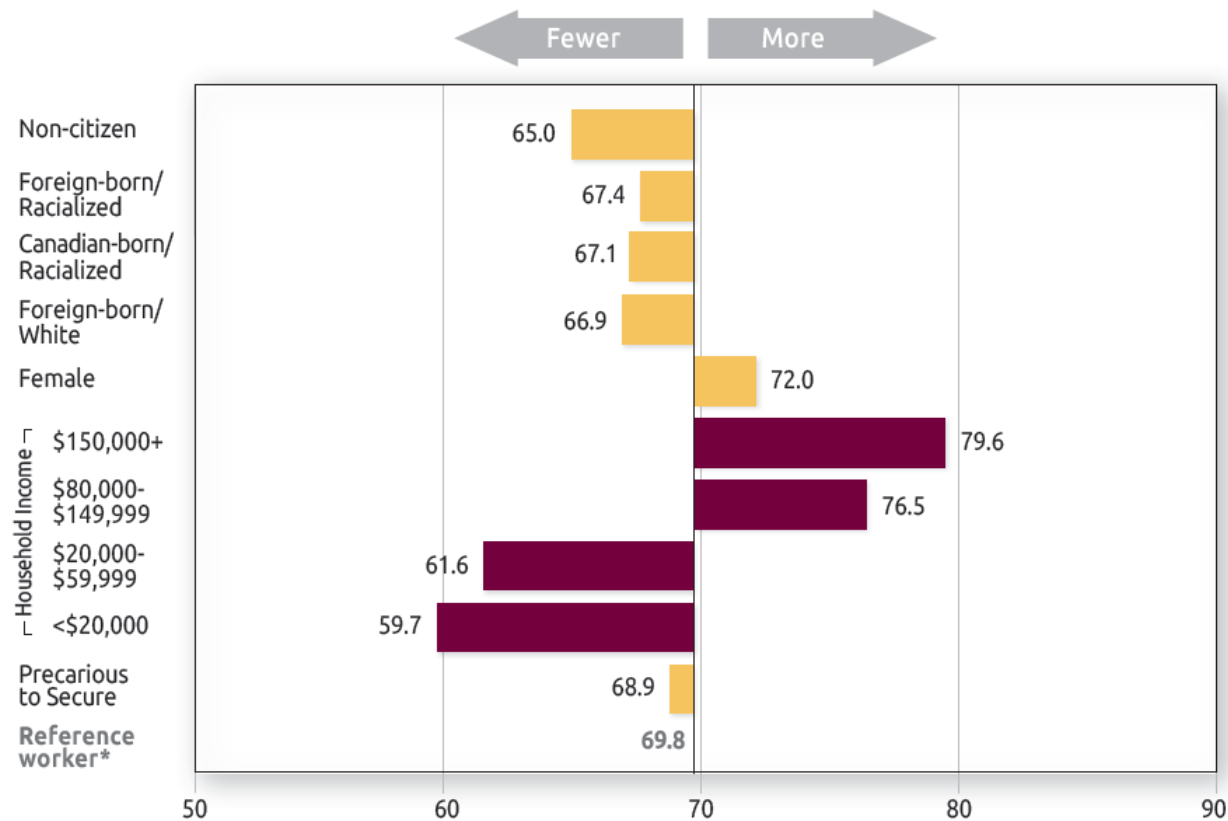
Precarious employment can affect children

Figure 82: Unable to pay for activities outside of school by employment security and household income (%)



Precarious employment can affect children

Figure 79: Impact of income and employment security on Parents Investing in Children Index (Reference worker score=69.8*)

