

The Precarity Penalty

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

Family Services Toronto Board of Directors Meeting
18 November 2015



United Way
Toronto & York Region

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

“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.”

-Rafael

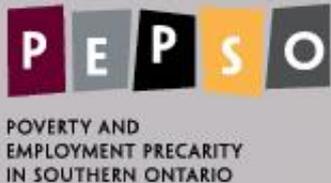


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It's More than Poverty

Employment Precarity
and Household Well-being



The Precarity Penalty

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



POVERTY AND
EMPLOYMENT PRECARIETY
IN SOUTHERN ONTARIO



United Way
Toronto & York Region

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

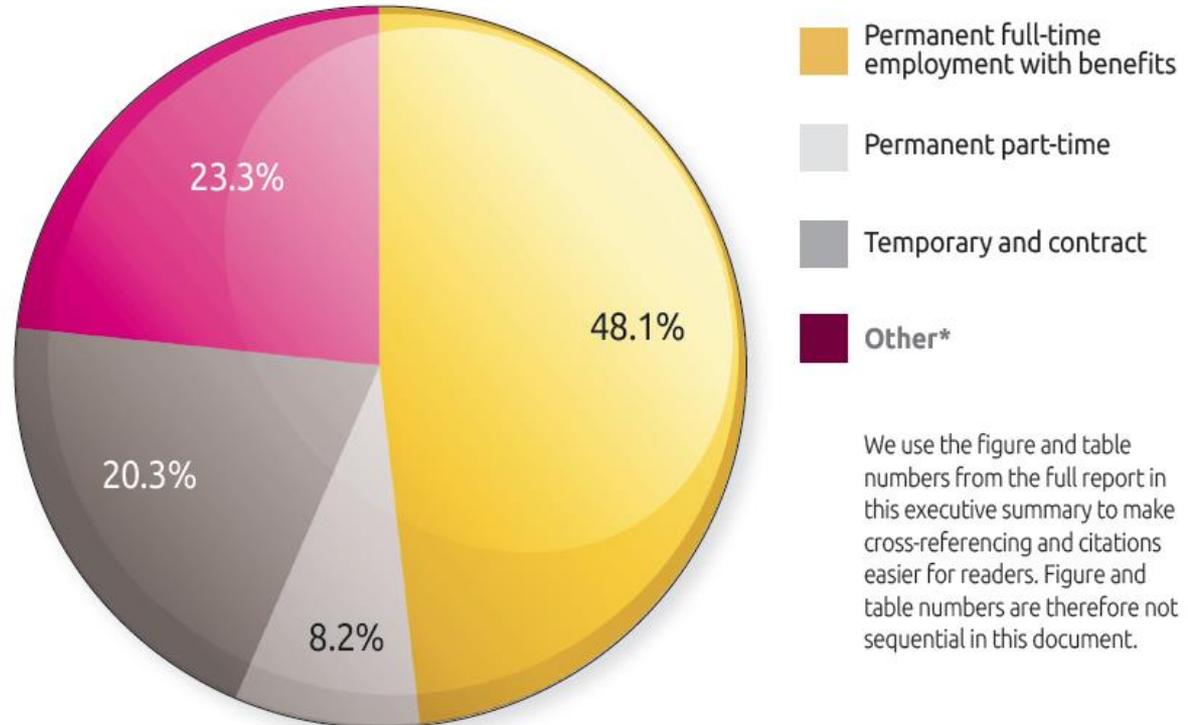


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Fewer workers are in permanent full-time employment in the 2014 sample

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.

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

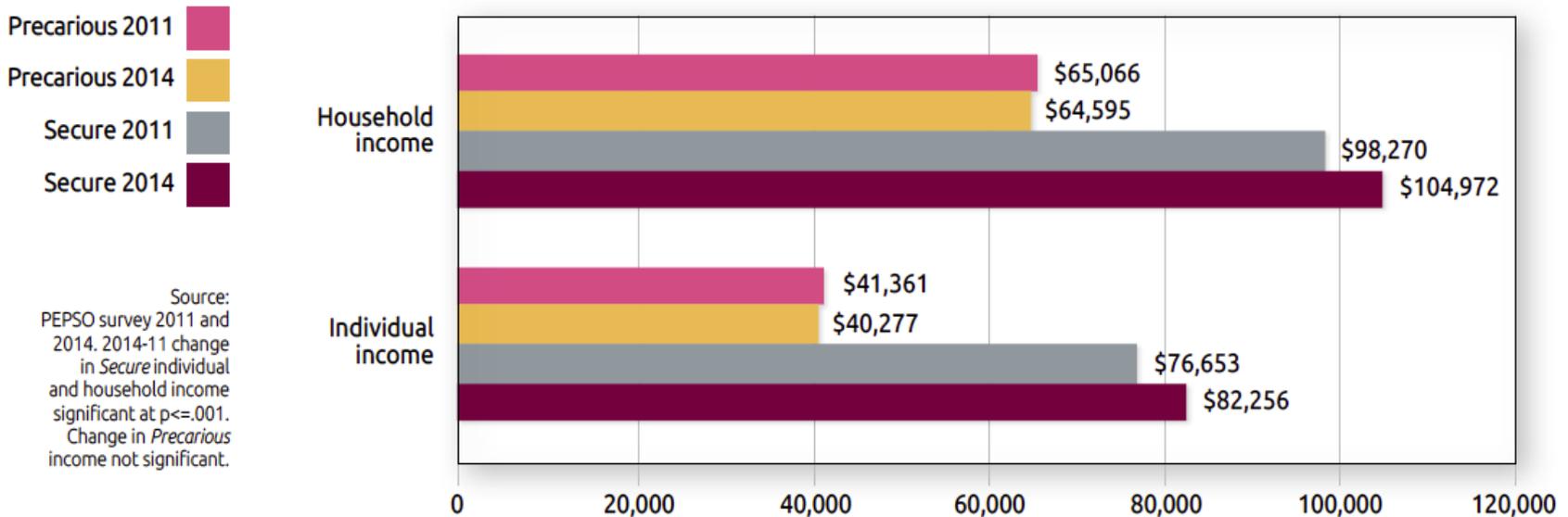


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They earn less income and live in households with less income

