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Low-paid Work and Economically Vulnerable Families over the Last Two Decades

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Abstract

We examine the evolution of low-paid work and the position of economically vulnerable families in Canada over the last two decades. Despite substantial growth in workers' educational attainment and experience, the proportion of jobs paying less than \$10.00 per hour has remained fairly stable since the early 1980s. However, union coverage in low-paid jobs has dropped, especially for males. The risk of job loss has changed little but the proportion of newly hired employees who hold temporary jobs has increased markedly, thereby indicating important changes in the employer-employee relationship. Despite their rising educational attainment, most low earners (except women aged 25 to 29) have not seen their chances of escaping low earnings improve between the 1980s and the 1990s.

Of all full-time employees, 5% were low-paid *and* lived in low-income families in 1980 and 2000. In 2000, individuals with no high school diploma, recent immigrants, unattached individuals, lone mothers and persons living alone accounted for fully 71% of all full-time workers in low-paid jobs *and* in low income, but only 37% of all full-time workers. While members of these five groups account for the majority of low-paid workers in low-income families, two of these groups have seen their economic position decline significantly: low-educated couples and recent immigrants.

Keywords: Precarious employment; Low pay; Low income; Contingent work.

I. Introduction

Paid work represents the main activity of most people during their lifetime, and their main source of income. It is not surprising then, that there is perennial concern regarding work and wages. This paper addresses two main themes: 1) trends at the macro, economy-wide level regarding median wages, job stability, the economy's production of low-wage jobs, and workers' ability to exit such jobs, and 2) the interaction between these trends and families' well-being as measured by low-income rates and family earnings. It is a summary of the findings from a number of research papers¹ recently completed in the Business and Labour Market Analysis Division of Statistics Canada.

Major job-related themes change over time with economic conditions. During the 1980s, the main story was likely the "disappearing middle". The notion was that employment shifts from manufacturing towards service sector jobs, combined with technological changes and the resulting rising demand for highly skilled workers (and reduced demand for the less skilled), were inducing job creation mainly at the bottom and the top of the wage distribution, with fewer average paying jobs being created (Danziger and Gottschalk, 1993; Beach and Slotsve, 1996). Earnings inequality did indeed increase during the 1980s in countries like Canada, the United States and the United Kingdom, and the trend continued in the 1990s.

During much of the 1990s, concerns were expressed about the "disappearance of work" (Rifkin, 1995) and about the possibility that jobs were becoming much less stable than they were during previous decades. This concern was largely driven by the severe recession of the early 1990s and its aftermath. In most cases, the labour market was performing as one would expect during a recession and a period of very slow economic growth. (Picot and Heisz, 2000). However, there were some fundamental changes in the hiring practices of firms, which continue to the present, and are discussed in this paper.

If one had to identify a theme covering the findings of the body of research reviewed in this paper, it would likely be: "stability amid change", at least for the first part of the paper. The "change" component comes as no surprise. Numerous economic pressures have affected job stability, wage levels, the number of low-and high-wage jobs and the economic welfare of workers in low-paid jobs. Most importantly, in spite of the slow economic growth during the early 1980s and 1990s, macro-economic conditions have improved substantially over the last two decades. Between 1981 and 2003, GDP per capita increased 43%. Furthermore, workers' human capital rose dramatically, especially among women. The proportion of female workers with a university degree doubled, rising from 10% in 1981 to 22% in 2003.² The corresponding proportions for men were 13% and 19%, respectively. The workforce also became more experienced, as the average age of workers increased from 34.3 to 37.8 during that period.

1. See: Morissette (2004), Chung (2004), Morissette and Johnson (2004, 2005), Morissette and Zhang (2005), Morissette, Schellenberg and Johnson (2005).

2. These numbers refer to paid workers aged 17 to 64 employed in their main job in May. They are drawn from the Survey of Work History of 1981 and the Labour Force Survey of 2003.

However, despite this substantial growth in production and in workers' human capital, wages have been remarkably stable.

Aside from these macro-economic trends, other factors are introducing change. Employment shifts from manufacturing to service-producing industries have long been associated with a movement towards more low-wage jobs. More recently, concerns have been expressed regarding the possible loss of highly paid service sector jobs (e.g., computer services) that might occur as a result of outsourcing to countries like India, China and Eastern Europe. Technological changes are often viewed as increasing the relative demand for highly skilled workers (Katz and Murphy, 1992), in highly paid jobs, while reducing the relative demand for their low-skilled counterparts, thereby possibly decreasing the proportion of low-paid jobs.

The growth in international trade may also have affected the industrial distribution of employment as well as the competition firms face, and hence the wages they offer. In the face of increased competition, firms have increasingly turned to "contingent" work, particularly among new hires, resulting in the creation of a growing number of temporary jobs. Since unionized jobs and jobs in large firms pay higher wages than others, the decline in union density observed over the last two decades (Akyeampong, 2004) and the decline in the proportion of jobs coming from large firms may also have affected pay rates.³

The paper addresses the following issues. In Section II, we put low-paid work in perspective by focusing on the evolution of wages in Canada between 1981 and 2004. We find that median wages among all workers changed little over the period, although wages among "new hires" declined significantly. In Section III, we focus on low-paid work and precarious employment over the last two decades. We show that the proportion of low-paid jobs also changed little since the early 1980s. Then, we assess whether the characteristics of low-paid jobs (average wages, union coverage, pension coverage and layoff rates) have changed over time. We analyze the evolution of temporary employment since the late 1980s. We highlight the fact that the growth of temporary employment among newly hired employees has been much greater, in absolute terms, than among the whole workforce. We also examine whether workers' chances of escaping low earnings have improved between the 1980s and the 1990s, and find little change here as well.

Arguably, the major concern is not about the number of low-paid workers, but about the extent to which low-paid jobs result in economic deprivation for workers. Because they are often part of dual-earner families, low-paid workers do not always live in straitened circumstances. For social and economic policy, a key question is: to what extent do low-paid workers live in low income? We address this issue in section IV. We show that the incidence of low income among low-paid workers has changed little over the last two decades, amounting to roughly 30% both in 1980 and 2000. Overall, about 5% of full-time workers are both in low-paid jobs and low-income families. We point out, however, that the stability in the proportion of low-paid employees living in low income masks two offsetting trends. On the one hand, the proportion of family units with no potential second earner (i.e., lone parents and unattached individuals) has increased over the last two decades. This tends to increase the incidence of low income among low-paid workers. On the other hand, the proportion of dual-earner couples has risen substantially. We examine the impact of changes in family structure on the incidence of low income among low-paid workers.

3. The proportion of jobs in firms with 500 or more employees dropped from 51% in 1983 to 42% in 2001. See Kanagarajah (2005).

We also show that individuals with no high school diploma, recent immigrants, unattached individuals, lone mothers and persons living alone accounted for fully 71% of all full-time workers in low-paid jobs *and* in low income, but only 37% of all full-time workers in 2000. While members of these five groups account for the majority of low-paid workers in low-income families, two of these groups deserve special attention because their economic position has declined significantly: low-educated couples and recent immigrants. We document the deteriorating position of these groups in the Canadian labour market in Section V. A conclusion follows.

II. The context: Wages, 1981-2004

As mentioned above, the last two decades have witnessed numerous changes that are likely to affect the behaviour of firms and hence, wage levels and job stability in Canada: growth of international trade and of outsourcing, computer-based technological changes, shifts of employment away from manufacturing, decline in union density and in large firms' share of total employment. Moreover, workers' human capital has grown substantially during that period. Despite all of these changes, hourly wages have been remarkably stable. Among employees aged 17 to 64, median hourly wages (in 2001 dollars) have changed little between 1981 and 2004 remaining at approximately \$15 (Table 1).⁴

Wages in full-time jobs and those in part-time jobs have not evolved at the same pace, however. Median hourly wages in full-time jobs rose about 5% while those in part-time jobs fell 15% (Table 2).⁵ The divergence is partly due to wage declines among part-time employees under 25. This can be seen by noting that: a) median wages of full-time employees and of part-time employees aged 25 to 64 grew at about the same pace between 1981 and 2004 and, b) *average* wages of part-time workers aged 25 to 64 fell much less than they did among part-time workers aged 17 to 64.

Analyzing the evolution of wages in all jobs (as we do in Tables 1 and 2) may be misleading since firms typically make wage and other employment adjustments at the margin, i.e., among newly hired employees rather than among those with greater seniority. They may do so in order to maintain productivity and morale among the key workers in the workplace. While median wages have changed little, median wages among newly hired employees have fallen over the past 20 years. Morissette and Johnson (2005) found that median hourly wages of male workers aged 25 to 64 with two years of seniority or less, fell 13% between 1981 and 2004. Among their female counterparts, they fell 2%. Among workers with more than two years of tenure, wages rose 4% men and 14% for women.

Except for women aged 25 to 34, wages of newly hired men and women fell behind those of other workers *within* all age groups (Table 3). For instance, median wages of newly hired men and women aged 45 to 64 either fell or stagnated between 1981 and 2004. In contrast, those of their counterparts with greater seniority rose between 14% and 22%. The deterioration of wages

4. In this study, wages are deflated using the Consumer Price Index.

5. Among workers aged 17 to 64, *average* wages in full-time jobs rose 6% while those in part-time jobs fell 14% between 1981 and 2004.

of new employees was not limited to a particular industry either. Newly hired men employed in manufacturing saw their median wages fall 19% between 1981 and 2004, compared to a drop of 11% for those outside manufacturing.

The drop in the relative wages of new employees is not simply due to compositional effects. Morissette and Johnson (2005) show that after controlling for changes in age, education, union status, part-time status, industry and occupation, about 80% of the drop observed for newly hired men and about half of the drop observed for newly hired women persist.⁶ As Morissette and Johnson (2005: 20) point out, this decline has potentially important implications for Canadian workers: “Unless it is offset by a steepening of the wage-seniority profile, it may signal changes in firms’ wage offers which may induce a reduction in the proportion of well-paid jobs in the years to come, with obvious implications for Canadians’ living standards.”

