Protecting Canada's Vulnerable Workers

Friday, March 18, 2005 – A growing proportion of Canadian workers are finding themselves without the basic protections other workers take for granted.

They are vulnerable workers – vulnerable, in that they experience a combination of low pay, lack of benefits, insecure working conditions, and lack of opportunity to improve their situation.

Canadian labour laws, based on outdated assumptions about industrial and labour market conditions, have failed to keep pace with recent developments. A growing number of workers find themselves unprotected by laws guaranteeing minimum standards, health and safety and bargaining rights.

Two new studies in CPRN's Vulnerable Workers Research Series, address this problem.

Non-standard Work and Economic Vulnerability, by Richard Chaykowski of Queen's University's School of Policy Studies, examines the extent and depth of low pay, the kinds of employment relationships experienced by vulnerable workers, and the extent to which workers are covered by employment benefits.

Towards Enhancing the Employment Conditions of Vulnerable Workers: A Public Policy Perspective, by Guylaine Vallée of the Université de Montréal's School of Industrial Relations, explores some key vehicles for extending vulnerable workers' access to minimum employment standards and traditional benefits.

Vulnerable work is strongly associated with non-standard employment relationships (part-time, casual, temporary employment, or self-employment). Non-standard employment has grown as a proportion of total employment to the point where it involves one-third of all paid workers, and more than 40% of female paid workers.

Among Chaykowski's findings:

- 34% of individuals with some paid employment earned less than poverty wages over the course of the year (based on StatCan's Low Income Cutoff (LICO)). On average, their wages were 18% below the LICO level.

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- 42% of full-year, full-time self-employed earned poverty wages, compared with only 11% of full-time, full-year employees.
- The *incidence and extent* of low annual earnings is greater among part-time, as compared to full-time, employees.
- 70% of part-time employees are female.
- 38% of full-year, full-time young workers aged 16-24 experienced low earnings.
- 18% of those without high school diplomas had low earnings, compared to only 4% of those with a university degree.
- 30% of employees earned less than $12/hr. in 1999 (37% of female employees). 60% of them had no benefits.

"What we find, then, is that part-time and self-employed workers are more likely to be vulnerable, while age and sex and education levels may compound that vulnerability," says Ron Saunders, Director of CPRN's Work Network and coordinator of the series of papers. "What's more, those in non-traditional employment are less likely to have benefits or to be covered by union agreements, and their working conditions are less likely to be monitored and protected."

Vallée describes three key problems with regard to vulnerable workers' access to rights and benefits:

- exclusion from the law
- disparity of treatment compared to other workers
- poor implementation/enforcement of existing rights.

Drawing on experience in Canada and abroad, she identifies four policy responses, or "platforms", that would help rectify the predicament of vulnerable workers:

1) Broadening the scope of existing laws to include non-traditional employment relationships.
2) Making certain rights and benefits universal, rather than dependent on employment status.
3) Creation of "social drawing rights", based on socially useful work, whether paid or unpaid.
4) Improving access to collective representation.

Because of the complexity of their situation, Vallée emphasizes, no one "platform" is *the* answer to protecting vulnerable workers. A combination of the four platforms is needed to avoid excluding those worthy of support.

"These two reports provide us with a much more complete picture of the predicament of vulnerable workers in Canada," says Saunders. "They also provide a valuable guide for bringing our labour laws into line with today's realities."

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