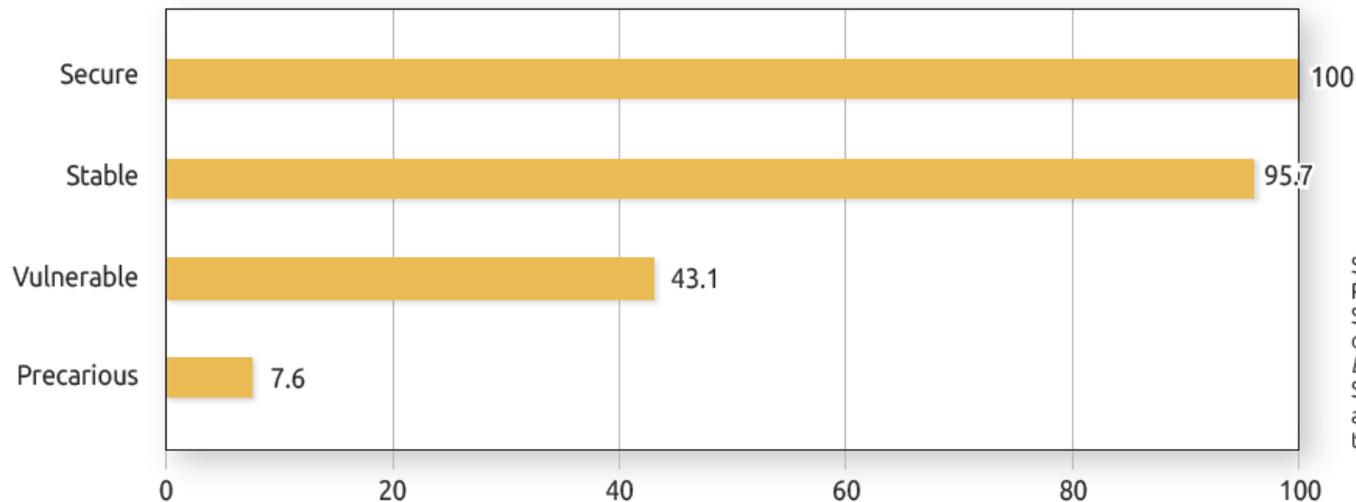
Figure 14: Average individual and household income by employment security: 2011–2014 GTHA (\$)



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.

Workers in precarious employment do not receive supplemental health benefits.

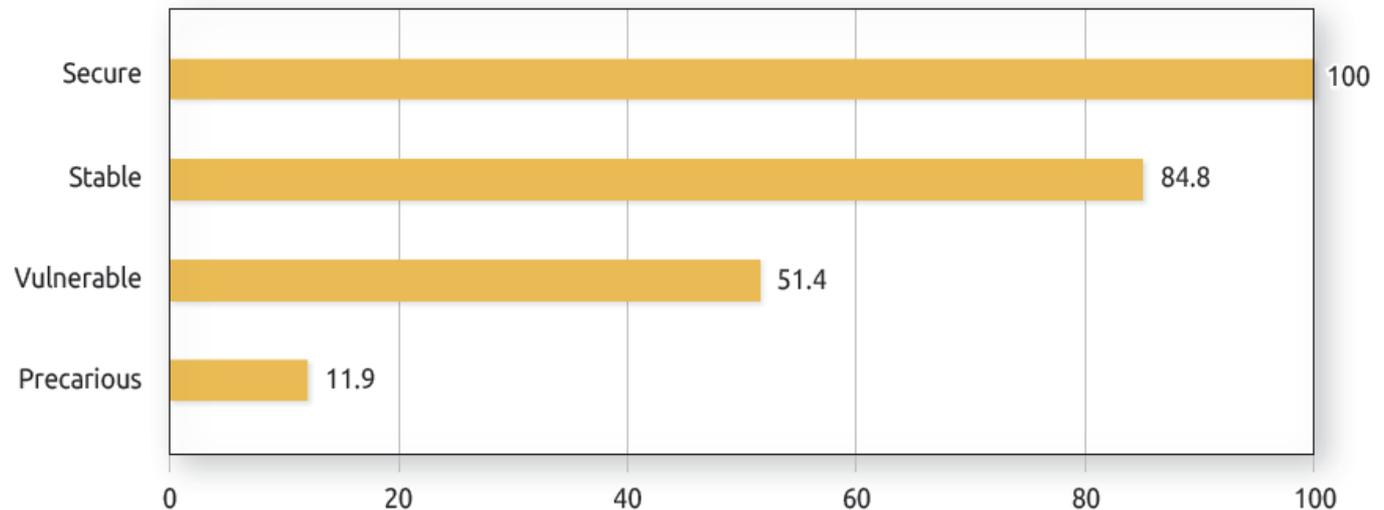
Figure 33: Employer funds drug, vision and/or dental benefits by employment security (%)



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.