III. Low-paid work and precarious employment over the last two decades

As Vosko et al. (2003) point out, the notion of precarious employment may be defined along several dimensions. In this section, we focus our attention on five specific dimensions, which measure the extent to which employees: 1) are paid low wages, 2) are covered (or not) by a pension plan, 3) are unionized, 4) are likely to lose their job or to have credible guarantees of employment continuity and, 5) are likely to escape low earnings.

III.1 Incidence of low-paid work, 1981-2004

Placed in an international perspective, Canada has a relatively low wage economy, at least compared to European countries. In a comparative study of low pay and poverty, Nolan and Marx (1999) focus on full-time full-year workers, and define low-paid workers as those earning less than two-thirds of a country’s median annual earnings. Applying this definition to data from the late 1980s and early 1990s, they find that the United States has the highest proportion of low-paid workers: 26%. Canada is next at 21%, followed by the United Kingdom at 20%. This is in sharp contrast with European countries, where the corresponding proportions range from 13% in Germany to 7% in Finland.

An alternative definition is the one used by Maxwell (2002), who defines low-paid jobs as those paying less than \$10.00 per hour. Using this definition, how has the incidence of low-paid work evolved in Canada between 1981 and 2004? Like median wages, the proportion of jobs that are low-paid has been remarkably stable over the last two decades. In 1981, 17% of the jobs held by workers aged 25 to 64 paid below \$10 per hour (in 2001 dollars), compared to 16% in 2004 (Table 4).⁷ Thus, in spite of improved economic conditions, little progress has been made

6. Furthermore, the decline in the relative wages of new employees does not appear to be related to a greater entry of workers with low unobserved quality in the labour market in the late 1990s than in the early 1980s. The reason is that: a) relative wages of new employees fell between 1981 and 1998 and, b) the employment rate of men aged 25 to 54 was no higher in 1998 than in 1981.

7. One arrives at the same conclusion if other wage cutoffs are used. The proportion of workers aged 17 to 64 who hold jobs paying less than \$10 per hour also showed little change. It amounted to 22.4% in 1981, compared to 23.6% in 2004.

regarding the prevalence of low-paid jobs. Conversely, one may argue that the proportion of low-wage workers has not risen. Meanwhile, the proportion of well-paid jobs (those paying \$30 or more per hour) increased from 8.5% in 1981 to 11.4% in 2004.⁸

The numbers shown in Table 4 are drawn from a series of distinct household surveys spanning the 1981-2004 period.⁹ To get a sense of the robustness of our conclusion regarding the evolution of the incidence of low-paid employment over the last two decades, it is worth examining other data sources. Chung (2004) does so. She uses Census data, selects full-time employees and defines low-paid workers as those earning less than \$375 per week (in 2000 dollars).¹⁰ Consistent with the numbers shown in Table 3, she finds little change in the proportion of low-paid workers between 1980 and 2000. Overall, 16% of full-time employees aged 15 to 64 were in low-paid jobs in 2000, only a slight increase from the rate of 15% observed in 1980 (Table 5). Hence, both Census data and data from various household surveys indicate that the incidence of low-paid work has changed little over the last two decades.

Since the workforce has become more experienced and better educated over the last two decades, one would have expected the incidence of low-paid work to fall over time. This decline was not observed because the proportion of low-paid workers rose *within* demographic groups. Specifically, the incidence of low-paid work rose significantly among the less educated, young workers (25-34) and among recent immigrants (Table 5). In fact, results from a decomposition analysis indicate that changes in worker characteristics (age, education, gender, immigration status, visible minority status) have tended to reduce the incidence of low-paid work by between

8. This pattern is in line with the observation that the rise in earnings inequality during the 1990s was largely associated with an increase in the earnings of high wage workers. However, the results given here should not be confused with earnings inequality findings. They are not the same thing. Here we are concerned with hourly wages; most inequality studies deal with weekly or annual earnings, and hence changes in hours worked can affect the results, and much of the rise in earnings inequality during the 80s and early 90s was indeed associated with trends in hours worked (see Morissette, Myles and Picot, 1994, Johnson and Kuhn, 2004). Furthermore, we are using very different metrics, and simply computing the share of jobs below some fixed wage cutoff to determine the prevalence of low-wage jobs. Inequality studies tend to employ measures such as the ratio of the earnings in the top and bottom decile, or the gini coefficient, measures more appropriate for inequality concepts than that employed here. Finally, although there is little change in the production of low-wage jobs in the economy as a whole, this does not mean stability in wages for all groups. There has been substantial movement among groups in relative wages. For example, there has been a decline in relative and real wages of young men and the less educated, while the relative wages of women (particularly older women) and of the more highly educated have been rising.

9. These surveys are: the Survey of Work History of 1981, the Survey of Union Membership of 1984, the Labour Market Activity Surveys of 1986-1990 and the Labour Force Surveys of 1997-2004.

10. Assuming 37.5 hours per week, this definition amounts to examining individuals whose hourly wages are less than \$10 per hour, the cut-off used in Maxwell (2002).

4 and 6 percentage points between 1980 and 2000.^{11 12} The growing incidence of low pay within cells, which is partly due to the declining earnings of young males and recent immigrants, has completely offset this trend.

III.2 Characteristics of low-paid jobs, 1981-2004

While the incidence of low-paid work has changed little over the last two decades, the characteristics of low-paid jobs may have changed markedly. For instance, wage rates, pension coverage and/or union coverage in these jobs may be quite different compared to what they were in the early 1980s. We investigate these issues in Table 6.

Depending on the sample considered, average hourly wages in low-paid jobs grew very little over the 1981-2004 period: they increased between 2% and 7%. In contrast, Chung (2004) paints a more pessimistic picture: she finds that average weekly earnings of low-paid full-time employees dropped 8% between 1980 and 2000. Taken together, these findings indicate that pay rates of low-paid workers have not improved markedly over the last two decades.

The same conclusion can be reached regarding pension coverage. Between 1984 and 1998, pension coverage of low-paid female workers remained virtually unchanged while that of their male counterparts rose slightly. In both years, however, pension coverage of low-paid workers was at least three times lower than that of other workers.

While neither wages nor pension coverage of low-paid workers improved substantially over the last two decades, their union coverage fell. Of all low-paid male workers aged 25 to 64, 26% were unionized in 1981. By 2004, the corresponding proportion was, at 12%, twice as small. Union coverage also fell among low-paid female workers, although to a much lesser extent.

11. Using the sample selected by Chung (2004), two linear probability models were estimated separately for 1980 and 2000. The dependent variable equals one if a worker is low-paid, 0 otherwise. For each model, the set of explanatory variables consists of age (25 to 34, 35 to 44, 45 to 54 and 55 to 64; 15 to 24 being omitted), education (high school, post-secondary education below bachelor's degree, bachelor degree or more: less than high school being the omitted category), immigration status, visible minority status, gender, and a full set of interactions between gender and the aforementioned variables.

12. Morissette and Johnson (2005) tackle this issue in a similar way. Given that the percentage of young males employed in jobs paying less than \$10.00 per hour has risen, the fact that the incidence of low-paid jobs has changed little over the last two decades may appear puzzling. Morissette and Johnson (2005) show that this apparent paradox can be resolved simply. The percentage of low-paid jobs has changed little over the last two decades because groups who have experienced growing risks of being in low-paid jobs have seen their relative importance in the workforce drop while those who have seen their chances of being in low-paid jobs decrease have become relatively more important. For instance, while the incidence of low pay among males aged 17 to 24 has increased from 48% in 1986 to 60% in 2004, this group accounted for only 8% of all employees in 2004, down from 10% in 1986. Conversely, while the incidence of low pay among women aged 35 and over has decreased between 1986 and 2004, this group accounted for a larger share of the employed population in 2004 than it did in 1986. As a result, the percentage of jobs paying less than \$10.00 per hour has remained virtually constant at 24% between 1986 and 2004 among workers aged 17 to 64.

III.3 Risk of job loss among low-paid workers

Aside from wages, perhaps the next most important indicator of job precariousness is the risk of job loss. Despite general concerns during much of the 1990s that the likelihood of job loss had increased (see the series of articles published in 1996 by the New York Times on the “Downsizing of America”) and that people were remaining at their jobs for shorter periods of time, there is little evidence to support this notion. In a 1997 paper, Picot and Lin found that, for years that were at a comparable point in the business cycle, the likelihood of being permanently laid-off changed little between the mid 80s and mid 90s. A subsequent paper by Picot, Heisz and Nakamura (2001) found declines in the hiring rate during the mid 90s as compared to earlier periods. While the risk of permanent layoff did not increase, workers’ chances of finding a new job fell. As a result, quit rates were also much lower in the mid 1990s as compared to earlier periods, as workers were reluctant to leave their jobs. Hence, average tenure in jobs increased between the 1980s and the 1990s, rather than declining as was popularly believed at that time (Heisz and Walsh, 2002).

Morissette (2004) updated this analysis to 1999, made comparisons with a decade earlier (1989), and came to the same conclusions. There is little evidence of an increase in the risk of permanent layoff: the proportion of workers permanently laid-off was 5.9% in 1989, and 5.7% in 1999 (Table 7). However, hiring rates declined in all provinces, and quit rates fell from 9.2% in 1989 to 7.3% in 1999. As a result of stability in layoff rates, and declines in quit rates, average job tenure, if anything, rose over the 90s as compared to the 1980s, and did not decline.