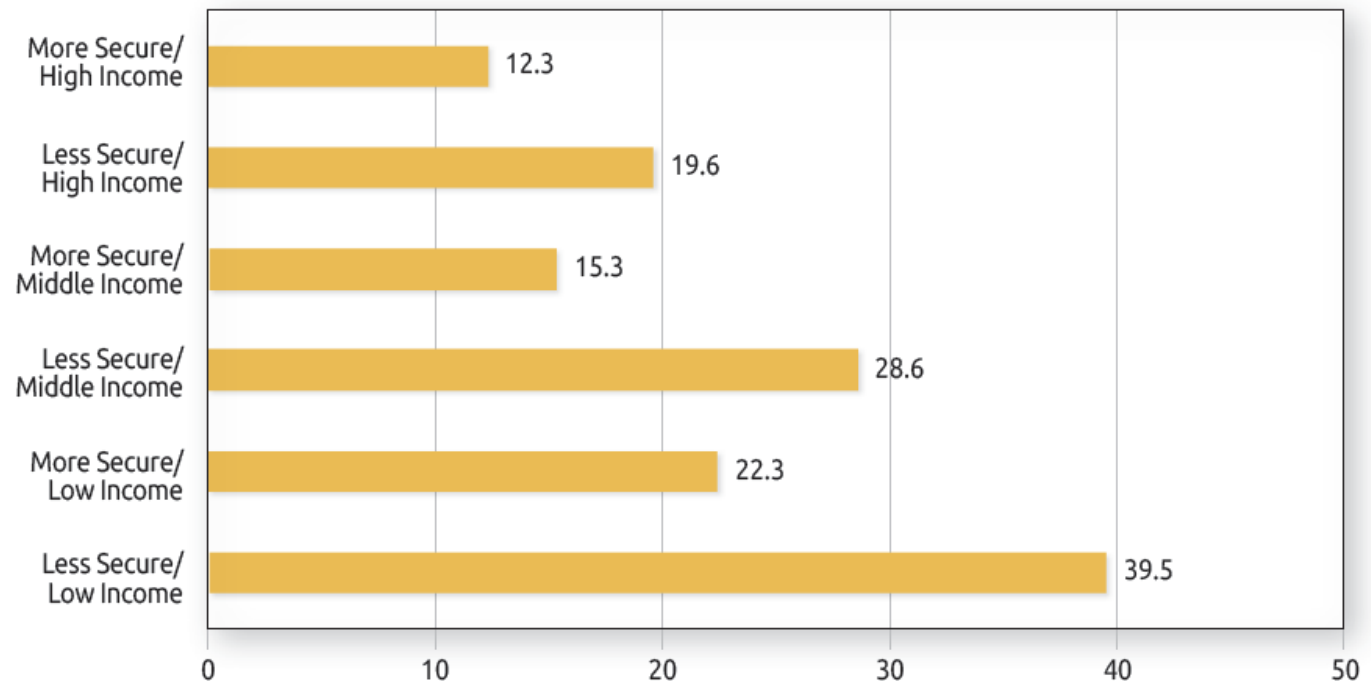


* Reference worker: Canadian-born, white male in *Precarious* employment, household income \$60,000-\$79,999, aged 35-44. Sample limited to households with children.

Source: PEPSO survey 2014. The Investing in Children Index includes: buying school supplies; paying for school trips; paying for other activities; volunteering at school meetings; volunteering other activities for children. Estimates calculated using OLS regression. Maroon bars significant at the 5% level. The non-citizen category includes 219 workers of whom about two-thirds are racialized.