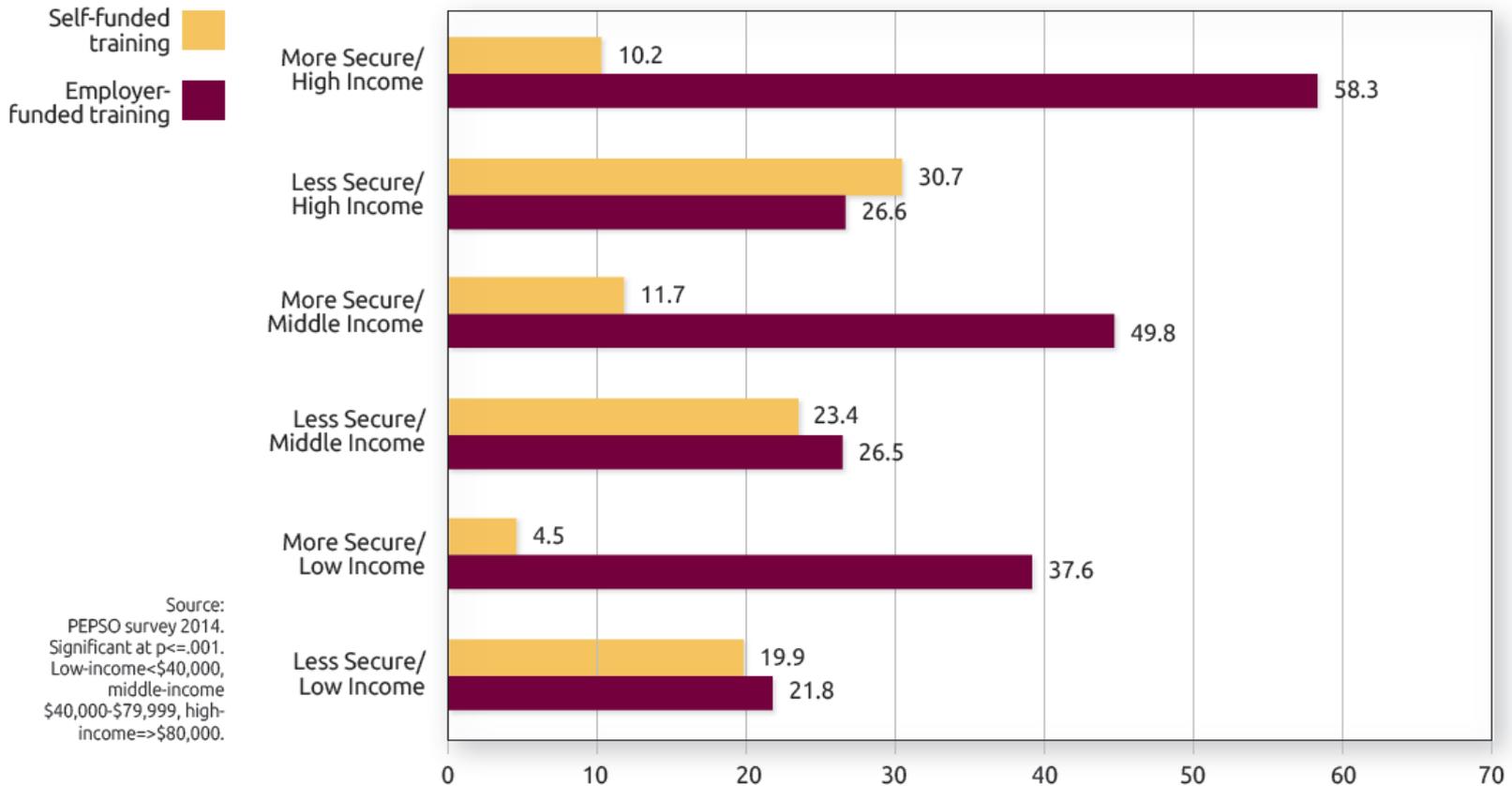
Figure 35: Paid if misses a day's work by employment security (%)



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

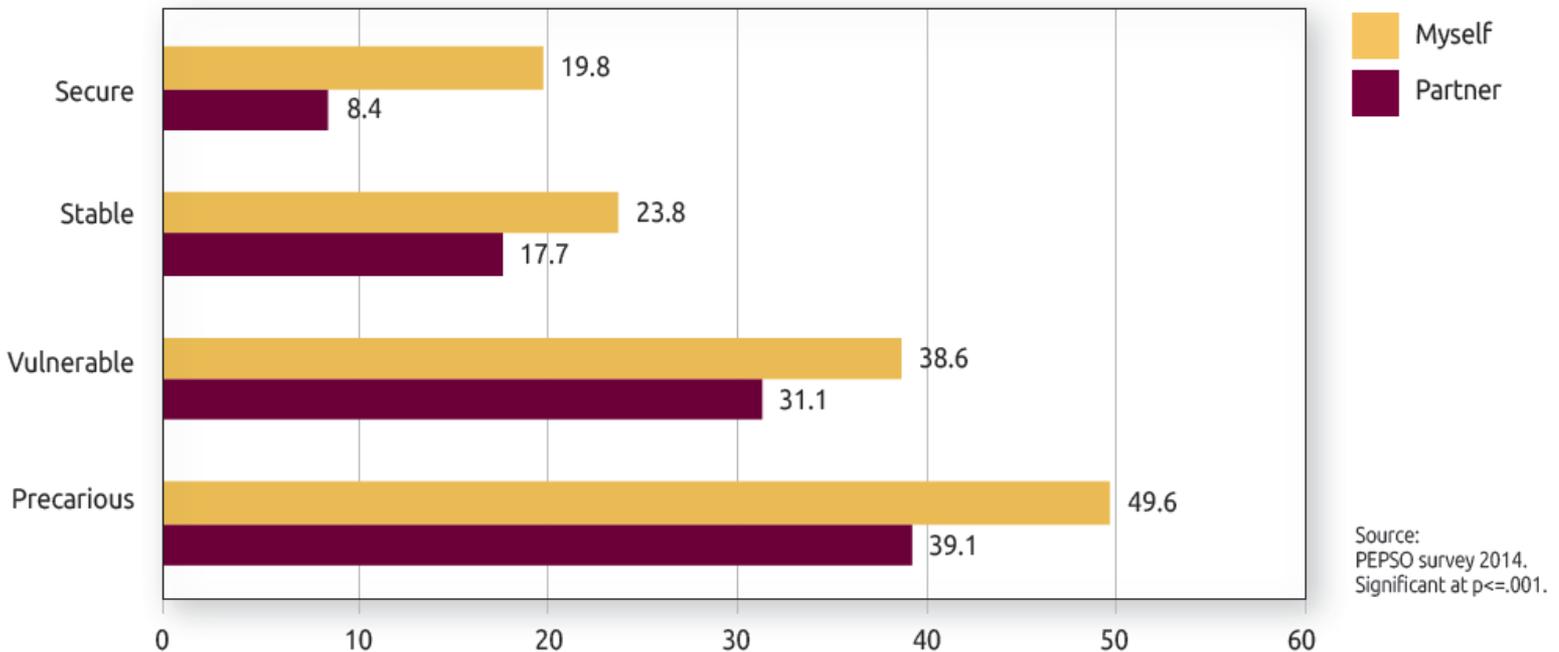
They have less access to training.