Has the risk of job loss increased among low-paid workers? It is possible to shed some light on this issue by focusing on permanent layoff rates of workers whose annual earnings were less than \$20,000 (in 1999 dollars) in the year prior to the layoff. This is one of the groups for which statistics are presented in Morissette (2004). The data reveal that between 1983 and 1999, permanent layoff rates for this group varied between 7.6% and 10.8%, rising in recessions and falling during expansionary periods. More important, permanent layoff rates for this group were not higher in 1999 (7.6%) than in 1989 (7.9%). Hence, the evidence available does not support the notion that the risk of job loss among low-paid workers has increased over the last two decades.¹³

III.4 Temporary employment

Even though the risk of job loss has changed little in the aggregate and for low-paid workers, important changes in the employer-employee relationship have occurred. Among private sector workers aged 25 to 64, the proportion of temporary jobs has risen since the late 1980s: it rose from 5% in 1989 to 9% in 2004 (Table 8).

The denominator used for the aforementioned numbers includes all jobs, even those that have been held for several years by key employees in the workplace. To avoid affecting morale and productivity, most firms will be reluctant to convert these jobs into temporary jobs. As a result,

13. Note that, compared with their counterparts earning \$50,000 or more (in 1999 dollars) in the year prior to the layoff, workers earning less than \$20,000 are generally three times more likely to be permanently laid-off.

focusing on aggregate statistics will understate the extent to which firms have made adjustments through the use of temporary work.

To get a sense of the extent to which firms have adjusted to their changing environment through the use of temporary work, a more meaningful exercise is to look at the evolution of the incidence of temporary jobs among newly hired employees. Morissette and Johnson (2005) do so and show that in 1989, 11% of newly hired employees held temporary jobs. By 2004, 21% of all jobs held by recently hired employees were temporary jobs (Table 8). Hence, when measured among the subset of newly hired employees, temporary employment in the private sector rose by 10 percentage points, i.e., more than twice the increase observed for all private sector employees. Among employees with one year of seniority or less, the incidence of temporary work rose from 14% in 1989 to 25% in 2004.¹⁴

III.5 Workers escaping low earnings

While the stability in the proportion of low-paid jobs and in the risk of layoff associated with them is important, from a policy perspective, ideally one wants to know about the length of time workers spend in low-paid jobs. Put another way, what has been happening to workers' chances of moving up to higher paid jobs? Even if the share of jobs that are low paid has not fallen, perhaps more workers are using these jobs as a stepping stone towards higher paying positions now than was the case twenty years ago. If so, the average duration of spells of low earnings would fall, which is an issue of policy interest.

There are reasons to expect this to be the case. The educational attainment of low-wage workers has been rising (along with the educational attainment of virtually all other labour market groups), and higher educational attainment is positively correlated with the likelihood of exiting a low-wage job (Janz, 2004). Using longitudinal data to track workers over four years during the latter part of the expansionary phase of the business cycle in both the 1980s and 1990s (i.e., 1985 to 1989, and 1996 to 2000), Morissette and Zhang (2005) ask what proportion of low earners (i.e., those earning less than \$23,551 in 2001 dollars) escape low earnings after four years.¹⁵

Have Canadians' chances of escaping low earnings improved between the mid-1980s and the mid-1990s? For men aged 30 or more, the answer is clearly no. For this group, chances of moving out of low earnings were never markedly higher during the 1996-2000 period than they were during the 1985-1989 period (Table 9), two periods where the unemployment rate of men aged 25-54 averaged 7.3%. Among men aged 25-29, chances of escaping low earnings improved slightly between these two periods.

14. Data not shown indicate that the increase in temporary employment among newly hired employees was even greater for individuals aged 17 to 24. In 2004, fully 32% of newly hired employees aged 17 to 24 (who were not full-time students) held a temporary job, almost three times the rate of 11% observed in 1989.

15. The amount of \$23,551 corresponds to the before-tax Low Income Cutoff (LICO) for a family of two people living in an urban area of at least half a million people. An individual with low earnings in year t is coded as having escaped low earnings between year t and year $t+4$ when his annual earnings in $t+4$ are at least 10% higher than the LICO threshold for 2001 : otherwise he is coded as not having escaped low earnings. The 10% "buffer zone" is used to avoid including marginal transitions out of low-paid work.

Of all women with low earnings, only those aged 25-29 enjoyed a substantial increase in upward mobility. Their chances of moving out of low earnings rose by about six percentage points between 1985-1989 and 1996-2000. Older women experienced marginal changes in upward mobility between these two periods.

Hence, despite their greater educational attainment, low-paid men were no more likely to escape low earnings in the mid-1990s than their counterparts were in the mid-1980s.¹⁶ Hence, upward mobility of low-paid males with a given level of educational attainment must have fallen, quite possibly for those with lower levels of education.¹⁷

III.6 Summary

In sum, although median wages have changed little during the past twenty years, median wages of new employees have fallen, perhaps signaling important changes in the wage distribution in the years ahead. Canada has a high proportion of low-paid jobs compared to European countries, although lower than that in the United States. While the proportion of low-paid jobs has been fairly stable over the last two decades, union coverage in low-paid jobs has dropped, especially for males. The risk of job loss has changed little, and job tenure if anything rose during the 1990s, rather than declining as is often believed. However, the proportion of new employees who hold temporary jobs has increased markedly, thereby indicating important changes in the employer-employee relationship. Finally, despite their rising educational attainment, most low earners (except women aged 25 to 29) have not seen their chances of escaping low earnings improve between the 1980s and the 1990s.

IV. Low-paid workers living in low income

Concerns expressed about low-paid jobs are usually related to an individual's ability to generate a reasonable standard of living and, say, remain out of poverty. While opinions differ regarding what constitutes a reasonable standard of living, one might operationalize this concern by asking how many low-paid workers live in low-income, as defined by Statistics Canada's low-income cutoff before tax and after transfers.¹⁸ To do this, it is necessary to move from the job perspective taken in the first part of the study, to the family level.

Part of the economic resources available to an individual can come from other family members. Thus, a person holding a job that does not generate sufficient earnings to keep him/her above the

16. Census data shows that in 1986, fully 40% of males with low annual earnings had no high school diploma. By 1996, this proportion had dropped to 29%.

17. Furthermore, Morissette and Zhang (2005) find that moving out of low earnings is not necessarily a permanent state: fully one-quarter of workers who escape low earnings after four years fall back into low earnings within the next four years.

18. Ideally, one would consider low-income cutoffs after taxes and transfers. Unfortunately, Census data do not currently include data on after-tax income.

low-income cutoff does not necessarily live in low income.¹⁹ Both the rise in the number of dual-earner families, which is associated with the increasing labour force participation of women, and the substantial growth in the educational attainment of Canadian workers should tend to improve the welfare position of most families, including those with low-paid workers. This potential improvement may be offset by factors such as the increasing number of single parents and unattached individuals, who do not have a second earner to fall back on during spells of low-paid work or unemployment.

Chung (2004) found that only 30% of low-paid workers lived in low-income families in 2000. This proportion has remained unchanged since 1980 (Table 10).²⁰ Hence, most low-paid workers do *not* live in low-income, and this fact is as true now as it was twenty years ago.

To what extent have changes in family structure affected the incidence of low income among low-paid workers? Results from a decomposition analysis suggest that changes in family structure (proportion of individuals who are married, unattached, lone-parents, living alone, etc.) have tended to increase the incidence of low income among low-paid workers by 2 to 3 percentage points.²¹ Overall, the incidence of low income among low-paid workers has remained unchanged at 30% because other factors—such as the growth in the number of dual-earner families and the increase in the level of experience of low-paid workers—have offset these influences.

Ideally, one should take these findings a step further and focus on families in persistent low-income. Concerns regarding poverty rest not so much with families who have very short spells of low income (say one-year), but with those who are chronically in low income. Overall, between one-third to one-half of low-income spells end after the first year (Morissette and Zhang, 2001; Finnie and Sweetman, 2003). Hence, less than 30% of low-paid workers are in families who experience *persistent* low-income.

From an economic welfare perspective, our concern rests with workers who are low-paid *and* live in low-income families. Both in 1980 and 2000, about 5% of full-time employees were low-paid workers in economically vulnerable positions, defined here as being in low-income families (Table 11). This aggregate rate does not apply to everyone: some groups have a much greater propensity to be a low-paid worker in a low-income family than others. For example, women are slightly more likely than men to be in this position (4.4% for men, 5.5% for women) The rates

19. Admittedly, being a low-paid worker may put an individual in a situation of disadvantage within the family, i.e., may affect his/her bargaining power regarding the allocation of resources across family members. In the absence of data on how families allocate their income, investigating this issue thoroughly is extremely difficult.

20. Recall that Chung (2004) defines low-paid full-time workers as those earnings less than \$375 per week in 2000 constant dollars.

21. Using the sample of low-paid workers selected by Chung (2004), two linear probability models are estimated separately for 1980 and 2000. The dependent variable equals 1 if a low-paid worker lives in low income, 0 otherwise. For each model, the set of explanatory variables consists of age (25 to 34, 35 to 44, 45 to 54 and 55 to 64; 15 to 24 being omitted), education (high school, post-secondary education below bachelor's degree, bachelor degree or more : less than high school being the omitted category), immigration status, visible minority status, gender, and family structure (married/common-law, lone fathers, lone mothers, unattached individuals aged 40 or more, persons living alone, persons living with relatives, other; unattached individuals under 40 being the omitted group).

are much higher among unattached individuals who do not have a second earner on which to rely (16% of unattached male workers were both low-paid and in low income, compared to 22% for unattached women) and among single mothers (13%). Individuals with a high school diploma or less, recent immigrants and persons living alone also have fairly high propensities to be both low-paid and in low income (Tables 11 and 12).

