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Longitudinal Aspect of Involuntary Part-Time Employment

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Statistics Canada Income Statistics Division

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SUMMARY

Persons who involuntarily work part time represent a significant percentage of the labour force. This widespread phenomenon represents a form of under-employment that cannot be disregarded in that it reflects workers' dissatisfaction with the insufficient number of hours their jobs afford them and the resulting lower income. In addition, some workers must remain in this situation for long periods of time since they are unable to find suitable full-time employment. In this article, data from the Survey of Labour and Income Dynamics (SLID) are used to analyze the longitudinal aspect of involuntary part-time work from 1993 to 1996. With the aid of SLID, it can be determined whether certain workers become discouraged in this situation of under-employment or whether, on the contrary, they quickly tend to find full-time work. This article addresses a number of issues related to this phenomenon and attempts to shed light on how it has changed over time.

Introduction

A number of factors may be considered in assessing employment quality. For example, some researchers have looked at hourly wages, while others have evaluated social benefits, union affiliation, terms of collective agreements, hours worked and so on. Workers' satisfaction with their jobs, however, is difficult to quantify and remains a matter of personal appreciation, hence the need to examine several factors.

Employment quality may be assessed on the basis of whether the number of hours worked by an employee is sufficient or insufficient compared to the number of hours that employee would like to work. The concept of involuntary part-time work is based on this principle of dissatisfaction with the number of hours which may be insufficient for a worker, but required for a job. This type of work also constitutes a form of under-employment.

To date, two studies on this subject have been published by Statistics Canada (Akyeampong, 1986; Noreau, 1994) and were based on data from the Labour Force Survey. In this article, data from the Survey of Labour and Income Dynamics (SLID) are used to analyze the longitudinal aspect of involuntary part-time employment from 1993 to 1996. It will be interesting to determine whether, over time, workers remain dissatisfied with the number of hours they work. Did some of them tend to become discouraged or, on the contrary, was there an observed improvement in their appreciation of their jobs? Did the profile of these workers evolve between 1993 and 1996? These are some of the questions that this study will attempt to answer.

This article is divided into several sections. It begins with a definition of involuntary part-time employment and an overview of the data source used. It then considers the data from a cross-sectional standpoint, that is to say separately from year to year. The composition of the involuntary part-time worker population is thus assessed by age, sex, family characteristics and industry. Lastly, the data are analyzed from a longitudinal point of view to determine which involuntary part-time workers derive the most from this situation relative to the others. Their Labour force status is then observed after 6, 12 and 18 months of involuntary part-time work.

Definition and data source

Involuntary part-time work is defined as a job involving less than 30 hours a week which is held by a worker who has been unable to find full-time employment. These workers are dealing with an under-employment problem in that they cannot perform to their full capacity even though they are available on a full-time basis. In addition, the loss of potential additional income resulting from the shortage of hours of work leads them to find additional part-time jobs, which, in certain instances, result in a significant

overload in their work week. These "moonlighters" remain involuntary parttime workers who are holding down two jobs. Is it possible to stay in this type of situation for a number of years?

A detailed longitudinal employment data base is essential in considering this question. The data used in this article are taken from SLID, a longitudinal survey conducted each year involving 31,000 respondents, over a six-year period. A new panel of respondents is introduced every three years, thus overlapping the previous panel. The first SLID employment data were gathered in 1993. This study covers the years from 1993 to 1996 and thus involves four years of data concerning the same respondents, making it possible to follow their movements in the labour market and their Labour force status. SLID also makes it possible to conduct cross-sectional data analyses since each year can be studied separately from the others. We are thus able to establish a profile of involuntary part-time workers for each year of the period under study.

Who are these dissatisfied workers?

By age and sex

Some involuntary part-time workers eventually find more suitable jobs. Since this occurs among both men and women in all age groups, the make-up of the general involuntary part-time population remains the same over the years, despite undetectable internal movements from year to year.