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

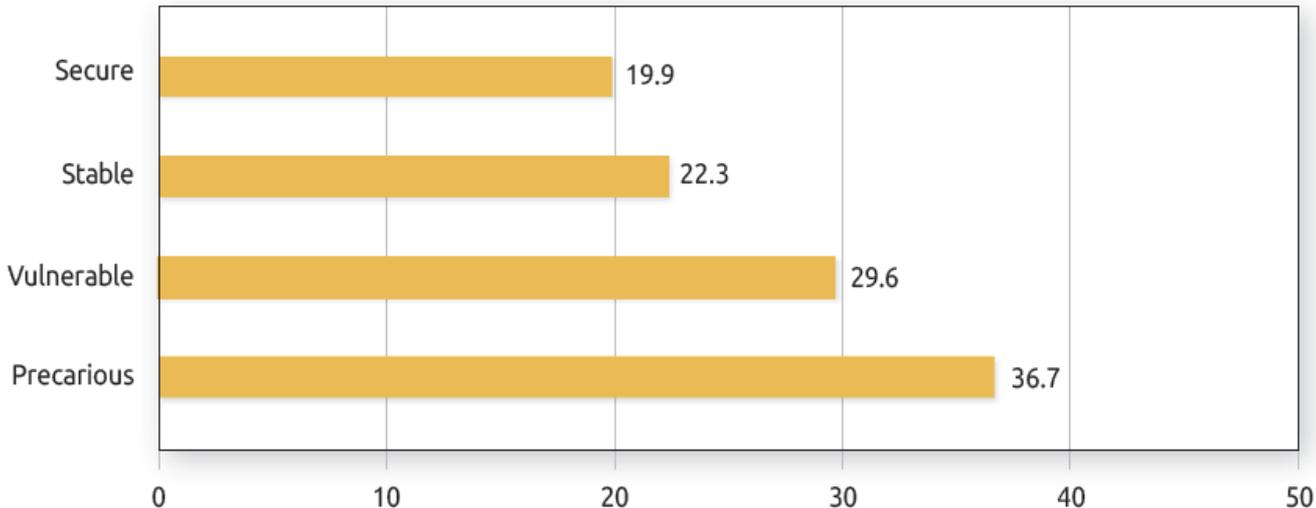


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Precarious employment is associated with increased risk of mental health issues.

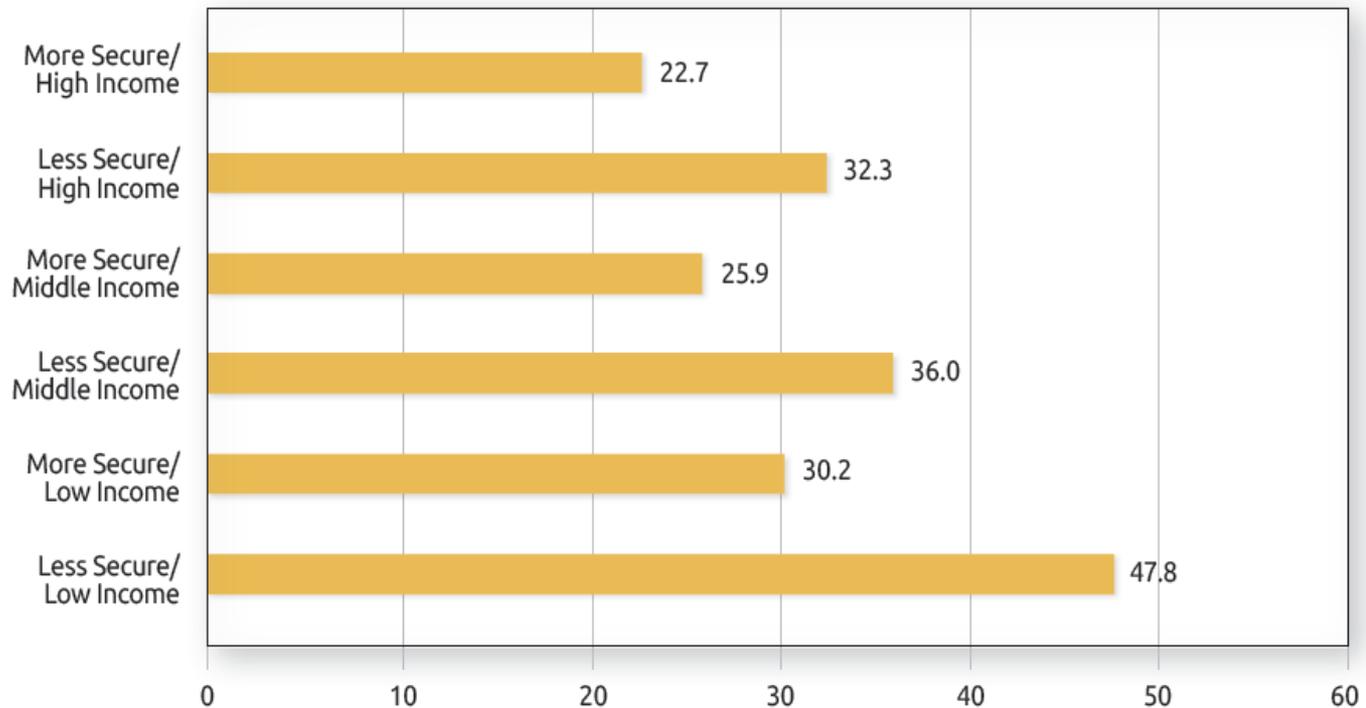
Figure 58: Mental health is less than very good by employment security (%)



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

Precarious employment is associated with increased anxiety at home.