While the proportion of wage earners who are low paid and live in low income has remained unchanged at 5% in the aggregate, some groups have experienced growing risks of being in this vulnerable position. Recent and mid-term male immigrants aged 35 to 54 have seen their chances of being both low-paid and in low income doubled between 1980 and 2000. For recent immigrants the risk rose from 6% in 1980 to 12% in 2000 (Table 12). Less educated males aged 25-34 also saw a substantial increase in the share of workers both low-wage and in low income; from 4% in 1980 to 7% in 2000. Young men and women under 25 and unattached males under 40 have seen their chances of facing these two conditions increase (Table 11). In contrast, unattached men and women aged 40 or more were much less likely to be both low paid and in low income in 2000 than their counterparts were in 1980. Other studies have focused on the deteriorating labour market and poverty outcomes for some of these groups, notably recent immigrants, the less educated, and the unattached (see Frenette and Morissette, 2003; Picot and Hou, 2003; Green and Worswick, 2002; Morissette, Ostrovsky and Picot, 2004; HRSDC, 2004).

Above, we focus on the relative risks of both having a low-paid job and being in low income. But large groups may have low relative risks and even still present a large share of the total population of low-wage workers in low-income families. Table 13 shows that, in 2000, individuals with less than a high school diploma, recent immigrants, unattached individuals, lone mothers and persons living alone accounted for 71% of all full-time workers in low-paid jobs *and* in low-income, but only 37% of all full-time workers. The corresponding proportions for 1980 are 79% and 49%, respectively. Thus, low-paid workers in low-income families are quite concentrated in these five groups.

Table 14 shows the composition of the full-time workforce and of the population of low-paid workers living in low income across various demographic characteristics. Among other things, it highlights the fact that, even though the economic performance of recent immigrants has worsened over the last two decades, Canadian-born individuals still accounted for roughly three-quarters of the population of individuals who were low paid *and* lived in low income in 2000.

V. Two increasingly vulnerable groups: recent immigrants and the less educated

Of the five groups among whom low-paid workers in low-income families are concentrated, two have experienced a significant deterioration in their labour market outcomes over the past two decades: less educated families and recent immigrants. The deterioration of the labour market outcomes of recent immigrants has been well documented [see Picot (2004) for a review]. The proportion of recent immigrant employees (those who arrived in Canada during the five years prior to the census reference year) who are low-paid workers in low-income families increased from 9% in 1980 to 12% in 2000 (Table 11).

The earnings of recent immigrants declined continuously between 1980 and 1995 and improved marginally between 1995 and 2000 (Frenette and Morissette, 2003; Green and Worswick, 2002; Aydemir and Skuterud, 2004). As a result, low-income rates among recent immigrant families rose between 1980 and 2000 while those of Canadian-born families fell. In 1980, the low-income rates of recent immigrants were 1.4 times of that of the Canadian born. By 2000, this figure had risen to 2.5 (Picot and Hou, 2003). This deterioration occurred in spite of the fact that, in response to policy changes by Immigration Canada, the educational attainment of recent immigrants increased tremendously over the period (Picot and Hou, 2003).²²

Recent research suggests that the deterioration of the economic position of recent immigrants is related to a number of factors, including changes in their characteristics (e.g., country of origin, language skills), a decline in the returns to their foreign work experience, and a general decline in the labour market outcomes of new labour force entrants in general, of which entering immigrants are a part (see Aydemir and Skuterud, 2004; Green and Worswick, 2002; Picot, 2004).

Less educated families, particularly young families, constitute a second group for whom economic vulnerability has increased significantly. Between 1980 and 2000, median weekly earnings of young male high school graduates employed in the private sector fell 20% (Morissette, Ostrovsky and Picot, 2004). Over this period, women increased both their workhours and their wages, thereby increasingly contributing to family earnings. It is conceivable, then, that among the less educated families, the growth in women's earnings offset the decline in male earnings.

Morissette and Johnson (2004) find that among young Canadian-born couples (those with males aged 25 to 34) where both partners had a high school education or less, male earnings fell between 15% and 28% during the 1980-2000 period (Table 15). Has women's earnings growth fully offset the declining earnings of low-educated young males? The answer is: no. Among young Canadian-born couples with high school education or less, employment income declined between 6% and 15% even after adding women's contribution. Hence, among young low-educated couples, the growth of women's earnings has offset the earnings declines of males only partially.

Among the more highly educated young couples, males experienced little change in their earnings. However, women's annual earnings rose significantly (both due to increased hours of work and rising wages). For instance, earnings rose 14% among young couples where both partners held university degrees.

Overall, less educated young couples suffered a substantial decline in employment income, contrary to the most highly educated (those with two university graduates), who experienced a substantial increase.²³ The earnings gap between the less educated and more highly educated families increased, and the economic vulnerability of less educated young families rose. This

22. In 1980, of all recent immigrant male workers employed on a full-year full-time basis, 22% had a university degree. By 2000, this proportion had doubled to 44% (Frenette and Morissette, 2003).

23. In 2000, young couples with high school education or less (numbered 1 to 4 in Table 15) represented 24% of all young Canadian-born couples, compared to 12% for those with two university graduates.

finding is important since it holds implications for the children in these families. It is increasingly believed that developmental opportunities during the first few years of life are important. Thus, the reduction in economic resources among young less educated families is of particular interest.

Similar patterns are observed among older families, those where males are aged 35 to 44 and 45 to 54. However, the decline in earnings of less educated males are less pronounced, and the rise in women's employment income offsets the earnings declines of males to a greater extent (Table 15). Nevertheless, family earnings still remain stagnant or fall among the less educated couples, while rising among the more highly educated.

VI. Conclusion

Despite substantial growth in productivity and in workers' human capital, median wages have displayed little growth over the last two decades in Canada. In contrast, median wages in the United States rose substantially during the 1990s, partly in response to extremely low unemployment and rapidly rising productivity (Mishel et al., 2005)

In the late 1990s, the very low unemployment rates observed in the United States led to a significant improvement in the wages of low-paid workers, a decline in poverty, and a rise in median wages (although this growth has slowed in recent years with the downturn in the U.S. economy; Mishel et al., 2005). In spite of a strong economic recovery, Canada did not experience similar wage gains since the late 1990s. The labour demand for low-paid workers may not have reached the levels observed in the United States, as Canada's unemployment rate never reached the extremely low levels reported there.

Given economic growth and human capital growth, one might have expected the proportion of workers in low-paid jobs to fall. This did not happen: the incidence of low-paid work has been fairly stable over the last two decades.

Even though the proportion of workers in low-paid jobs has not changed much since the early 1980s, it is conceivable that workers spend less time in these jobs now than their counterparts did during previous decades. One reason is that the educational attainment of low-paid workers has risen and that higher levels of educational attainment are associated with greater probabilities of moving out of low-paid work. However, despite increases in their educational attainment, low earners generally have not experienced increases in their chances of escaping low earnings over the last two decades. This finding implies that for workers with a *given* level of education, the probability of exiting low-wage work must have fallen. This may be true especially for those with low levels of education.

While median wages, the proportion of workers in low-paid jobs and workers' chances of escaping low earnings have displayed a remarkable stability, important changes have taken place in the Canadian labour market. First, as numerous studies have shown, hourly wages of young workers have dropped markedly, especially among young men. Second, real annual earnings of low-educated males of all ages have fallen (Morissette and Johnson, 2004). Third, real annual earnings of recent immigrant men also fell substantially, especially among those with considerable foreign work experience. Fourth, hourly wages of newly hired employees have

fallen substantially relative to those of other workers, even *within* wage groups. Fifth, newly hired employees have been increasingly offered temporary jobs. Sixth, pension coverage has decreased markedly among male workers (Morissette and Johnson, 2005).

These trends deserve monitoring. One important question is whether the drop in the relative wages of new employees is simply a new twist in the worker-job matching process whereby workers and firms form links, and whether once these links are firmly established, wages of new hires will revert to the traditional age-earnings profile. Conversely, this drop might signal a future downward shift in wages, which would be potentially related to the growing competitive pressures faced by firms. Such a downward shift would be first observed among new hires—since downward wage adjustment is more feasible among new hires for morale and productivity reasons—and would subsequently affect other workers as well. Obviously, it would have important implications for workers' standard of living. Only time will tell.

Much of the interest in low-wage employment stems from the potential economic deprivation associated with it. If full-time full-year workers cannot receive a “living wage”—i.e., a wage needed to keep them out of poverty—then recourse to government programs might be necessary. The past decade has witnessed a very strong “welfare-to-work” movement in both Canada and the United States. In this context, it might be desirable to ensure that the income full-year full-time workers receive in the labour market is adequate to keep them out of low income.

There is little evidence that economic deprivation, as measured by being in a low-income family, has been increasing among low-paid workers. Since about one-third of low-wage workers are in low-income families, one cannot necessarily associate low-paid work with straitened economic circumstances. Furthermore, the proportion of full-time workers who are both low paid and in low-income families has remained unchanged at 5% over the last two decades. Such stability is not only surprising in the face of economic growth and educational attainment, but also in the face of the changing family structure. Admittedly, low-paid workers in dual-earner families have fewer concerns regarding economic deprivation than others. The proportion of dual-earner families has risen. This should have reduced the economic deprivation among low-paid workers. However, the share of families that by definition have at most only one earner—single parents and the unattached—has also risen, potentially increasing the share of low-wage workers in low-income families. These two trends appear to have offset one another, resulting in little change in the low-income status of low-paid workers.

While changes in family structure (i.e., the growing proportion of lone-parent families and unattached individuals) have increased the vulnerability of some individuals, the remarkable increase in women's educational attainment, combined with the growing tendency of men and women with similar education levels to establish a household, has led to the emergence of a group of couples unlikely to be vulnerable to negative income shocks: couples with two university graduates. In 2000, these highly educated represented 10% of all Canadian-born couples, up from 4% in 1980 (Morissette and Johnson, 2004). Compared to their less educated counterparts, they enjoyed a triple advantage in terms of economic security: a) they are more likely to receive high labour market income, thereby allowing them the possibility to build substantial savings for precautionary motives (e.g., to buffer the income losses resulting from layoffs), b) they are less likely to be permanently laid-off and, c) in the event of a layoff, they can rely more often on a significant second earner to moderate the variability of family earnings.