A constant feature in the make-up of this population is the percentage of women, who represented 68% to 71% of the total involuntary part-time population from 1993 to 1996 (Table 1). This increase in the proportion of women relative to men tended to increase with age, reaching a peak in the 35-to 44-year-old group (approximately 80%). Could this phenomenon be linked to the observed trend among women to delay maternity until their thirties? This is a possibility, particularly since some of these women probably left their jobs to spend more time caring for and raising their children. It may thus have proved difficult for them to reposition themselves in the full-time job market after an extended absence.

On the other hand, youths 16 to 24 years of age form the largest percentage of the male involuntary part-time population. In a number of cases, these respondents were likely young graduates who accepted a temporary job while waiting to find full-time employment.

Table 1 Composition of involuntary part-time population for each year,* by age and gender, 1993 to 1996

	1993		1994		1995		1996	
	Men	Women	Men	Women	Men	Women	Men	Women
Age	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Total	30.8	69.2	28.6	71.4	30.2	69.8	31.9	68.1
16-24	42.0	58.0	40.4	59.6	40.6	59.4	39.2	60.8
25-34	29.8	70.2	28.4	71.6	29.9	70.1	32.2	67.8
35-44	19.8	80.2	18.8	81.2	22.7	77.3	24.1	75.9
44-69	25.4	74.6	19.8	80.2	22.9	77.1	29.7	70.3

^{*} The total of the percentages for men and women adds up to 100% for each year.

We may also wish to observe the percentage of involuntary part-time workers relative to all individuals holding a job, whatever it might be. This is the ratio of involuntary part-time work to total employment. Youths 16 to 24 of both genders represented a large percentage of this population relative to the total number of workers of their respective gender: for each of the years under study, they had the highest involuntary part-time employment rates relative to total employment (Table 2). However, the rate for women 25 to 34 years of age was always higher than or equal to that of young men, which proves once again how difficult it is for women to find full-time employment.

In addition, between 1993 and 1996, the difference between the rates of men and women aged 16 to 24 vastly increased as a consequence of the rise in the rate of young women and a decline in that of men of the same age. In fact, 1995 and 1996 were very hard for young women, more than 20% of whom held involuntary part-time jobs.

On the other hand, 1994 appears to have been a particularly good year for men of all ages as their involuntary part-time rates relative to total employment were comparatively lower than for the other years. It therefore appears that, as the economy came out of the 1990-1992 recession, the recovery mainly benefited the male population in the labour market.

Table 2 Involuntary part-time rates relative to total employment, by age and gender, 1993 to 1996

	1993		1994		1995		1996	
	Men	Women	Men	Women	Men	Women	Men	Women
Age	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Total	5.1	13.4	4.3	12.6	4.9	13.6	5.1	12.8
16-24	13.6	19.3	11.7	17.6	12.9	20.2	12.2	20.6
25-34	5.0	13.6	4.8	13.7	5.4	14.6	5.0	12.2
35-44	2.4	11.0	2.3	11.4	2.8	11.1	3.1	11.3
44-69	3.0	11.8	1.7	9.2	2.4	10.8	3.4	10.2

By family characteristics

Analysis of the data by family characteristics produces disturbing results. Some 18% of all single mothers who held a job in 1996 worked part time because they could not find full-time employment. Their involuntary part-time rates relative to total employment far exceed those of all the other groups (Table 3) and are followed by single persons living with a number of other people.

Table 3 Involuntary part-time rates relative to total employment, by family characteristics, 1993 to 1996

	1993	1994	1995	1996
Family characteristics	(%)	(%)	(%)	(%)
Unattached in one-person household	8.1	7.4	7.5	8.6
Unattached in multi-person household	13.9	8.0	12.6	12.0
Married/no children	7.4	6.7	6.9	7.8
Married with children	8.6	8.2	8.3	7.8
Single mother with children	17.6	14.2	16.7	17.8
Other economic family types	8.9	8.3	10.8	9.0

