

Understanding employment precarity in BC

BY IGLIKA IVANOVA & KENDRA STRAUSS April 2023



## **Summary**

**The rise of the 'gig economy'** and on-demand work using online platforms like Uber and Skip the Dishes has ignited public debate about precarious work and what makes a "good job." Precarious work is not a new phenomenon, nor is it limited to the gig economy — but we don't know just how widespread a problem it has become, mainly because Statistics Canada does not collect timely data on many of its dimensions.

We conducted a pilot BC Precarity Survey — the first of its kind in BC — to address this gap and collect new evidence on the scale and unequal impacts of precarious work in our province.

The pilot survey builds on research by an earlier research initiative called the Poverty and Employment Precarity in Southern Ontario (PEPSO) project.¹ Our survey was completed by over 3,000 workers aged 25 to 65 in BC in the late fall of 2019. It provides a unique snapshot of the provincial labour market at a time of historically low unemployment and relative labour market strength just before the COVID-19 pandemic hit.

### HOW WE DEFINED AND MEASURED PRECARIOUS EMPLOYMENT

In the post-WW2 era many workers spent their entire careers in permanent, full-time jobs with one or two employers who provided benefits. Those jobs were more likely than today to be unionized, especially in the private sector. Canada's system of workplace rights and protections — including access to workers' compensation, employment insurance and parental leave, pensions, extended health coverage, paid sick time, etc. — is still largely designed around this model of the "standard job" or "standard employment relationship."

1 https://pepso.ca/

Standard jobs were never universally accessible, however, and the BC and Canadian labour markets have always included many "non-standard" jobs, which were filled largely by women, Indigenous, Black, racialized and migrant workers. Since the 1980s, major economic and policy shifts led to fewer people having access to standard jobs and ushered in an increase in temporary and insecure forms of employment in Canada and elsewhere. Researchers began to document the rise of "precarious employment" and raise concerns about its impacts on workers and communities.

Precarious employment is challenging to define, not least because it is shaped by the everchanging realities of local labour markets and therefore looks different in different places and time periods.

In this study, we measured precarious employment in two different ways:

First, we looked at whether survey respondents had standard or non-standard employment — standard employment is defined as access to a full-time, permanent job with a single employer and that includes at least some benefits.

Even workers with standard jobs may experience aspects of precarity not captured by the definitions of standard versus non-standard employment, such as unpredictable scheduling, low pay or lack of access to an extended health care plan. So, we used a second approach called the *Employment Precarity Index*, which allows us to look at precarity on a continuum.

The *Index* combines 10 direct and indirect measures of employment quality and security, including the type of employment relationship, income variability, scheduling uncertainty, access to employer-provided benefits and 'voice' at work. Based on their answers, survey respondents were assigned a score between 0 and 100 and categorized into one of four employment security categories: *Secure, Stable, Vulnerable and Precarious*.

Even workers with standard jobs may experience aspects of precarity.

Extensive demographic questions allowed us to learn who is most affected by precarious work, while other questions provided insights into the consequences of precarity on individuals, families and society more broadly.

### **KEY FINDINGS: STANDARD VERSUS NON-STANDARD JOBS**

Using our first measure of precarity — whether a worker had access to a full-time, permanent job with a single employer and that included at least some benefits — we found:

### The "standard job" was not all that common and was unequally available.

• Only 49% of BC workers surveyed had standard jobs.

- Women (especially racialized and Indigenous women), younger workers aged 25 to 34 and recent immigrants were less likely to have a standard job.
- Nearly 60% of Indigenous men, racialized women and Indigenous women were in non-standard jobs.
- Just over 60% of recent immigrants were in non-standard employment, compared to half of non-immigrants.
- Standard jobs were more common in Metro Vancouver than elsewhere in the province and least common in the BC Interior.

### Non-standard jobs were more likely to be low-paid and less secure in a variety of additional ways.

- Almost half (44%) of survey respondents in a non-standard job earned less than \$40,000 per year, compared to only 10% of those in standard jobs.
- Workers in non-standard jobs were far more likely to see their incomes vary significantly from week to week (29%), experience unexpected scheduling changes (50%), be in casual or temporary employment (19%), work on call half or more of the time (31%), work multiple jobs at the same time (40%) and be concerned that raising a health or safety issue in the workplace would negatively affect their employment (24%).
- These workers were also far less likely than their counterparts in standard jobs to receive employer-provided training, or health and pension benefits.

### A significant number of standard jobs included characteristics often associated with precarity.

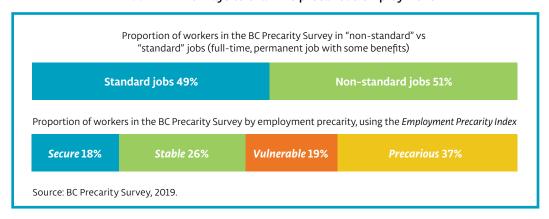
- A significant minority of people in standard jobs reported frequent, unexpected scheduling changes (21%) and/or working multiple jobs at the same time (18%).
- Many workers in standard jobs did not have access to important workplace benefits, such as extended health coverage (15%) or retirement benefits (30%).
- Less than half (43%) received employer-provided training within the last year.

### **KEY FINDINGS: THE EMPLOYMENT PRECARITY INDEX**

The Employment Precarity Index allowed us to measure a broader range of dimensions of precarity and then categorize workers' employment experiences on a continuum from Secure to Stable, Vulnerable and Precarious. We found:

BC's job market was quite polarized — 37% of survey respondents had *Precarious* jobs and only 18% were in *Secure* jobs.