Policy analysts want to know who are the low-paid workers facing economic welfare issues. In 2000, five groups accounted for about three-quarters of all low-paid workers in low-income families: persons in families with no potential second adult wage earner (single mothers, persons living alone, unattached individuals), recent immigrants, and the less educated. As was shown above, the labour market status of the last two groups declined significantly since the early 1980s.

Despite their growing earnings, wives of low-educated young males have been unable to fully offset the earnings declines experienced by their male partner. As a result, low-educated young couples have seen their employment income drop over the last two decades. In contrast, wives' growing contribution to family earnings has often allowed older low-educated couples to maintain their employment income, although at the expense of an increase in working time.

While women have played an important role in offsetting the earnings declines of low-educated males over the last two decades, their ability to do so in the future could be severely hampered by the simple fact that most of those who live with low-educated males are also low-educated.²⁴ The fact that, between 1980 and 2000, women's earnings have grown *less* among couples with low-educated males than among those with high educated males is a clear reminder that low-educated women's ability to buffer unfavourable changes in male earnings is limited.

Overall, in spite of the numerous changes observed in the economy, in the wage structure and in family structure, the main story regarding low-paid work appears to be primarily one of stability, at least in the aggregate. However, some families—recent immigrant and the less educated ones—have become increasingly vulnerable to negative income shocks while others—those where both partners have a university degree—have increased their ability to face unexpected events such as job loss or increased expenses.

24. Of all women living in Canadian-born couples with men aged 25 to 54 who had high school or less, 64% had high school or less in 2001.

Table 1: Median hourly wages (2001 dollars), 1981-2004

I. Employees aged 17-64	Men and women		Men		Women	
	N=	Median wages	N=	Median wages	N=	Median wages
Year						
1981	34,392	15.16	19,881	17.29	14,511	12.85
1984	32,952	15.61	17,713	18.24	15,239	12.92
1986	36,237	14.90	19,840	17.85	16,397	12.77
1987	42,944	15.14	23,284	17.85	19,660	12.85
1988	35,796	15.44	19,426	17.98	16,370	13.25
1989	35,763	15.33	19,105	17.75	16,658	13.08
1990	35,300	15.25	18,770	17.77	16,530	13.10
1997	46,891	15.26	24,108	17.17	22,783	13.52
1998	47,592	15.39	24,499	17.15	23,093	13.55
1999	47,952	15.27	24,604	17.22	23,348	13.55
2000	48,318	15.38	24,887	17.43	23,431	13.67
2001	50,263	15.38	25,488	17.43	24,775	13.91
2002	51,045	15.52	25,764	17.39	25,281	13.69
2003	51,827	15.23	25,980	17.13	25,847	13.90
2004	51,162	15.33	25,448	16.92	25,714	13.93
1981 vs 2004	...	1.1%	...	-2.2%	...	8.5%
1997 vs 2004	...	0.4%	...	-1.5%	...	3.0%
II. Employees aged 25-64	Men and women		Men		Women	
	N=	Median wages	N=	Median wages	N=	Median wages
Year						
1981	26,437	16.60	15,649	18.95	10,788	13.83
1984	25,597	17.06	14,065	20.05	11,532	14.13
1986	29,269	16.77	16,358	19.38	12,911	14.10
1987	34,811	17.04	19,135	19.64	15,676	14.28
1988	29,019	17.16	15,878	19.74	13,141	14.22
1989	29,300	16.79	15,752	19.51	13,548	14.18
1990	29,215	16.71	15,526	19.23	13,689	14.07
1997	39,705	16.71	20,430	18.83	19,275	14.87
1998	40,247	16.77	20,687	18.84	19,560	14.94
1999	40,519	16.85	20,761	18.96	19,758	14.79
2000	40,616	17.10	20,920	19.20	19,696	14.93
2001	41,950	17.00	21,279	19.23	20,671	15.00
2002	42,808	17.06	21,516	19.03	21,292	15.04
2003	43,297	17.08	21,656	18.94	21,641	15.18
2004	42,754	16.92	21,216	18.58	21,538	15.31
1981 vs 2004	...	1.9%	...	-2.0%	...	10.7%
1997 vs 2004	...	1.2%	...	-1.4%	...	2.9%

... not applicable.

Source: Morissette and Johnson (2005), Table 1.

Table 2: Hourly wages (2001 dollars) in full-time jobs and part-time jobs, 1981-2004

I. Median wages	Employees aged 17-64		Employees aged 25-64	
	Full-time jobs	Part-time jobs	Full-time jobs	Part-time jobs
Year				
1981	15.81	10.87	17.05	12.45
1986	15.96	10.43	17.14	12.70
1989	16.17	10.46	17.30	13.08
1997	16.23	9.74	17.34	12.35
2001	16.59	10.00	17.71	13.00
2004	16.56	9.29	17.65	12.76
1981 vs 2004	4.8%	-14.5%	3.5%	2.5%
1997 vs 2004	2.1%	-4.6%	1.8%	3.3%

II. Average wages	Employees aged 17-64		Employees aged 25-64	
	Full-time jobs	Part-time jobs	Full-time jobs	Part-time jobs
Year				
1981	17.32	14.53	18.40	16.52
1986	17.38	13.52	18.68	16.08
1989	17.73	13.19	18.88	15.80
1997	17.91	12.37	18.83	14.65
2001	18.28	12.62	19.26	15.23
2004	18.31	12.47	19.30	15.13
1981 vs 2004	5.7%	-14.1%	4.9%	-8.4%
1997 vs 2004	2.2%	0.9%	2.4%	3.3%

Source: Survey of Work History of 1981; Survey of Union Membership of 1984; Labour Market Activity Survey of 1986-1990; Labour Force Survey of 1997-2004.

Table 3: Wage growth* between 1981 and 2004 - workers aged 25 to 64

	Men		%	Women	
	New employees	Other employees		New employees	Other employees
All	-13	4		-2	14
Age					
25-34	-18	-5		3	4
35-44	-10	0		-1	13
45-64	-2	14		-6	22
University degree?					
Yes	-3	6		-11	7
No	-16	0		-4	8
Industry					
Manufacturing	-19	3		-10	11
Non-manufacturing	-11	3		-2	13

* Percentage change in median wages between 1981 and 2004. New employees are those with two years of seniority or less. Other employees are those with more than two years of seniority.

Source: Morissette and Johnson (2005).

Table 4: Percentage distribution of hourly wages (2001 dollars), 1981-2004

Hourly wages	Less than \$8.00	\$8.00 - \$9.99	\$10.00- \$14.99	\$15.00 - \$19.99	\$20.00 - \$24.99	\$25.00 - \$29.99	\$30.00 - \$34.99	\$35.00 or more
I. Employees aged 17-64								
1981	12.1	10.3	26.7	22.9	13.6	7.5	3.2	3.8
1984	12.0	11.0	24.2	21.8	15.9	8.1	3.9	3.2
1986	15.0	8.7	26.9	19.4	14.5	8.3	3.3	4.0
1987	14.0	10.4	25.0	21.1	14.6	7.9	3.3	3.7
1988	12.2	9.5	25.3	21.8	14.9	8.1	3.8	4.4
1989	13.7	9.4	25.4	21.8	14.0	7.9	3.7	4.1
1990	13.2	10.6	25.5	21.1	14.4	7.7	3.8	3.9
1997	12.4	11.2	24.3	21.7	15.1	7.5	4.2	3.7
1998	12.0	11.5	24.1	22.1	14.4	7.9	4.2	3.9
1999	12.7	10.0	25.7	20.3	14.7	8.6	4.0	4.1
2000	11.7	10.5	25.4	21.6	14.4	8.6	3.8	4.0
2001	10.6	9.6	26.1	21.4	14.1	9.0	4.5	4.7
2002	12.3	11.5	24.3	20.7	13.3	8.3	4.6	4.9
2003	11.9	11.9	24.5	21.3	12.9	8.6	4.5	4.5
2004	12.6	11.0	25.2	19.7	13.4	8.6	4.6	5.0
<i>Change :</i>								
1986-2004	-2.4	2.3	-1.7	0.3	-1.2	0.3	1.3	1.0
1981-2004	0.5	0.7	-1.6	-3.1	-0.2	1.1	1.4	1.2
1997-98 vs 2003-04	0.0	0.1	0.6	-1.3	-1.6	0.9	0.4	0.9
(Standard errors)	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.2
II. Employees aged 25-64								
1981	8.8	8.4	24.8	24.7	15.6	9.1	3.9	4.6
1984	6.9	8.0	23.4	24.0	18.9	10.0	4.9	4.0
1986	9.0	6.9	26.0	21.8	17.3	10.1	4.0	4.8
1987	8.4	8.2	24.2	23.8	17.3	9.6	4.1	4.5
1988	7.5	7.2	23.8	24.1	17.4	9.8	4.7	5.5
1989	8.2	7.3	24.9	24.1	16.4	9.6	4.6	5.0
1990	8.4	8.3	24.8	23.4	16.6	9.2	4.5	4.7
1997	7.0	8.7	24.3	24.3	17.5	8.9	5.0	4.4
1998	6.6	9.2	23.9	24.7	16.7	9.3	5.0	4.6
1999	7.0	8.0	25.3	22.6	17.1	10.2	4.8	4.8
2000	6.4	8.3	25.0	24.1	16.8	10.2	4.5	4.8
2001	5.7	7.3	25.2	23.7	16.4	10.7	5.4	5.6
2002	6.8	9.4	24.1	23.1	15.5	9.8	5.5	5.8
2003	6.5	9.4	24.4	23.9	15.1	10.1	5.4	5.3
2004	6.9	8.8	25.1	22.2	15.6	10.2	5.5	5.9
<i>Change :</i>								
1986-2004	-2.2	1.9	-1.0	0.4	-1.7	0.1	1.5	1.1
1981-2004	-2.0	0.4	0.2	-2.6	0.0	1.0	1.6	1.3
1997-98 vs 2003-04	-0.1	0.1	0.6	-1.5	-1.8	1.0	0.5	1.1
(Standard errors)	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.2

Source: Morissette and Johnson (2005), Table 2.