Workers in precarious employment can be more isolated

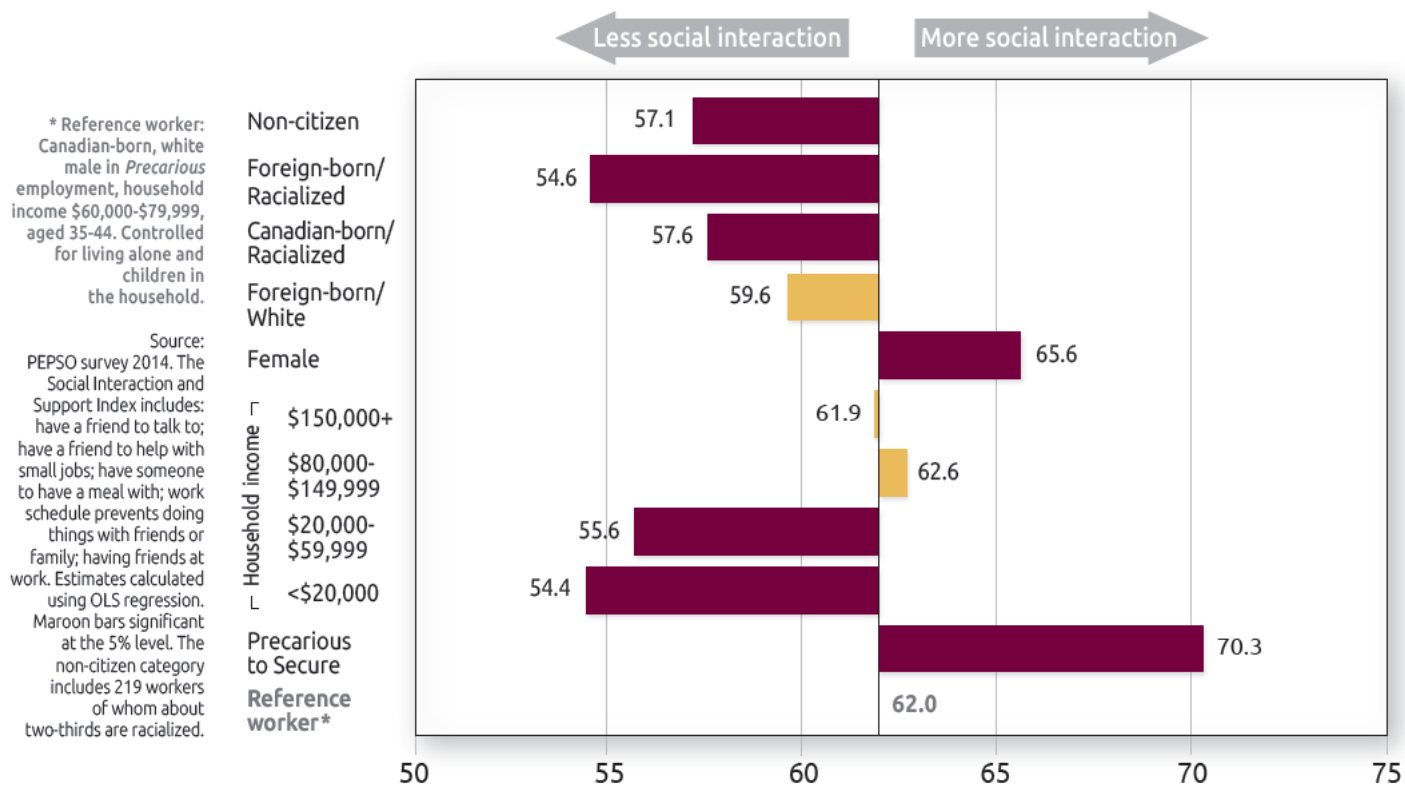
Figure 102: Does not have a friend at work to ask a favour of by employment security and household income (%)



Source:
PEPSO survey 2014.
Significant at $p < .001$.
Household low-
income < \$60,000, middle-
income \$60,000-\$99,999,
high-income \geq \$100,000.

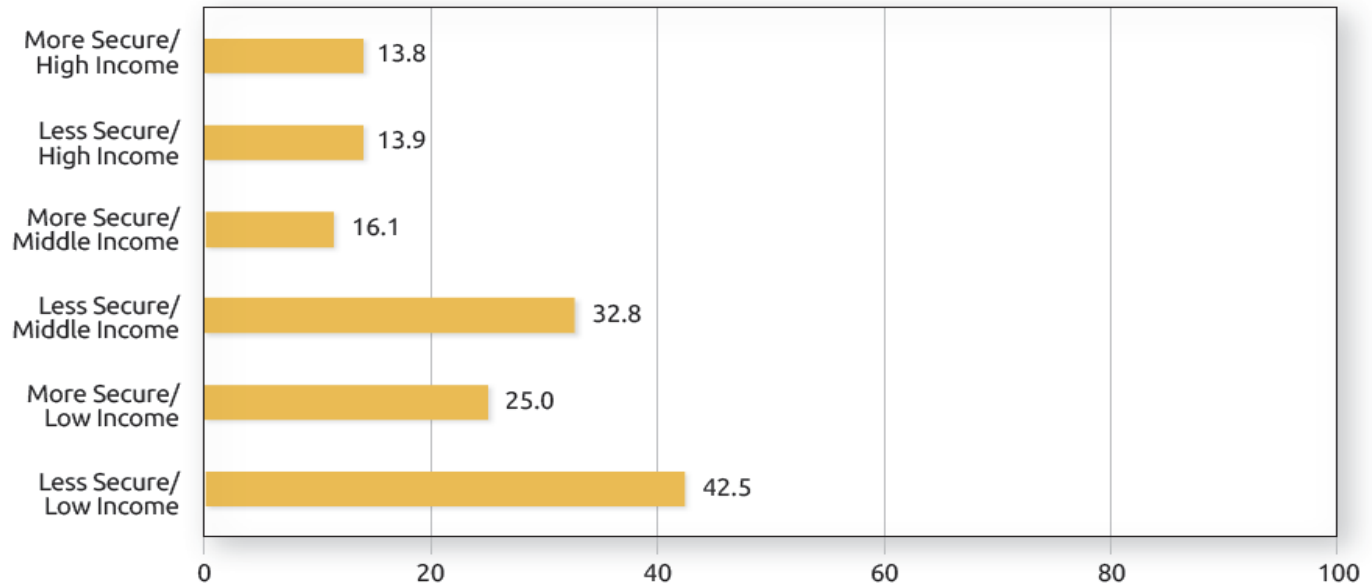
Workers in precarious employment can be more isolated