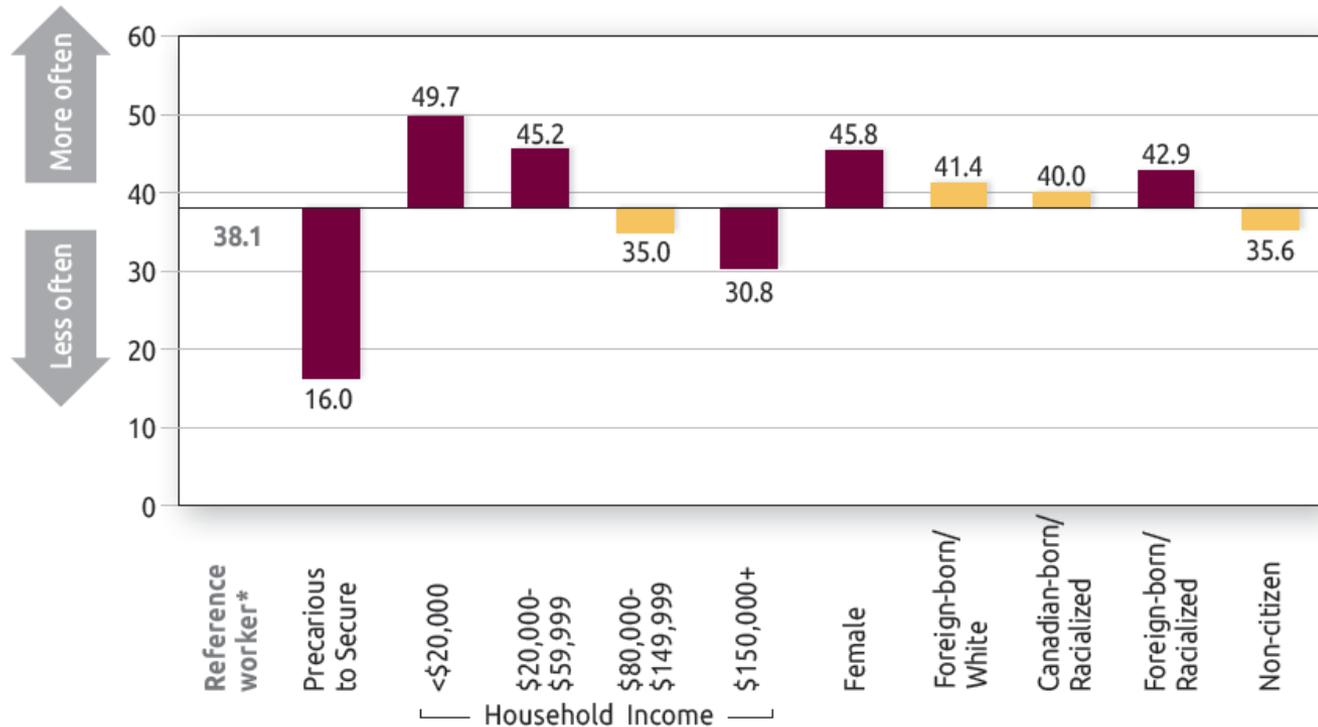
Figure 66: Anxiety about employment situation interferes with personal or family life by employment security and household income (%)



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%*)

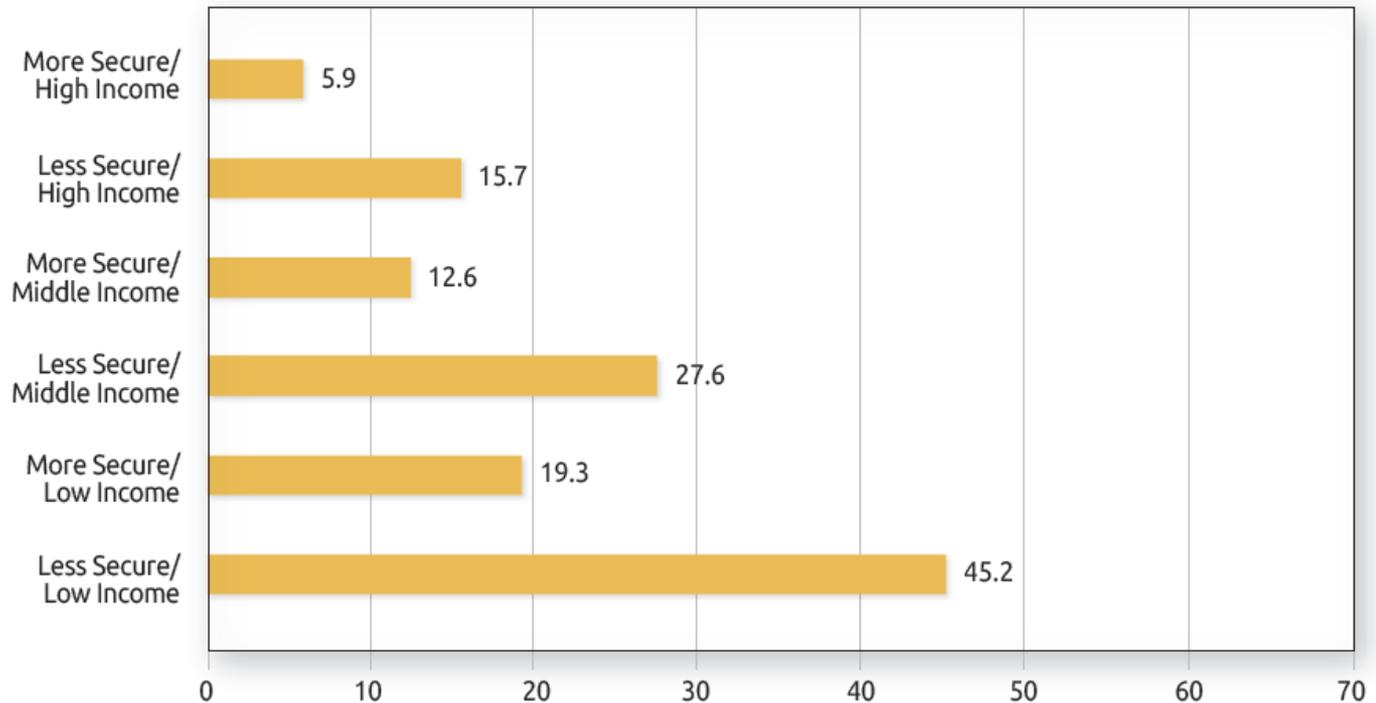


* Reference worker: Canadian-born, white male in *Precarious* employment, household income \$60,000-\$79,999, aged 35-44. The analysis also controls for living alone, children in household.

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.