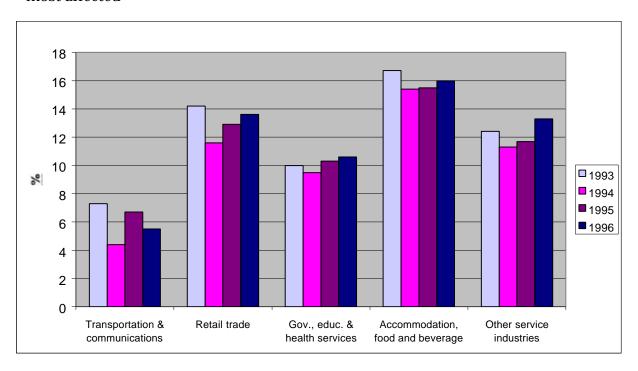
Couples with and without children were in the best position in 1996 with rates around 8%. This may mean there was less of a need in this group to work part time since the couple or family likely had a second income. Similarly, one of the spouses (usually the woman) frequently decided to work part time out of choice in order to take care of children or be a homemaker.

Seen in a different light, the involuntary part-time data take on even more impressive proportions. Some 42% of single mothers working part time did so involuntarily in 1996. By comparison, 35% of couples without children found themselves in this situation, as opposed to only 28% of couples with children.

By industry

One of the industries most affected by involuntary part-time work is the accommodation, food and beverage industry, where the rate relative to total employment was approximately 16% between 1993 and 1996 (Chart 1). The retail trade, government, educational and health services and other service industries all increased from 1994 on.

Chart 1: Involuntary part-time work relative to total employment, by industries most affected

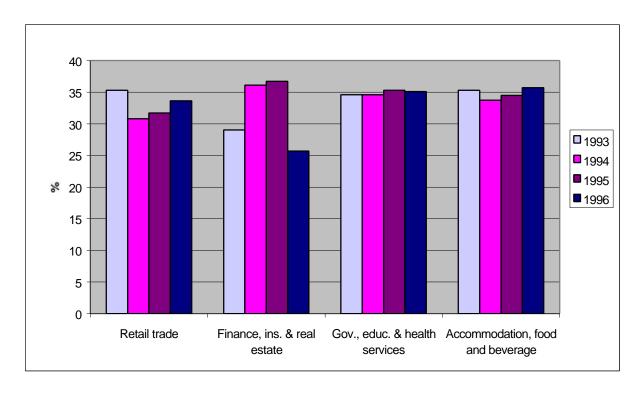


It goes without saying that involuntary part-time work affects the service industries to a very high degree because they hire many more part-time

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workers than goods-producing industries. Since this type of employment affords employers greater flexibility than full-time jobs, they tend to resort to it as much as possible in order to meet changes in demand in an effective manner. Not surprisingly, the service industries that employ the most part-time workers are those with the highest rates of involuntary part-time employment. Four service industries alone represented more than 70% of part-time workers between 1993 and 1996. As shown in Chart 2, these four groups have very high involuntary part-time employment rates (from 30% to 35%) relative to their respective number of part-time jobs.

Chart 2: Involuntary part-time employment relative to total part-time employment for industries with the most part-time jobs



Let's talk longitudinal

Where are people after 6, 12 or 18 months of involuntary part-time employment?

The SLID data show that 55% of individuals who began to work part time involuntarily between 1993 and 1996 were still in the same job six months later (Table 4). However, the situation appears to have corrected over time. Only 16% of involuntary part-time workers held the same job after 12 months, and this percentage declined to 12% after 18 months.

On the other hand, 13% of workers in involuntary part-time jobs found full-time employment in the six-month period after starting in that job. Here again, it is encouraging to see that the situation improved over time, with the percentage increasing to 21% after 12 months and 26% after 18 months.