Figure 98: Impact of income and employment security on Social Interaction and Support Index (Reference worker score=62.0*)



Workers in precarious employment volunteer more for job opportunities

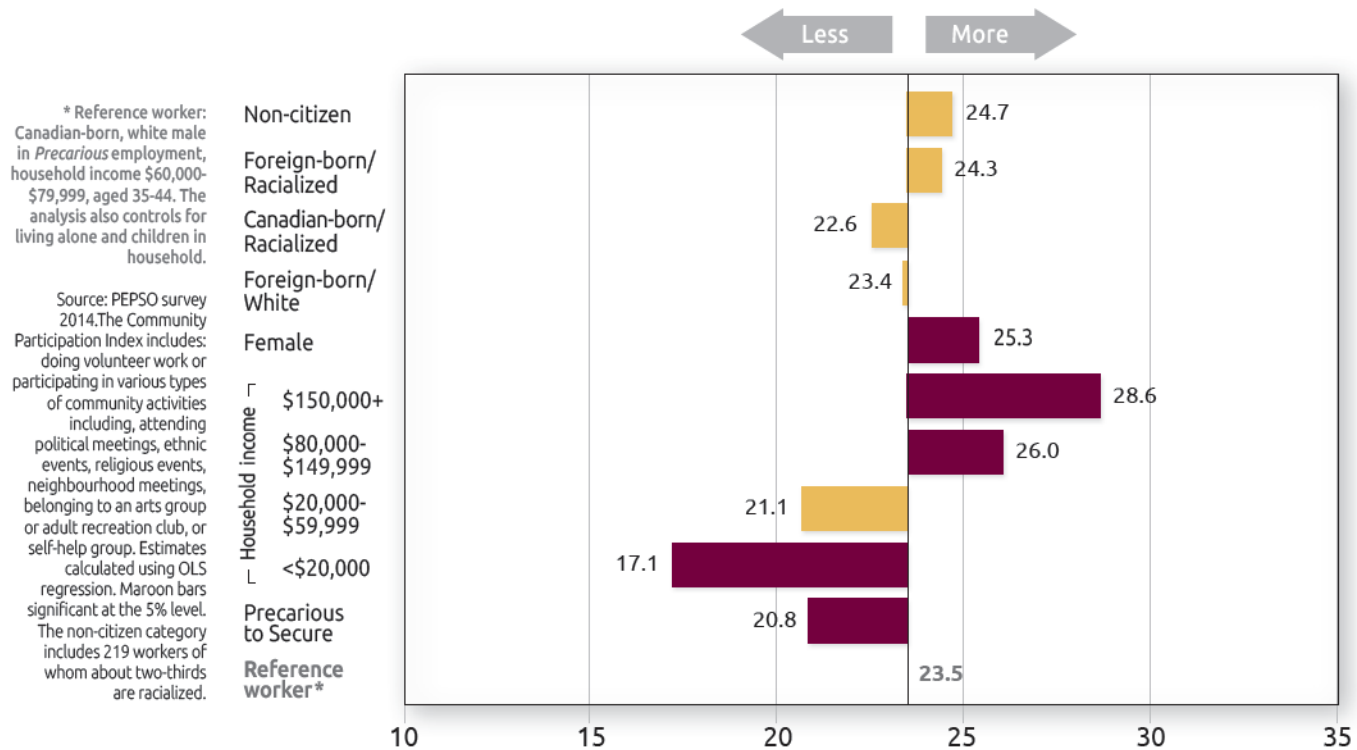
Figure 95: Volunteers to improve job opportunities by employment security and household income (%)