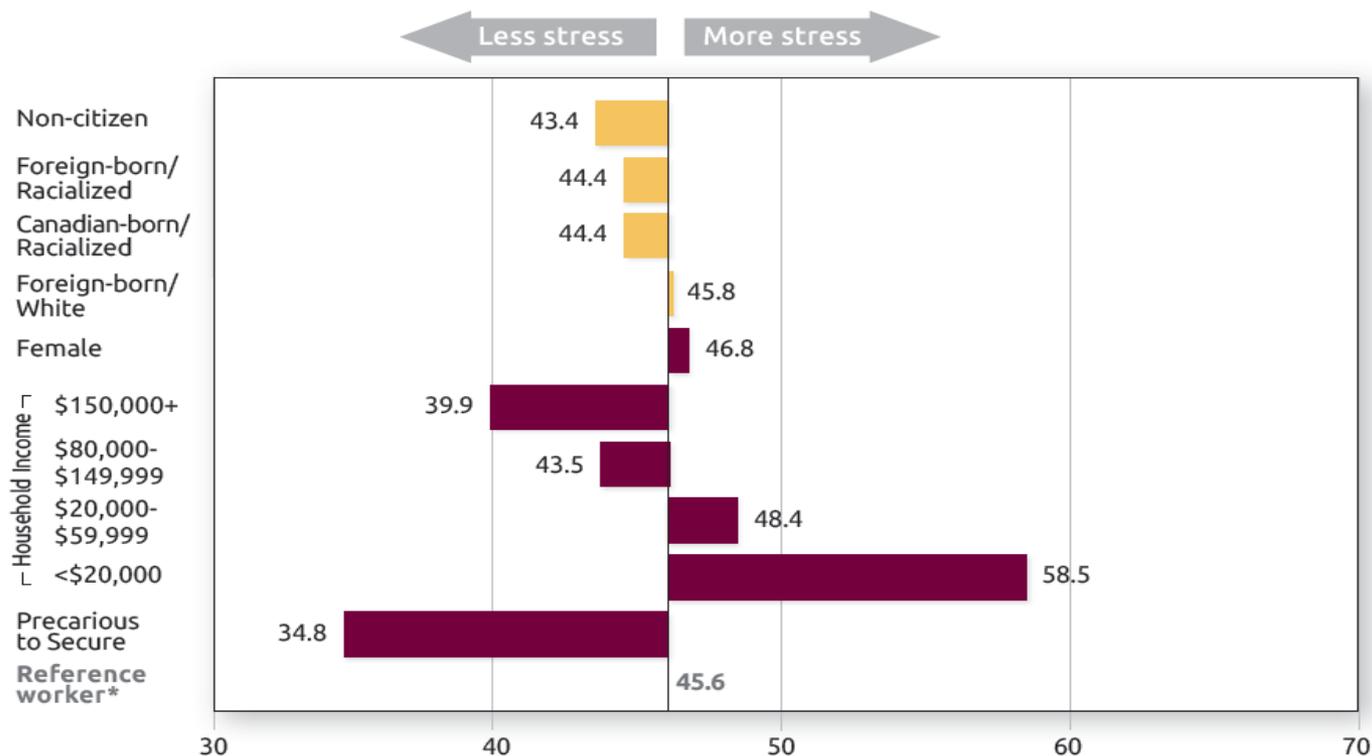
Figure 74: Concerned about maintaining standard of living in the next 12 months by employment security and household income (%)



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*)

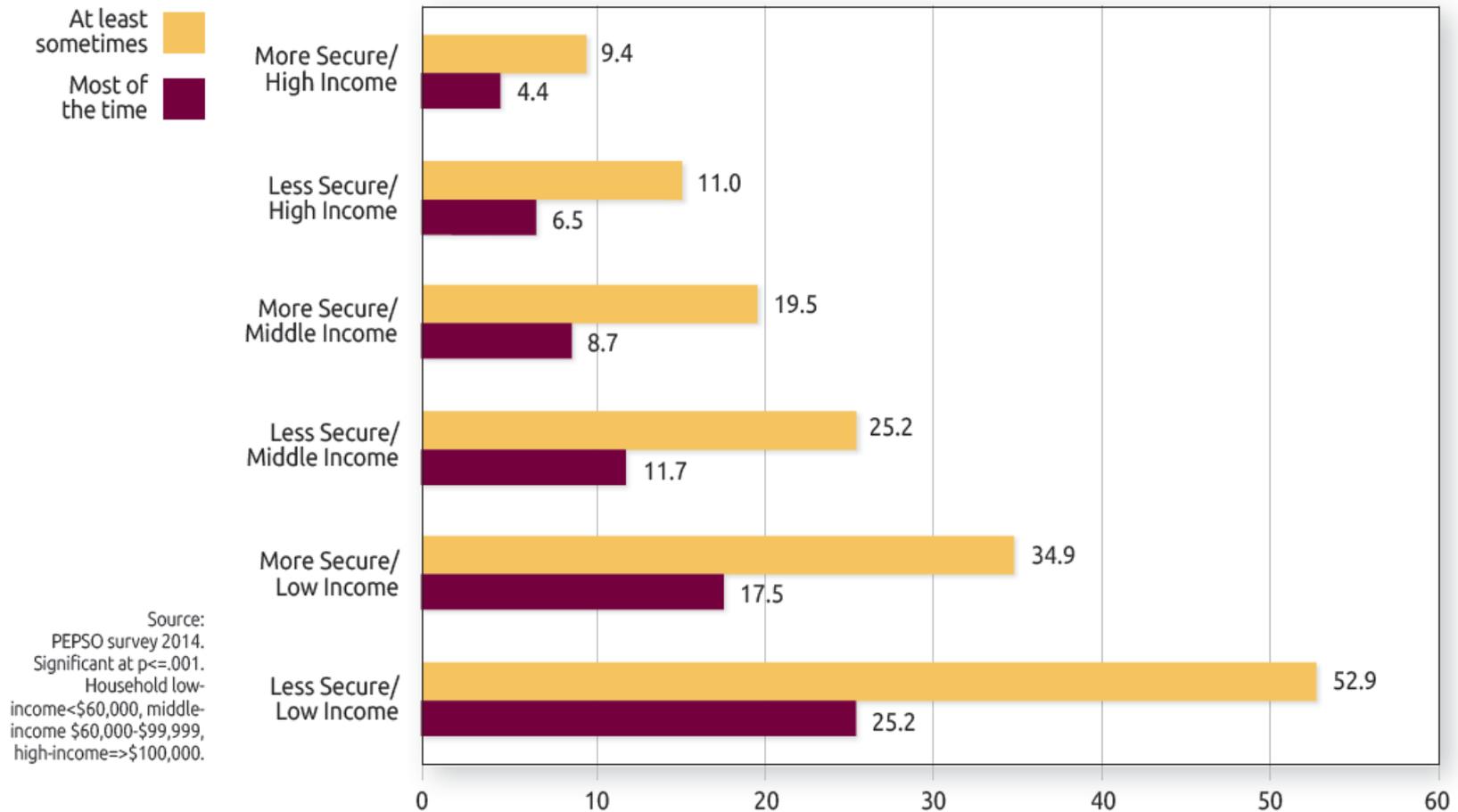


* Reference worker: Canadian-born, white male in *Precarious* employment, household income \$60,000-\$79,999, aged 35-44. The analysis also controls for living alone and children in household.

