Making Work Pay

Monday, October 7, 2002 – It used to be that most full-time jobs came with enough income to build a family along with potential for advancement. Not anymore.

Almost two million adult Canadians work for less than $10 an hour. That's about one in six employed people. You can't support a family on that income, even working full-time. Unfortunately, more than half of low-wage jobs are temporary or part-time.

And it isn't simply a matter of skills. It might surprise you to know that people in these low-paid jobs are generally well-educated – 40% have completed high school, 36% have post secondary diplomas or degrees. The jobs are concentrated in the retail trade, hotel and accommodations services, manufacturing, finance and personal service industries.

The educational attainment of low-paid workers points to a larger problem – their full productive potential is being lost to the economy, while the prospect of low-wage "ghettos" raises the specter of long-term social costs. Yet, barriers, both in the workplace and resulting from public policy, make it difficult for workers in this situation to improve their lot.

In ***Smart Social Policy – "Making Work Pay"***, a paper prepared for the TD Forum on Canada's Standard of Living, CPRN's President, Judith Maxwell, examines this phenomenon and the experience with policy initiatives designed to address it. She asks what low-paid work is really worth to society and who should pay the cost – families, employers or the state?

She concludes that "smart social policy choices will aim to ensure that every child has the chance to develop her potential, and that every educated adult is able to use his skill productively."

You can access or download a copy of her paper.

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