Table 5: Proportion of wage earners who are low-paid workers, Canada, 1980 to 2000

Characteristics	All			Men			Women		
	Year			Year			Year		
	1980	1990	2000	1980	1990	2000	1980	1990	2000
All wage earners	15.4	16.9	16.3	9.0	11.2	12.1	26.1	24.9	21.9
Education									
Less than high school	21.4	25.3	26.3	12.5	16.3	19.0	38.6	40.9	39.2
High school	17.2	19.6	20.7	10.0	13.4	15.6	26.0	26.9	27.0
Certificate	11.3	13.9	13.5	6.4	8.8	9.2	19.5	20.8	19.0
University	4.9	5.8	6.5	3.6	4.6	5.4	7.6	7.6	7.8
Age									
15-24	31.2	40.7	45.0	23.9	35.1	39.9	39.7	47.4	52.4
25-34	11.7	15.8	16.3	6.6	10.8	12.2	19.9	22.4	21.5
35-44	10.6	12.5	13.1	4.7	6.8	8.5	21.8	20.3	19.0
45-54	11.1	13.0	12.0	5.1	7.0	8.0	23.4	21.9	17.1
55-64	12.0	15.0	14.4	6.8	9.5	10.5	24.4	25.7	20.9
Immigrant status									
Recent immigrant	22.4	29.3	27.4	12.1	22.5	20.5	36.4	38.2	36.4
Mid-immigrant	14.3	19.5	22.4	7.6	13.4	17.4	24.6	26.9	28.4
Old immigrant	10.7	12.6	12.5	5.2	7.8	9.3	21.4	19.6	16.8
Canadian born	15.8	16.9	16.0	9.5	11.2	11.8	26.4	25.0	21.5
Visible minority status									
Visible minority	17.0	20.3	21.2	10.1	15.5	17.2	26.1	26.1	26.0
Non-visible minority	15.3	16.5	15.6	8.9	10.8	11.5	26.1	24.7	21.3
Canadian-born VM	14.0	17.2	17.1	10.2	14.0	16.6	19.3	21.3	17.7
Canadian-born non-VM	15.9	16.9	16.0	9.5	11.1	11.8	26.4	25.0	21.6
Recent immigrant VM	26.2	31.8	31.1	15.9	25.2	23.8	38.7	40.1	40.1
Recent immigrant non-VM	17.8	23.4	18.7	8.0	16.6	13.0	33.2	33.4	26.8
Mid-immigrant VM	13.7	20.9	24.7	7.7	15.7	19.7	21.6	27.0	30.7
Mid-immigrant non-VM	14.6	17.3	16.8	7.5	10.2	12.3	26.6	26.8	22.8
Old immigrant VM	11.5	12.9	14.5	6.8	9.2	11.6	19.3	17.5	17.8
Old immigrant non-VM	10.6	12.4	11.4	5.1	7.4	8.0	21.5	20.4	16.1

Table 5: Proportion of wage earners who are low-paid workers, Canada, 1980 to 2000

Characteristics	All			Men			Women		
	1980	1990	2000	1980	1990	2000	1980	1990	2000
	%								
Family status									
Married/Common law	11.9	14.1	13.4	5.1	7.3	8.4	25.1	24.3	20.5
Lone fathers	7.0	7.7	10.7	7.0	7.7	10.7	...	...	...
Lone mothers	23.6	22.8	23.3	...	...	...	23.6	22.8	23.3
Living with relatives	22.9	24.7	28.3	18.9	21.4	26.3	28.3	29.5	31.0
Unattached individuals	22.3	23.6	23.1	16.7	20.4	20.0	30.9	28.7	28.4
<40 years old	22.3	24.7	25.3	16.3	21.4	22.2	31.3	30.2	30.7
40+ years old	22.6	19.3	17.2	18.6	16.6	13.5	28.8	23.2	22.5
Alone	12.6	13.3	13.5	9.6	11.4	12.2	15.9	15.6	15.1
Unmarried, living with parents	32.4	35.1	33.0	27.4	32.0	31.1	41.0	40.7	36.7
Other									
Persons with disability	..	23.3	19.9	..	18.0	15.1	..	32.3	26.3
Persons without disability	..	16.6	16.0	..	10.8	11.8	..	24.6	21.4

.. Not available for a specific reference period.

... Not applicable.

Note: The sample consists of individuals aged 15 to 64, who are not full-time students, worked mainly full-time, and received a wage or salary but no income from self-employment in the year prior to the census. Low-paid workers are those full-time employees earning less than \$375 per week (2000 dollars).

Shading indicates that the difference between 1980 and 2000 is not significant at the 5% level.

Source: Adapted from Chung (2004) using the Census of Population, 1981, 1991 and 2001.

Table 6: Selected characteristics of low-paid jobs and other jobs*

	Low-paid jobs		Other jobs	
	1981	2004	1981	2004
I. Average wages (2001 dollars)				
Workers aged 17-64				
All	7.70	7.90	19.64	20.25
Men	7.69	8.00	20.78	21.36
Women	7.70	7.83	17.69	18.95
Workers aged 25-64				
All	7.75	8.11	20.37	20.77
Men	7.75	8.26	21.53	21.98
Women	7.75	8.04	18.31	19.35
II. % of unionized workers	1981	2004	1981	2004
Workers aged 17-64				
All	15.3	10.1	44.1	36.9
Men	19.4	11.1	46.4	34.8
Women	12.4	9.5	40.0	39.4
Workers aged 25-64				
All	18.8	11.3	45.7	38.1
Men	26.3	12.2	48.1	35.8
Women	14.2	10.9	41.4	40.7
III. % of workers with a RPP	1984	1998	1984	1998
Workers aged 17-64				
All	9.8	10.8	59.4	56.4
Men	10.1	13.3	63.1	57.4
Women	9.6	9.2	53.7	55.3
Workers aged 25-64				
All	13.4	15.2	63.0	58.7
Men	16.6	20.4	66.9	59.9
Women	12.1	12.3	56.7	57.3

* Low-paid jobs pay less than \$10 per hour in 2001 constant dollars.

Source: Survey of Work History of 1981; Survey of Union Membership of 1984; Survey of Labour and Income Dynamics of 1998; Labour Force Survey of 2004.

Table 7: Separation and hiring rates (%) in Canada, 1983-1999.*

Year	Permanent separations				(5) Hiring rates	(6) Temporary layoff rate
	(1) Layoffs	(2) Quits	(3) Other	(4) All		
1983	7.7	5.4	6.5	19.5	..	9.6
1984	7.5	6.1	7.3	20.8	24.6	9.3
1985	7.0	7.0	7.3	21.3	26.1	8.5
1986	6.7	7.5	7.3	21.5	25.1	8.3
1987	6.4	8.7	7.3	22.4	27.3	7.8
1988	6.1	9.4	7.3	22.8	27.2	7.4
1989	5.9	9.2	7.2	22.3	25.1	7.3
1990	6.9	7.9	7.4	22.1	20.7	8.6
1991	7.2	5.8	7.1	20.2	14.5	9.5
1992	7.1	5.0	6.9	19.0	15.3	9.7
1993	6.8	4.8	6.8	18.4	17.2	9.3
1994	6.5	5.5	6.8	18.7	20.9	8.5
1995	6.5	5.4	6.8	18.6	19.1	9.0
1996	6.4	5.3	6.4	18.1	18.2	9.2
1997	6.4	6.2	6.0	18.6	25.0	8.5
1998	6.3	6.9	5.8	18.9	22.5	8.6
1999	5.7	7.3	6.0	19.1	22.6	7.8

* Jobs paying at least \$500 in 1989 constant dollars.

.. Not available for a specific reference period.

Source: Morissette (2004), Table 1.

Table 8: Percentage of employees* in temporary jobs, by selected characteristics, 1989-2004

Year	1989	1994	1998	2004
I. All industries except public administration				
Men and women	5	7	8	9
New employees**	11	16	21	21
Other employees	3	5	3	5
II. All industries				
Men and women	5	7	9	9
New employees**	12	16	22	22
Other employees	3	5	4	5
Full-time jobs	4	6	7	8
New employees**	9	14	19	19
Other employees	2	4	3	4
Non-unionized jobs	5	7	9	9
New employees**	10	15	20	20
Other employees	2	5	3	4
Unionized jobs	5	7	8	9
New employees**	19	26	31	28
Other employees	3	5	4	6
Men and women aged 25-34	6	9	10	11
New employees**	10	16	19	19
Other employees	2	7	4	5
Men and women aged 35-64	5	6	8	9
New employees**	13	17	24	23
Other employees	3	5	3	5
Men	4	7	8	8
New employees**	12	19	21	20
Other employees	2	5	3	4
Women	6	7	10	10
New employees**	11	14	23	23
Other employees	4	5	4	6
Non-university graduates	5	7	8	9
New employees**	11	17	22	21
Other employees	3	5	3	5
University graduates	7	9	9	10
New employees**	15	16	22	24
Other employees	3	7	4	5

* : unless otherwise stated, the numbers refer to men and women aged 25 to 64 who are not full-time students.