Source:
PEPSO survey 2014.
Significant at $p < .001$.
Household low-income < \$60,000, middle-income \$60,000-\$99,999, high-income \geq \$100,000.

Income, precarious employment and gender can affect community participation

Figure 92: Impact of income and employment security on Community Participation Index (Reference worker score=23.5*)



Precarious employment is bad for everyone—but your race, gender and where you were born can make things worse.

“I couldn’t find job. I looked and looked . . . so I said “you know what? It is not there”. . . This is very, it’s very degrading, it’s very humiliating. . . . It makes me feel like “okay, I’m not doing well here, so maybe I had to go back to where I come from, because I’m just getting by in this country.”

-Sofia



#PEPSO



Workers in precarious employment face more discrimination

Figure 46: Discrimination is a barrier to getting work by employment security (%)

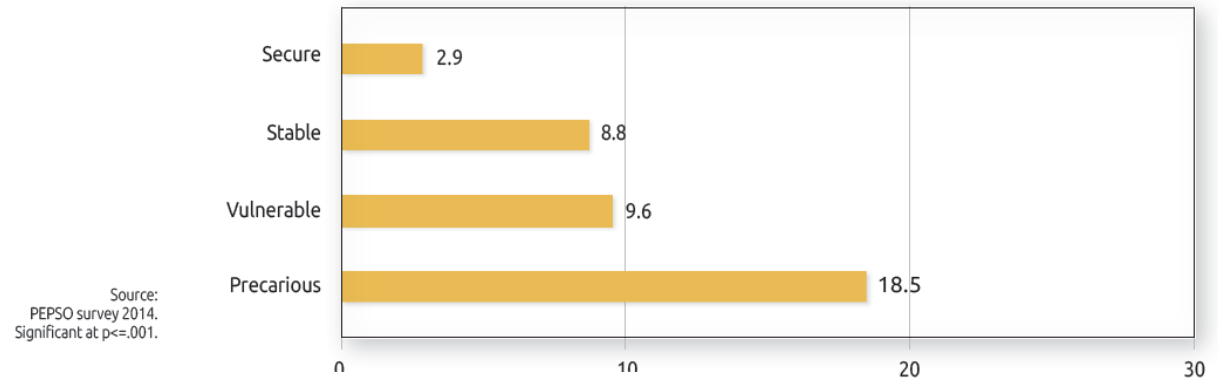
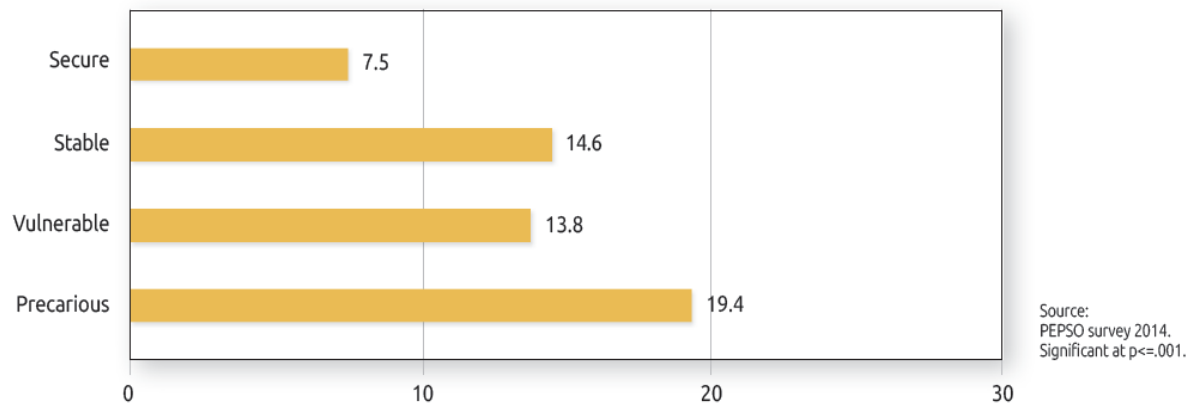