Table 4 Labour force status of workers who started an involuntary part-time (IPT¹) job between 1993 and 1996, after 6, 12 and 18 months

	After 6 months	After 12 months	After 18 months
Labour force status	(%)	(%)	(%)
Same IPT job	55.2	16.0	12.2
Different job, still IPT	4.7	6.5	6.1
Different job, full-time	13.3	21.2	25.8
Unemployed	7.4	8.5	9.6
Left the labour force	10.4	11.1	11.2

However, other workers were less lucky or held their involuntary part-time jobs for a shorter period of time. The number of individuals who left the labour force was relatively high (approximately 11%), followed by those who were unemployed after being hired; this group increased over time.

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¹ Note: The acronym IPT is used in the tables and charts to mean "involuntary part-time".

Who stays and who goes?

By age and gender

Although they represent the highest percentage of the population working on an involuntary part-time basis, more young persons 16 to 24 years of age found full-time work than any other group (Charts 3a, b, c). Between 1993 and 1996, 20% of young people who started an involuntary part-time job found full-time employment after six months, compared to 27% after 12 months and 31% after 18 months. Relative to the total population of workers who found full-time employment, they represented respectively 53%, 49% and 45%. This seems to indicate that, although the other age groups eventually found full-time jobs, young people acted more quickly. One reason for this observed situation may be the greater professional and geographic mobility of young workers, which is due to the fact that older workers usually have families to consider before accepting another job in another city or province. Older workers have probably also acquired specializations and experience which leave them less versatile over time.

Chart 3a Labour force status **6** months after starting an involuntary part-time job, by age

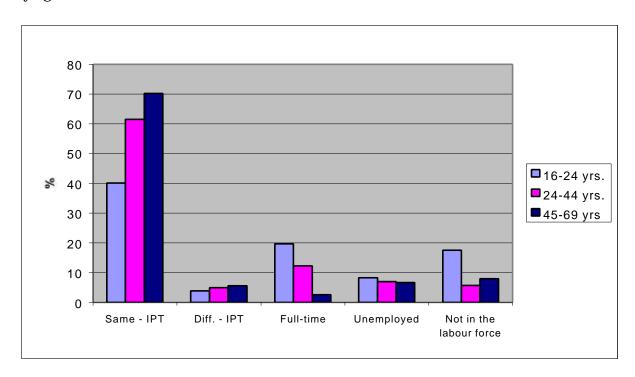


Chart 3b Labour force status ${f 12}$ months after starting an involuntary part-time job, by age

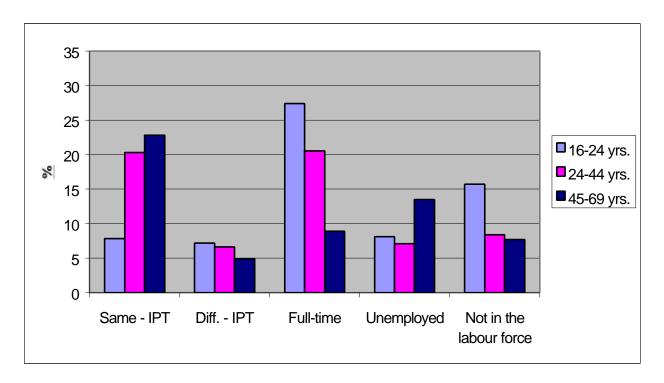
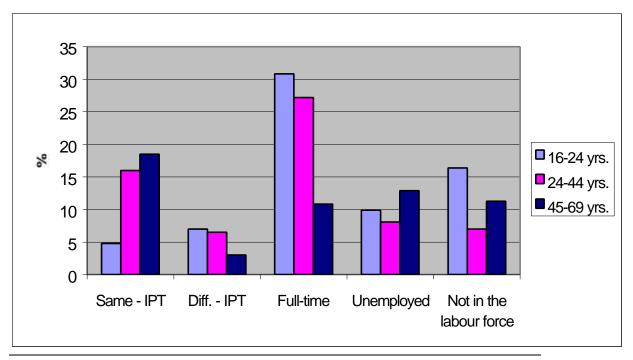


Chart 3c Labour force status **18** months after starting an involuntary part-time job, by age



Another possible explanation for this tendency among workers 16 to 24 years of age to find full-time employment more quickly is the well-known fact that young people are in debt after finishing their education, which pushes them to accept jobs that may not really suit them so that they can repay their debts. In addition, the above charts also show a clear tendency among young workers holding involuntary part-time employment to leave the labour force (between 15% and 20% of this group). Did they become discouraged at not finding full-time employment or did they go back to school? A combination of the two is the likely conclusion.

