

# Intelligence MEMOS



From: Colin Busby  
To: Canada's Employment Policymakers  
Date: February 5, 2018  
Re: **CANADA SHOULD STRENGTHEN THE SAFETY NET UNDER WORKERS IN PRECARIOUS JOBS.**

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In a [report](#) for the C.D. Howe Institute I investigated trends in jobs with heightened employment risks and offer policy solutions to support insecure workers.

The report focused on one type of job classification that intersects with the common definitions of precarious employment – what Statistics Canada refers to as “non-standard work.” These jobs tend to be more insecure than standard employment, often with fewer benefits and more uncertainty about the predictability of future work. This includes part-time, temporary and unincorporated self-employed workers.

After examining trends in non-standard work in Canada, it found that, contrary to popular opinion, the overall prevalence of non-standard work has stabilized over the last couple of decades.

Many forces contribute to the creation of non-standard work, including factors such as business desires for flexibility and worker preferences. This, combined with lessons from some international attempts to address specific areas of concerns through blunt legislative tools, militates in favour of looking to options that bolster the social safety net and training options. Interventions to shape employment arrangements with legislation pose significant risks of stymying job creation.

The rise of part-time employment in Canada follows a similar trend across most advanced economies. Canada's use of part-time workers is

close to the developed world average. Organisation for Economic Co-operation and Development data also suggest that a bit more than a quarter of all Canadian part-time workers in 2014 accepted those positions when they would have preferred to have full-time employment, which is similar to other nations.

Although the vast majority of those working part-time do so voluntarily, around two-thirds of all involuntary part-time workers are women. However, the gender split masks a particularly high degree of dissatisfaction of men in part-time jobs. Half of all prime working age males (aged 25-54) in part-time positions would prefer full-time employment.

In contrast, roughly a third of prime working age women in part-time work would prefer working full-time, a statistic influenced by both the desire to care for children and the availability of affordable childcare.

One of the biggest impediments to many workers seeking a more permanent career may be a lack of certain skills. Here, access to education and programs to upgrade skills, wherever one is in his

or her career, is of paramount importance. Many of the skill enhancing programs for workers in Canada can only be accessed through qualifying for Employment Insurance benefits. This limits the scope of these programs by compounding eligibility issues.

Another new program is the joint federal/provincial Job Training Grant, which aims to encourage skills upgrading for currently employed workers. We suggest considering a version of the plan that could extend skills training options to temporary workers as of their second contract with an employer.

There are a number of options for policymakers to reduce the income-related vulnerabilities and uncertainties faced by many non-standard workers. These include reducing gaps in health coverage, improving Employment Insurance eligibility, boosting access to social programs, and ensuring uptake of programs that improve access to education and skills training programs for workers.

These options balance the need to mitigate common risks in non-standard work while supporting labour market dynamism.

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