### FIGURE A Two ways to examine precarious employment



### Precarious employment was strongly associated with low incomes, but not all precarious jobs were low-paid.

- Nearly two-thirds of workers earning less than \$40,000 per year had *Precarious* jobs 64%, compared with only 23% of those earning above \$80,000.
- However, not all *Precarious* jobs were associated with low employment incomes about a third (34%) had middle incomes and 18% had higher incomes.
- The vast majority of workers in our sample with *Secure* jobs earned either middle (54%) or high (40%) incomes.

### Secure jobs were unequally available to different groups of British Columbians.

- Racialized and Indigenous workers were significantly less likely than white workers to have *Secure* jobs (see figure B on page 6).
- More than half of recent immigrants were in *Precarious* jobs (55%), the highest proportion of any group in our survey.
- Established immigrants were only slightly less likely to have *Secure* or *Stable* jobs than non-immigrants.
- Younger workers (aged 25 to 34) were more likely to be in *Precarious* jobs.
- Secure jobs were slightly less common in Northern BC and the Interior than in Metro Vancouver and Vancouver Island

### Employment precarity had negative effects on individuals, families and communities.

- Workers in *Precarious* jobs especially those with low incomes were more likely to report poorer physical and mental health than those in *Secure* jobs.
- Workers in Secure employment were more likely to have a spouse in a permanent full-time
  job. In contrast, those in Precarious jobs were more likely to have a spouse who was not
  working at all. This indicates that labour market inequalities compound at the family level.

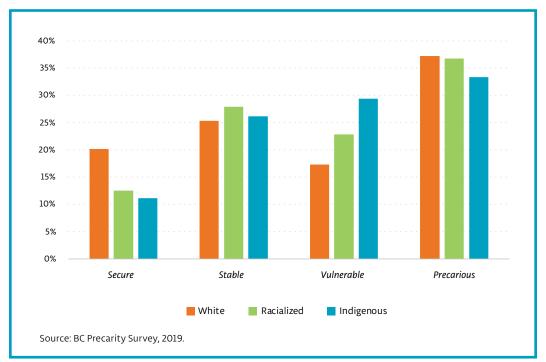


FIGURE B Employment precarity, by racialization and Indigenous identity

- Among caregivers of children, those in *Precarious* employment were far less likely to be
  able to afford school supplies and trips. They were also much less likely to have time to
  attend or volunteer at school and community-related events and activities. This was
  true for workers in less secure jobs across income groups, suggesting that employment
  precarity impacts children's experiences and opportunities, as well as their parents'
  ability to be fully engaged in their school or extracurricular activities.
- Caregivers of children in *Precarious* jobs were four times more likely to report that lack of
  access to child care impacted their ability to work (39%) compared with those in Secure
  jobs (10%).
- Recent immigrant parents were particularly impacted by caregiving responsibilities 60% reported that access to child care negatively affected their own and/or their spouse's ability to work (compared to 37% of non-immigrants). They were also much more likely to report that caring for an adult (e.g., an elder) negatively affected their or their spouse's ability to work.
- For a considerable proportion of survey respondents, work demands and job strain interfered with family responsibilities on a weekly basis (or multiple times a week), impacting not only the workers themselves but also their families.

# CONCLUSION: PRECARIOUS WORK IS A WIDESPREAD PROBLEM IN BC, CONTRIBUTING TO SOCIO-ECONOMIC AND RACIAL INEQUALITIES AND PUTTING STRAIN ON FAMILIES

The results of the pilot BC Precarity Survey illustrate that, for many workers in our sample, job quality and job security remain tied to the so-called standard employment relationship, as does access to benefits and training. Yet just over half of workers we surveyed were in non-standard work, and 37% were in *Precarious* jobs.

Such high levels of precarity amid the strong pre-pandemic labour market suggest that the problems are likely worse today. Since 2019, rising inflation has eaten into wages, a problem that is made worse when workers and their families face unpredictable, insecure employment and/or do not have access to employer-provided benefits.

Moreover, our analysis confirms what the COVID-19 pandemic made abundantly clear — that the burden of precarity falls more heavily on racialized and immigrant communities, Indigenous peoples, women and lower-income groups. In other words, precarious employment compounds systemic, intersecting inequalities in our province.

Precarious jobs mean workers are experiencing insecurity, instability, low pay, a lack of access to benefits and negative impacts on physical and mental health, all of which have consequences not only for them but also for their families, their communities and our society.

This first-of-its-kind study on multiple dimensions of employment precarity in BC highlights the need for more research on these important issues. At the same time, the findings suggest that the time to act is now to tackle the significant and uneven burden of precarious work.

The good news is that the BC government has the power to improve the lives of workers and families by strengthening workplace rights and protections, enforcing them proactively and regularly reviewing legislation to keep up with rapidly changing labour markets. Strengthening worker voices, such as by making it easier to unionize and using sectoral bargaining models, can improve working conditions and reduce wage and gender/racial pay inequities. Expanding access and portability of benefits, addressing unpaid care work and access to child care and bringing in pay equity legislation are additional ways to reduce precarity in BC while supporting family and community wellbeing. The recent introduction of five days of paid sick leave in BC and federal efforts to extend dental coverage and reduce child care fees will help many precarious workers, but more action is needed.

The pilot BC Precarity Survey was undertaken as part of the creation of the Understanding Precarity in BC (UP-BC) partnership. The survey will be repeated several times over the coming years, allowing us to study changes over time, including the impacts of the COVID-19 pandemic as well as public policy changes.

#### **ABOUT THE AUTHORS**

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Iglika and Kendra are Co-Directors of the Understanding Precarity in BC (UP-BC) Project.

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