The large percentage of older workers (45 to 69) who became unemployed or left the labour force after holding involuntary part-time employment is somewhat disturbing. It may be noted that this percentage was slightly higher than that of workers in this group who found full-time employment. Since this trend is contrary to that prevailing in the other age groups, one wonders about the employability of older workers in an economy based on knowledge and new technology development.

Analysis of the data by gender reveals major differences in the Labour force status of men and women 6, 12 and 18 months after the start of their jobs.

Table 5 Labour force status of workers who started an involuntary part-time job between 1993 and 1996, after 6, 12 and 18 months, by gender

	After 6 ı	After 6 months		After 12 months		After 18 months	
	(%	(%)		(%)		(%)	
Labour force status	Men	Women	Men	Women	Men	Women	
Same IPT job	51.1	56.9	15.3	16.3	9.8	13.2	
Different job, still IPT	4.7	4.7	4.7	7.3	3.3	7.2	
Different job, full-time	17.3	11.7	27.3	18.7	33.5	22.7	
Unemployed	7.9	7.2	9.6	8.1	9.6	9.5	
Left labour force	10.9	10.1	9.2	11.8	9.9	11.8	

Thus it may be noted that a larger percentage of women than men retained the same involuntary part-time job, regardless of the period observed.

More women than men also changed jobs but still worked at involuntary part-time employment. The differences between men and women are readily apparent in the transition from involuntary part-time to full-time work. Men were very strongly represented in this group, as one-third of them corrected the situation in the 18 months after starting to work on an involuntary part-time basis. However, a larger percentage of men than women were unemployed after 6, 12 and 18 months, perhaps because women become accustomed to this type of employment over time. And yet more women than men chose to leave the labour force after this type of unsatisfactory employment.

By family characteristics

People's motivation to work full time is often determined by their family characteristics and the income they have in order to pay household expenses. It is therefore not surprising that one of the spouses in a two-income family with dependent children may be content to work fewer hours since their financial needs are not as great. On the other hand, in the case of families with children, one of the parents frequently spends more time at home than at work in order to take care of them. These people must make a choice between the time they devote to their families and a higher income level. In other cases, such as that of single mothers with dependent children, financial needs are greater. These women must therefore work as many hours as possible. We will now see how all these classes of families cope with involuntary part-time employment.

Chart 4a Labour force status **6** months after starting an involuntary part-time job, by family characteristics

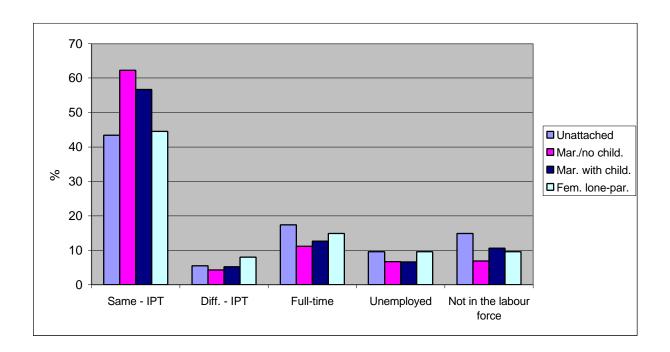


Chart 4b Labour force status **12** months after starting an involuntary part-time job, by family characteristics