** : employees with 2 years of seniority or less.

Source: Morissette and Johnson (2005), Table 12.

Table 9: Upward mobility of low earners*, 1985-2000

I. Men	Age at beginning of period				
	25-29	30-34	35-39	40-44	45-50
Longitudinal Worker File					
1985-1989	47.8	45.3	44.3	41.5	36.7
1986-1990	46.5	43.8	42.0	41.1	36.4
1995-1999	47.5	43.1	41.0	38.8	35.5
1996-2000	49.2	44.8	43.1	40.4	37.7
Longitudinal Administrative Databank					
1985-1989	49.1	45.4	43.8	40.5	35.7
1986-1990	47.2	42.5	40.3	39.0	33.1
1995-1999	48.8	42.2	40.8	35.7	33.8
1996-2000	52.9	43.9	41.4	38.1	35.0
II. Women					
Longitudinal Worker File					
1985-1989	28.8	29.5	28.1	23.6	17.9
1986-1990	29.5	29.6	29.6	25.5	18.5
1995-1999	31.9	28.7	27.0	23.2	18.4
1996-2000	34.6	30.3	28.3	25.1	20.2
Longitudinal Administrative Databank					
1985-1989	27.2	27.1	25.7	22.9	15.7
1986-1990	27.1	27.1	26.1	22.7	16.7
1995-1999	31.0	27.8	24.6	21.3	15.0
1996-2000	33.7	28.8	25.5	23.7	16.7

* The sample consists of workers who earned less than \$23,551 (2001 dollars) in year t and had positive earnings in year t+4. The tables reads as follows : "of all workers with low earnings in year t, what percentage escaped low earnings in year t+4?"

Source: Longitudinal Worker File; Longitudinal Administrative Databank.

Table 10: Proportion of low-paid workers in low-income families, Canada, 1980 to 2000

Characteristics	All			Men			Women		
	Year			Year			Year		
	1980	1990	2000	1980	1990	2000	1980	1990	2000
All wage earners	29.6	28.8	30.0	39.3	37.3	36.4	24.1	23.5	25.3
Education					%				
Less than high school	30.5	30.6	31.9	40.4	40.6	38.1	24.4	23.7	26.7
High school	25.6	24.6	27.9	32.3	31.6	33.9	22.4	20.6	23.6
Post-secondary education	29.9	28.9	29.4	40.5	36.5	36.4	24.1	24.6	25.0
University degree	40.3	33.6	33.3	48.0	39.6	39.1	33.3	28.4	28.7
Age									
15-24	27.7	27.9	27.5	29.0	28.0	27.0	26.8	27.8	28.2
25-34	34.0	32.7	32.9	48.9	43.0	40.1	26.2	26.1	27.7
35-44	31.3	29.7	33.3	57.7	46.5	45.8	20.6	21.9	26.1
45-54	26.6	23.9	27.4	46.6	38.2	38.2	17.8	17.2	21.0
55-64	28.0	24.0	24.8	36.7	30.9	30.4	22.3	19.0	20.3
Immigrant status									
Recent immigrant	37.9	42.5	43.7	53.5	51.1	54.0	30.9	35.9	36.3
Mid-immigrant	33.4	34.1	39.2	49.4	43.3	45.9	25.9	28.5	34.3
Old immigrant	27.2	27.2	29.6	44.6	39.2	37.8	18.9	20.1	23.7
Canadian born	29.2	27.9	28.2	37.6	35.8	34.1	24.1	22.8	23.9
Visible minority status									
Visible minority	40.7	37.1	39.4	51.9	43.9	45.1	35.1	32.2	35.0
Non-visible minority	29.0	27.9	28.2	38.6	36.5	34.7	23.5	22.5	23.6
Canadian-born VM	29.8	35.7	31.3	32.5	35.3	33.2	27.8	36.0	29.3
Canadian-born non-VM	29.2	27.7	28.1	37.7	35.8	34.2	24.1	22.7	23.8
Recent immigrant VM	43.5	43.0	43.7	57.2	50.0	52.5	36.7	37.5	37.3
Recent immigrant non-VM	28.0	40.9	43.5	45.5	54.6	59.8	21.3	30.9	32.3
Mid-immigrant VM	41.2	35.6	41.5	53.6	42.0	46.9	35.5	31.2	37.5
Mid-immigrant non-VM	29.4	31.4	31.2	47.2	45.8	42.4	21.0	24.1	23.2
Old immigrant VM	33.6	30.4	34.7	40.8	40.7	40.4	29.5	23.9	30.4
Old immigrant non-VM	26.9	26.2	25.7	44.8	38.7	35.7	18.4	18.9	18.7

Table 10: Proportion of low-paid workers in low-income families, Canada, 1980 to 2000 (concluded)

Characteristics	All			Men			Women		
	Year			Year			Year		
	1980	1990	2000	1980	1990	2000	1980	1990	2000
	%								
Family status									
Married/Common law	22.0	20.6	21.9	47.1	38.7	35.9	12.1	12.4	13.9
Lone fathers	58.4	57.9	52.6	58.4	57.9	52.6	...	...	...
Lone mothers	65.5	63.3	55.9	...	...	...	65.5	63.3	55.9
Living with relatives	23.5	23.1	20.9	23.8	25.1	21.8	23.3	20.9	19.8
Unattached individuals	83.8	78.5	78.4	82.1	77.6	78.0	85.2	79.4	78.8
<40 years old	84.7	80.1	80.0	82.7	79.4	78.5	86.4	80.8	81.9
40+ years old	79.1	70.5	71.8	79.5	68.2	75.7	78.6	72.9	68.5
Alone	72.7	69.6	70.0	77.5	70.6	72.4	69.5	68.7	67.5
Unmarried, living with parents	12.0	10.2	10.2	12.8	10.5	10.8	11.0	9.8	9.2
Other									
Persons with disability	..	35.0	34.1	..	38.5	39.9	..	31.7	29.7
Persons without disability	..	28.4	29.5	..	37.2	36.0	..	23.0	24.8

.. Not available for a specific reference period.

... Not applicable.

Note: The sample consists of individuals aged 15 to 64, who were not full-time students, worked mainly full-time, received a wage or salary but no income from self-employment in the year prior to the census. Low-paid workers are those full-time employees earning less than \$375 per week (2000 dollars).

Shading indicates that the difference between 1980 and 2000 is not statistically significant at the 5% level.

Source: Adapted from Chung (2004) using the Census of Population, 1981, 1991 and 2001.

Table 11: Proportion of wage earners who are low-paid and live in low income, Canada, 1980 to 2000

Characteristics	All			Men			Women		
	Year			Year			Year		
	1980	1990	2000	1980	1990	2000	1980	1990	2000
					%				
All wage earners	4.6	4.9	4.9	3.5	4.2	4.4	6.3	5.8	5.5
Education									
Less than high school	6.5	7.8	8.4	5.0	6.6	7.2	9.4	9.7	10.5
High school	4.4	4.8	5.8	3.2	4.2	5.3	5.8	5.5	6.4
Post-secondary education	3.4	4.0	4.0	2.6	3.2	3.3	4.7	5.1	4.7
University degree	2.0	2.0	2.2	1.7	1.8	2.1	2.5	2.2	2.2
Age									
15-24	8.6	11.3	12.4	6.9	9.8	10.7	10.7	13.2	14.7
25-34	4.0	5.2	5.4	3.2	4.6	4.9	5.2	5.9	6.0
35-44	3.3	3.7	4.4	2.7	3.2	3.9	4.5	4.5	4.9
45-54	3.0	3.1	3.3	2.4	2.7	3.1	4.2	3.8	3.6
55-64	3.4	3.6	3.6	2.5	2.9	3.2	5.4	4.9	4.3
Immigrant status									
Recent immigrant	8.5	12.4	12.0	6.5	11.5	11.1	11.2	13.7	13.2
Mid-immigrant	4.8	6.6	8.8	3.7	5.8	8.0	6.4	7.7	9.7
Old immigrant	2.9	3.4	3.7	2.3	3.1	3.5	4.0	3.9	4.0
Canadian born	4.6	4.7	4.5	3.6	4.0	4.0	6.4	5.7	5.1
Visible minority status									
Visible minority	6.9	7.5	8.4	5.2	6.8	7.7	9.2	8.4	9.1
Non-visible minority	4.4	4.6	4.4	3.4	3.9	4.0	6.1	5.6	5.0
Canadian-born VM	4.2	6.1	5.4	3.3	4.9	5.5	5.4	7.7	5.2
Canadian-born non-VM	4.6	4.7	4.5	3.6	4.0	4.0	6.4	5.7	5.1
Recent immigrant VM	11.4	13.7	13.6	9.1	12.6	12.5	14.2	15.0	14.9
Recent immigrant non-VM	5.0	9.6	8.1	3.6	9.1	7.8	7.1	10.3	8.7
Mid-immigrant VM	5.7	7.4	10.3	4.1	6.6	9.2	7.7	8.4	11.5
Mid-immigrant non-VM	4.3	5.4	5.3	3.6	4.7	5.2	5.6	6.5	5.3
Old immigrant VM	3.9	3.9	5.0	2.8	3.7	4.7	5.7	4.2	5.4
Old immigrant non-VM	2.9	3.3	2.9	2.3	2.9	2.8	4.0	3.9	3.0

Table 11: Proportion of wage earners who are low-paid and live in low income, Canada, 1980 to 2000 (concluded)

Characteristics	All			Men			Women		
	Year			Year			Year		
	1980	1990	2000	1980	1990	2000	1980	1990	2000
	%								
Family status									
Married/Common law	2.6	2.9	2.9	2.4	2.8	3.0	3.0	3.0	2.9
Lone fathers	4.1	4.5	5.6	4.1	4.5	5.6	...	...	...
Lone mothers	15.4	14.5	13.0	...	...	...	15.4	14.5	13.0
Living with relatives	5.4	5.7	5.9	4.5	5.4	5.7	6.6	6.2	6.2
Unattached individuals	18.7	18.5	18.1	13.7	15.9	15.6	26.3	22.8	22.4
<40 years old	18.9	19.8	20.2	13.5	17.0	17.4	27.0	24.4	25.2
40+ years old	17.9	13.6	12.3	14.8	11.4	10.2	22.6	16.9	15.4
Alone	9.1	9.2	9.4	7.4	8.0	8.9	11.0	10.7	10.2
Unmarried, living with parents	3.9	3.6	3.4	3.5	3.4	3.4	4.5	4.0	3.4
Other									
Persons with disability	..	8.2	6.8	..	6.9	6.0	..	10.2	7.8
Persons without disability	..	4.7	4.7	..	4.0	4.3	..	5.7	5.3

.. Not available for a specific reference period.