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.

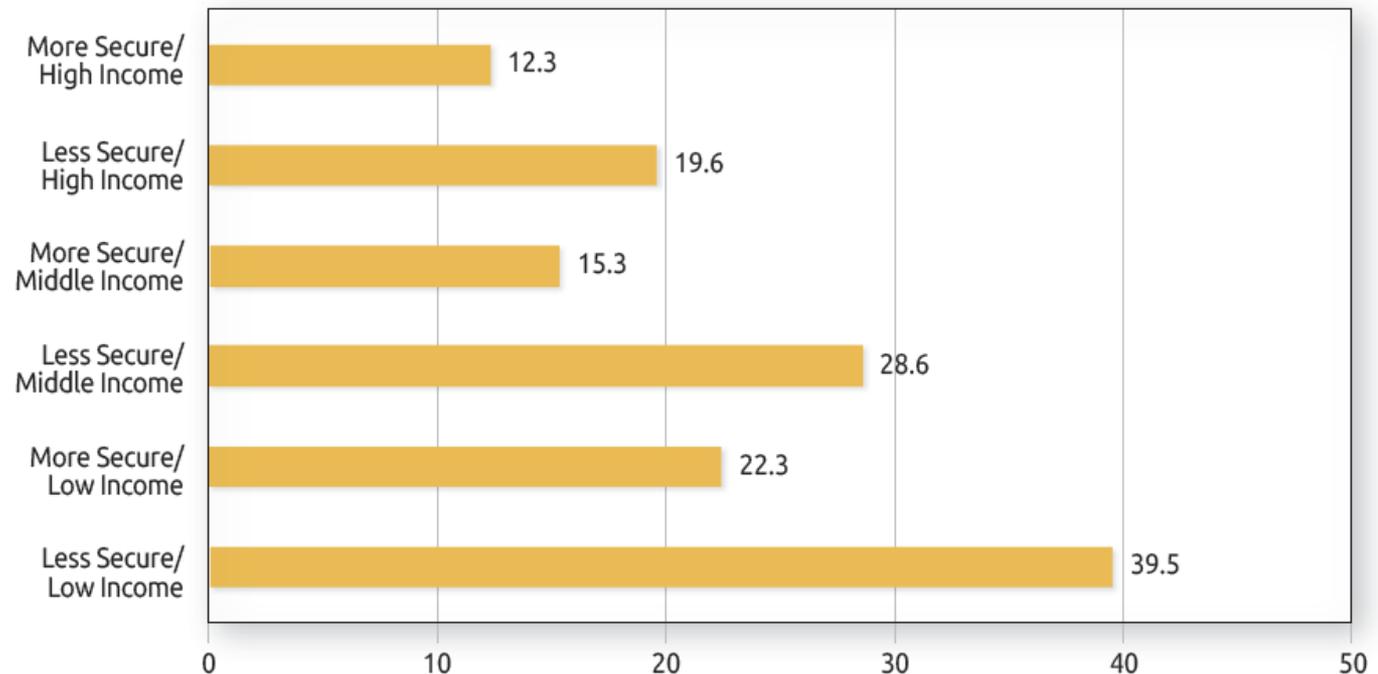
Precarious employment can affect children.

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



Workers in precarious employment can be more isolated.

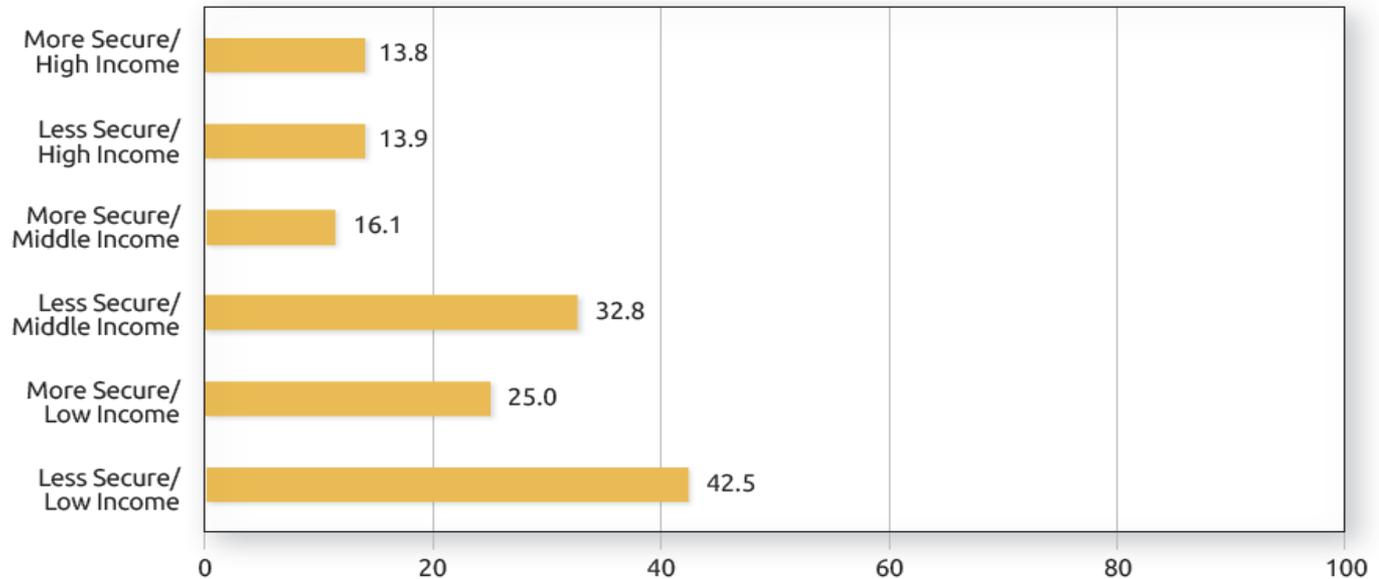
Figure 102: Does not have a friend at work to ask a favour of by employment security and household income (%)



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

They 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 > \$100,000.

