



# IMPROVING THE ECONOMIC SECURITY OF CASUAL WORKERS IN BC

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## SUMMARY

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Many have been puzzling over a paradox that currently marks the BC economy: Why have years of low unemployment and solid economic growth failed to translate into improved economic security for those in the lower tiers of the labour market? The reasons are multiple and complex, but public policy choices have surely played a role. This research project provides one piece of the puzzle. It examines the trends and experiences of people engaged in casual work in BC, and looks at the policy choices that have led to both an increase in the share of casual work in the province, and to deterioration in the economic security casual workers are able to derive from the labour market. The study makes policy recommendations aimed at improving the economic security of casual workers.

Casual workers are defined as employees who work without a contract or who have a contract of short duration (defined as six months or less). The project uses data from Statistics Canada's Labour Force Survey from 1997 to 2007, and a survey of casual workers undertaken by the authors in Vancouver and Prince George in 2005.



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## Key Findings

- The number of casual workers in BC increased by about 59,000 between 1997 and 2007. The incidence of casual work increased from 10.2 to 12.3 per cent for women and from 9.4 to 10.1 per cent for men.
- Casual work is gendered and racialized: women are more likely to be casual workers than men, and non-Canadian-born respondents reported lower levels of basic security than Canadian-born respondents, including difficulty accessing food, housing and health care.
- Our survey challenges the view that most casual workers are such by choice. About 80 per cent of respondents said they are actively seeking permanent work.
- Casual workers experience a high degree of economic insecurity with respect to income, skills, employment, representation, and control of their time.
- Casual workers have been negatively affected by specific policy changes introduced in BC from 2001 onwards. For example, changes to the Employment Standards Act include the reduction of the minimum wage to \$6 for the first 500 hours of employment while changes to the Labour Relations Code have made it more difficult to obtain union representation.
- Recent neo-liberal policies in BC have contributed to the rise in casual work. These policies include: privatization/contracting-out, welfare reform, de/re-regulation of the labour market, and roll-backs to employment standards. Notably, despite buoyant economic conditions and falling unemployment rates, the percentage of temporary workers has not decreased accordingly. The data point to a striking “BC policy effect”—even when controlling for broad economic conditions, the likelihood of being a casual worker in BC has grown since 2001 to a much greater extent than in other provinces (including in Ontario, which had introduced similar but less drastic labour reforms).

The overwhelming picture that emerges from our survey is of the double bind in which financial and time constraints affect all aspects of casual workers’ lives and their ability to balance work and family obligations. There is a constant need for more income, yet this is continually undermined by irregular hours, shift work, short call-ins, minimal notice of work schedules, and low pay. Recent public policy choices have exacerbated this tension.

BC is promoted as “the best place to invest,” but if it is also going to be the “best place to work”—where working people experience economic security—new policies must be introduced. This paper makes recommendations in three areas: improving the economic security of casual workers; facilitating the transition from casual to permanent work; and improving the economic security of all workers.

Policies to improve the economic security of casual workers include:

- **INCOME:** Increase the minimum wage and index it to inflation. Increase access to non-wage benefits (such as health and dental benefits).
- **EMPLOYMENT:** Expand coverage of the Employment Standards Act (ESA) to include all unionized workers, independent contractors, and workers in all occupations—including agricultural workers and truck drivers.
- **REPRESENTATION:** Remove barriers to union membership and reverse the exclusion of unionized workers from the ESA. Strengthen enforcement of the ESA.
- **TIME SECURITY:** Reverse changes made to the ESA such as the reduction of the minimum call-in period (from four to two hours), and improve regulations around overtime, working conditions, pay, and termination notice.

Policies to facilitate the transition from casual to permanent work include:

- Improve access to education and training, and provide forms of income support to enable individuals to take advantage of those opportunities.
- Provide incentives and requirements for employers to make permanent positions for casual workers (along the lines of those in Australia and the European Union).

Policies to improve the economic security of all workers include:

- Expand eligibility to “care” entitlements (e.g. parental leave through Employment Insurance) and health and dental benefits beyond the permanent, full-time worker.
- Provide universal publicly-funded child care.

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