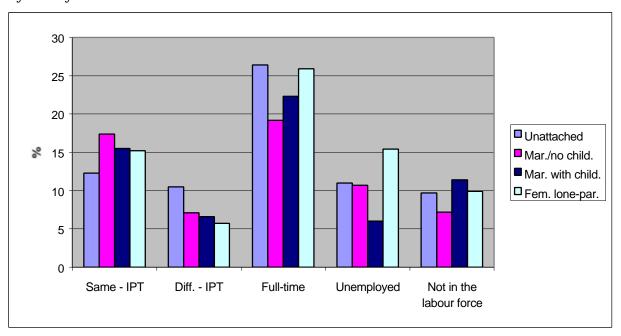
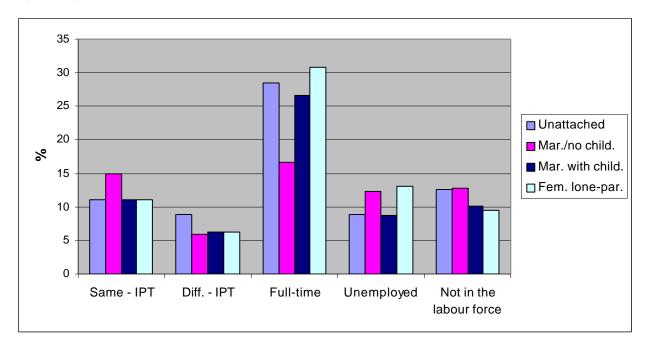


Chart 4c Labour force status **18** months after starting an involuntary part-time job, by family characteristics



Charts 4a, b, and c show that married people with children represented the largest percentage of workers who held the same involuntary part-time job 6, 12 and 18 months after starting it. At the same time, the members of those families were least likely to find a full-time job. In fact, a large percentage of married people with or without children changed their assessment of their part-time jobs. Twenty percent of married people without children who held involuntary part-time jobs between 1993 and 1996 reported that they were still working voluntarily in those jobs 18 months later. The figure is 12% for married workers with dependent children.

In the short term (6 months), unattached persons had a greater tendency to find full-time jobs, whereas, over the long term (18 months), single mothers were the most successful at meeting their needs for working hours. In fact, one-third of female lone parents working at involuntary part-time jobs between 1993 and 1996 found full-time employment in the 18 months after they were hired. On the other hand, 13% of single mothers with dependent children became unemployed during that same period of time.

Did workers change industries?

When workers change jobs, they also often change industries. In this case, the SLID data show that most involuntary part-time workers had to focus their job searches in other industries than the ones in which they were working.

Some 71% of all persons involuntarily working part time between 1993 and 1996 who found new jobs after six months changed industries. In most of these cases, workers switched to full-time employment. At the end of 18 months, this figure declined to 67%, perhaps because certain individuals involuntarily worked part time in the same business until they found full-time employment opportunities.

And did they change professions?

There was a strong tendency among involuntary part-time workers to change professions when they began a new job. This was often the case of young graduates looking for employment in their field. Their solution was to accept the first available job while looking for something more suitable based on their profession and the number of hours they wanted to work.

According to the SLID data, 60% of all persons who found a new job after six months of involuntary part-time work changed professions. After 18 months of involuntary part-time work, the figure rose to 63%. It goes without saying that the vast majority of these new jobs were full time.

Conclusion

Workers who involuntarily hold part-time jobs because they would like to work more hours are definitely not in an enviable position. These individuals are victims of a form of under-employment for which there is very little public sympathy. The general view is often that people with a job should consider themselves lucky to be working, particularly since they are often inclined to moonlight in order to meet their financial needs. This does not add up to excellent living conditions, and job dissatisfaction can often be reflected within the family.

According to the Survey of Labour and Income Dynamics, there were 1,288,000 involuntary part-time workers in 1996, one-third of the total number of part-time workers. Seen from a different angle, 9% of individuals who held a job were not working a sufficient number of hours to support themselves. The extent of the problem is relatively similar for each of the years from 1993 to 1996.

As a result of its longitudinal nature, SLID will help us monitor developments in the under-employment phenomenon underlying involuntary part-time employment. This important data source will also make it possible to conduct a thorough analysis of the reasons why one group of workers is more affected than another by this labour market deficiency.

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