Figure 52: Discrimination is a barrier to advancement by employment security (%)

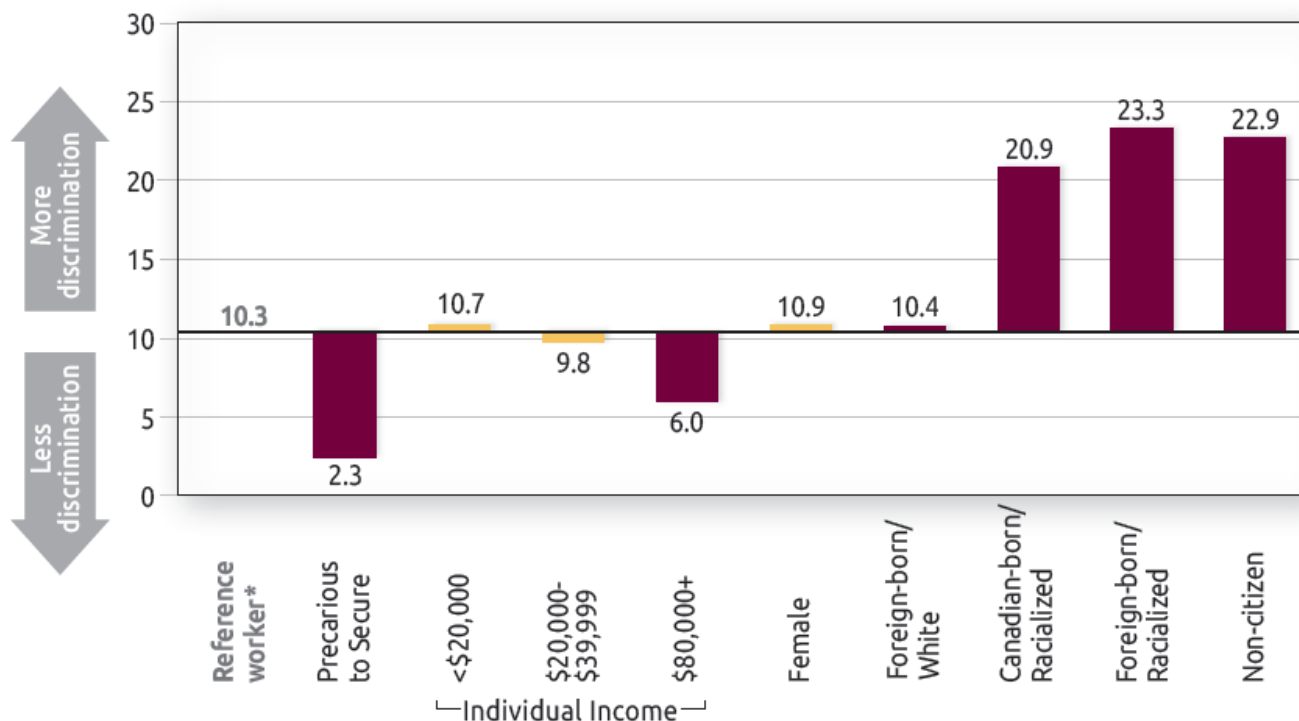


Racialized workers report more discrimination in getting, keeping and advancing at work

Figure 48: Percentage for whom discrimination is a barrier to getting work (Reference worker=10.3%*)