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



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Workers in precarious employment face more discrimination

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

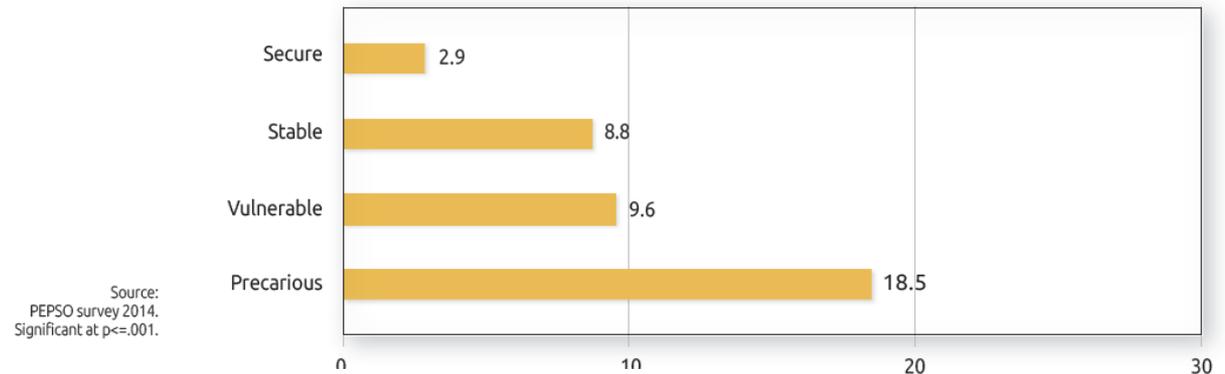
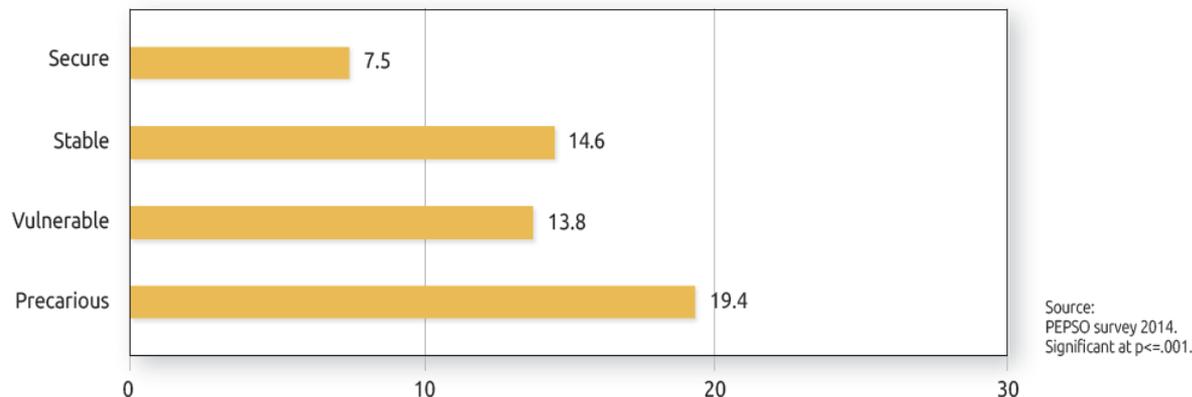


Figure 52: Discrimination is a barrier to advancement by employment security (%)

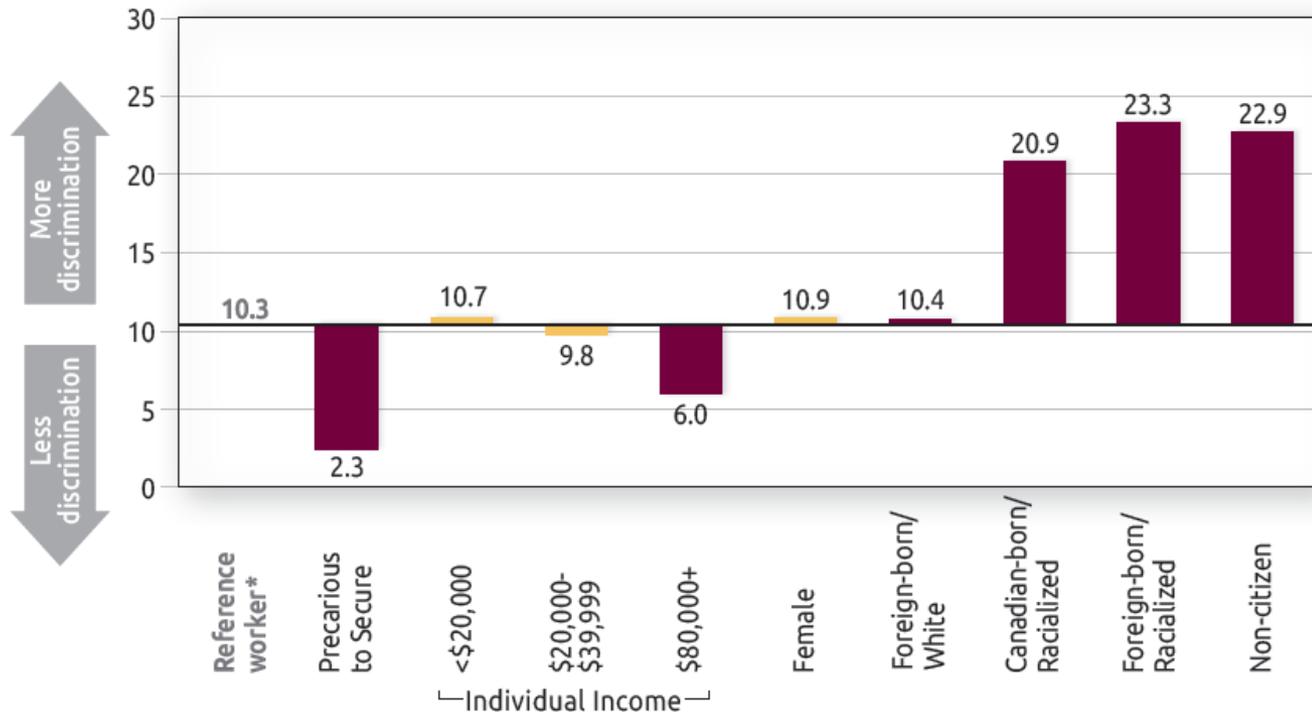


Racialized workers report more discrimination

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.



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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