... Not applicable.

Note: The sample consists of individuals aged 15 to 64, who are not full-time students, worked mainly full-time, and received a wage or salary but no income from self-employment in the year prior to the census. Low-paid workers are those full-time employees earning less than \$375 per week (2000 dollars).

Shading indicates that the difference between 1980 and 2000 is not statistically significant at the 5% level.

Source: Adapted from Chung (2004) using the Census of Population, 1981, 1991 and 2001.

Table 12: Proportion of wage earners who are low paid and live in low income families, by age, 1980-2000

	All			Men			Women		
	1980	1990	2000	1980	1990	2000	1980	1990	2000
	%			%			%		
I. Individuals aged 25-34	4.0	5.2	5.4	3.2	4.6	4.9	5.2	5.9	6.0
High school or less	5.3	7.2	8.1	4.2	6.5	6.9	7.0	8.2	10.2
Post-secondary	3.2	4.4	4.7	2.7	3.6	4.0	4.2	5.3	5.4
University degree	2.0	2.2	2.4	1.8	2.2	2.4	2.4	2.2	2.5
Recent immigrants	8.1	12.3	10.6	6.5	11.3	10.2	10.3	13.5	11.0
Mid-term immigrants	4.6	7.1	8.7	3.3	6.5	8.2	6.2	7.7	9.2
Long-term immigrants	3.2	4.7	4.5	2.7	4.5	4.4	3.9	4.9	4.6
Canadian-born	3.8	4.8	4.9	3.1	4.3	4.4	4.9	5.5	5.5
II. Individuals aged 35-54	3.2	3.5	3.9	2.6	3.0	3.5	4.4	4.2	4.3
High school or less	4.2	4.6	5.4	3.4	4.0	4.9	5.5	5.4	6.0
Post secondary	2.1	3.0	3.2	1.7	2.5	2.8	2.9	3.8	3.7
University degree	1.6	1.5	1.9	1.4	1.5	1.9	1.8	1.6	1.8
Recent immigrants	6.2	11.7	11.9	4.9	10.8	10.6	8.5	12.9	13.7
Mid-term immigrants	4.2	5.4	8.3	3.4	4.8	7.6	5.7	6.1	9.2
Long-term immigrants	2.5	3.0	3.7	2.0	2.7	3.6	3.5	3.5	3.9
Canadian-born	3.1	3.2	3.3	2.5	2.7	2.9	4.2	3.9	3.7

Note: The sample consists of individuals aged 15 to 64, who are not full-time students, worked mainly full-time, and received a wage or salary but no income from self-employment in the year prior to the census. Low-paid workers are those full-time employees earning less than \$375 per week (2000 dollars).

Source: Adapted from Chung (2004) using the Census of Population, 1981, 1991 and 2001.

Table 13: Percentage distribution of full-time workers and of full-time workers who are low-paid and live in low income, 1980-2000

	All			Men			Women		
	1980	1990	2000	1980	1990	2000	1980	1990	2000
I. Full-time workers*									
Less than high school	36.2	26.1	18.7	38.1	28.3	21.0	33.1	23.2	15.7
Recent immigrants	1.8	1.9	2.5	1.7	1.9	2.5	1.9	2.0	2.5
Unattached individuals	3.2	3.9	3.6	2.9	3.9	3.8	3.7	3.8	3.3
Lone mothers	1.6	2.5	3.5	0.0	0.0	0.0	4.4	5.9	8.2
Persons living alone	6.5	7.3	8.6	5.2	6.5	8.2	8.7	8.4	9.1
Others	50.7	58.4	63.1	52.2	59.5	64.5	48.3	56.8	61.2
II. Full-time workers who are low-paid and live in low income									
Less than high school	51.8	41.7	32.1	54.4	44.9	34.4	49.4	38.5	29.7
Recent immigrants	2.5	4.2	5.6	2.6	4.6	5.7	2.4	3.9	5.5
Unattached individuals	10.5	12.0	11.7	9.0	11.7	11.8	11.9	12.2	11.6
Lone mothers	4.0	5.8	7.6	...	...	...	7.8	11.6	15.6
Persons living alone	9.9	10.8	13.9	8.2	9.7	13.6	11.4	11.9	14.1
Others	21.2	25.5	29.1	25.8	29.1	34.4	17.0	21.9	23.5

... Not applicable.

Note: The sample consists of individuals aged 15 to 64, who are not full-time students, worked mainly full-time, and received a wage or salary but no income from self-employment in the year prior to the census. Low-paid workers are those full-time employees earning less than \$375 per week (2000 dollars).

Number may not add to 100.0 due to rounding.

Source: Census of Population of 1981, 1991 and 2001.

Table 14: Percentage distribution of full-time workers, Canada, 2000

Characteristics	All full-time workers	Low-paid workers	Low-paid workers in low-income families
Men	56.9	42.3	51.3
Women	43.1	57.7	48.7
Education			
Less than high school	18.7	30.2	32.1
High school	25.6	32.5	30.2
Post-secondary education	35.7	29.4	28.8
University degree	20.0	8.0	8.8
Age			
15-24	8.2	22.6	20.8
25-34	24.0	24.0	26.3
35-44	31.4	25.1	27.9
45-54	26.2	19.2	17.6
55-64	10.2	9.0	7.5
Immigrant status			
Recent immigrant	3.0	5.0	7.2
Mid-immigrant	6.0	8.2	10.7
Old immigrant	11.4	8.8	8.6
Canadian born	79.7	78.1	73.4
Visible minority status			
Visible minority	12.1	15.7	20.6
Non-visible minority	87.9	84.3	79.4
Canadian-born VM	1.5	1.6	1.6
Canadian-born non-VM	78.2	76.5	71.8
Recent immigrant VM	2.1	4.0	5.8
Recent immigrant non-VM	0.9	1.0	1.5
Mid-immigrant VM	4.2	6.4	8.8
Mid-immigrant non-VM	1.8	1.9	1.9
Old immigrant VM	4.3	3.8	4.4
Old immigrant non-VM	7.1	4.9	4.2
Family status			
Married/Common law	68.3	56.3	41.0
Lone fathers	1.4	0.9	1.6
Lone mothers	4.4	6.2	11.6
Living with relatives	1.9	3.3	2.3
Unattached individuals	4.6	6.5	17.0
<40 years old	3.4	5.2	13.9
40+ years old	1.2	1.3	3.1
Alone	10.6	8.7	20.4
Unmarried, living with parents	9.0	18.1	6.2
Other			
Persons with disability	9.1	11.1	12.6
Persons without disability	90.9	88.9	87.4

Source: Chung (2004).

Table 15: Growth of male earnings and couples' earnings, by age of men and education level of partners, Canadian-born couples with men aged 25 to 54, Canada, 1980-2000.

	Education level of partners*									
	1	2	3	4	5	6	7	8	9	10
Men aged 25 to 34										
1. Male earnings	-26%	-28%	-24%	-15%	-11%	-5%	-8%	-4%	4%	5%
2. Couples' earnings	-15%	-20%	-15%	-6%	-1%	3%	3%	7%	6%	14%
Incidence in 2000 (%) **	1.7	0.7	1.1	2.4	3.0	3.5	5.1	1.6	2.8	3.0
Men aged 35 to 44										
1. Male earnings	-14%	-27%	-17%	-9%	-5%	-12%	-4%	-2%	0%	10%
2. Couples' earnings	0%	-15%	-2%	7%	9%	4%	10%	12%	8%	22%
Incidence in 2000 (%) **	3.6	1.2	2.2	4.2	5.7	5.2	8.0	2.9	3.2	3.7
Men aged 45 to 54										
1. Male earnings	-13%	-25%	-18%	-15%	1%	-10%	-6%	-13%	-13%	-4%
2. Couples' earnings	2%	-12%	-1%	3%	16%	7%	10%	2%	-1%	15%
Incidence in 2000 (%) **	4.3	1.2	1.9	4.1	5.5	4.0	5.8	3.2	2.2	3.3

* The numbers in this table refer to opposite-sex couples in married or common-law relationships. The education level of partners is defined as follows :

1. Both man and woman without high school diploma
2. Man with high school diploma, woman without high school diploma
3. Woman with high school diploma, man without high school diploma
4. Both man and woman with high school diploma
5. Man with post-secondary education below bachelor's level, woman with high school diploma or less
6. Woman with post-secondary education below bachelor's level, man with high school diploma or less
7. Both man and woman with post-secondary education below bachelor's level
8. Man with a university degree, wife with post-secondary education below bachelor's level or less
9. Woman with a university degree, man with post-secondary education below bachelor's level or less,
10. Both woman and man wife with a university degree

** : This reads as follows: "Of all Canadian-born couples with men aged 25 to 54, what percentage were in a given age and education category in 2000?".

Shaded areas indicate cases where the *difference* between average earnings in 2000 and those in 1980 is statistically significant at the 5% level.

Source: Morissette and Johnson (2004), Table 3.

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