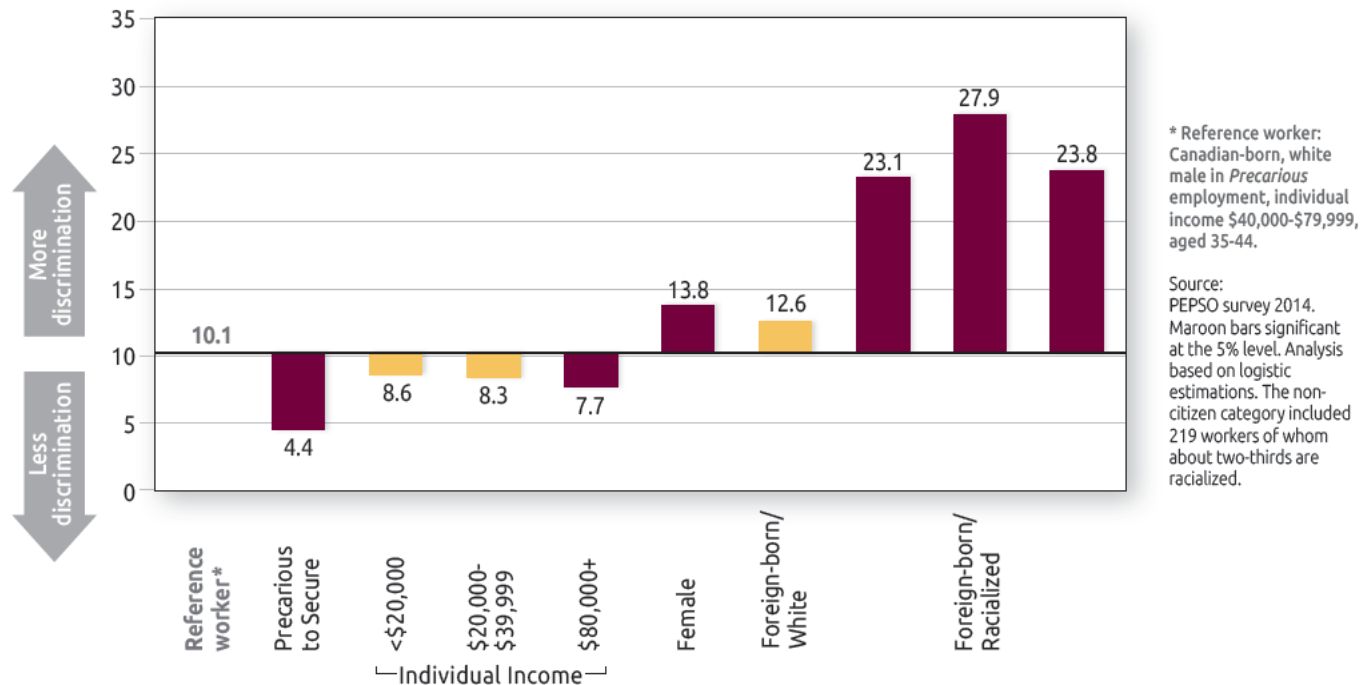
* Reference worker: Canadian-born, white male in *Precarious* employment, individual income \$40,000-\$79,999, aged 35-44.

Source: PEPSO survey 2014. Maroon bars significant at the 5% level. Analysis based on logistic estimations. The non-citizen category included 219 workers of whom about two-thirds are racialized.



Women report discrimination in advancing at work

Figure 54: Percentage for whom discrimination is a barrier to advancement (Reference worker=10.1%*)



There are practical solutions that will give people in precarious jobs a pathway to more stability and security.

1. Building a dynamic labour market that supports workers in precarious employment
2. Ensuring that jobs are a pathway to income and employment security
3. Enhancing social and community supports for a new labour market

1. Building a dynamic labour market that supports workers in precarious employment
 - Building a workforce-development plan for a changing labour market
 - Providing training opportunities for those in insecure employment
 - Enabling more secure employment
 - Addressing discrimination in hiring, job retention and advancement

2. Ensuring that jobs are a pathway to income and employment security

- Modernizing employment standards
- Reducing the impacts of irregular work schedules for workers
- Improving income security for workers in precarious jobs
- Enhancing access to benefits for workers in insecure jobs
- Supporting voice at work

3. Enhancing social and community supports for a new labour market

- Enabling flexible, quality childcare
- Improving access to community services
- Creating accessible opportunities for children and youth
- Ensuring meaningful volunteer opportunities

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