
LABOUR EARNINGS

INDICATOR TYPE: Economic

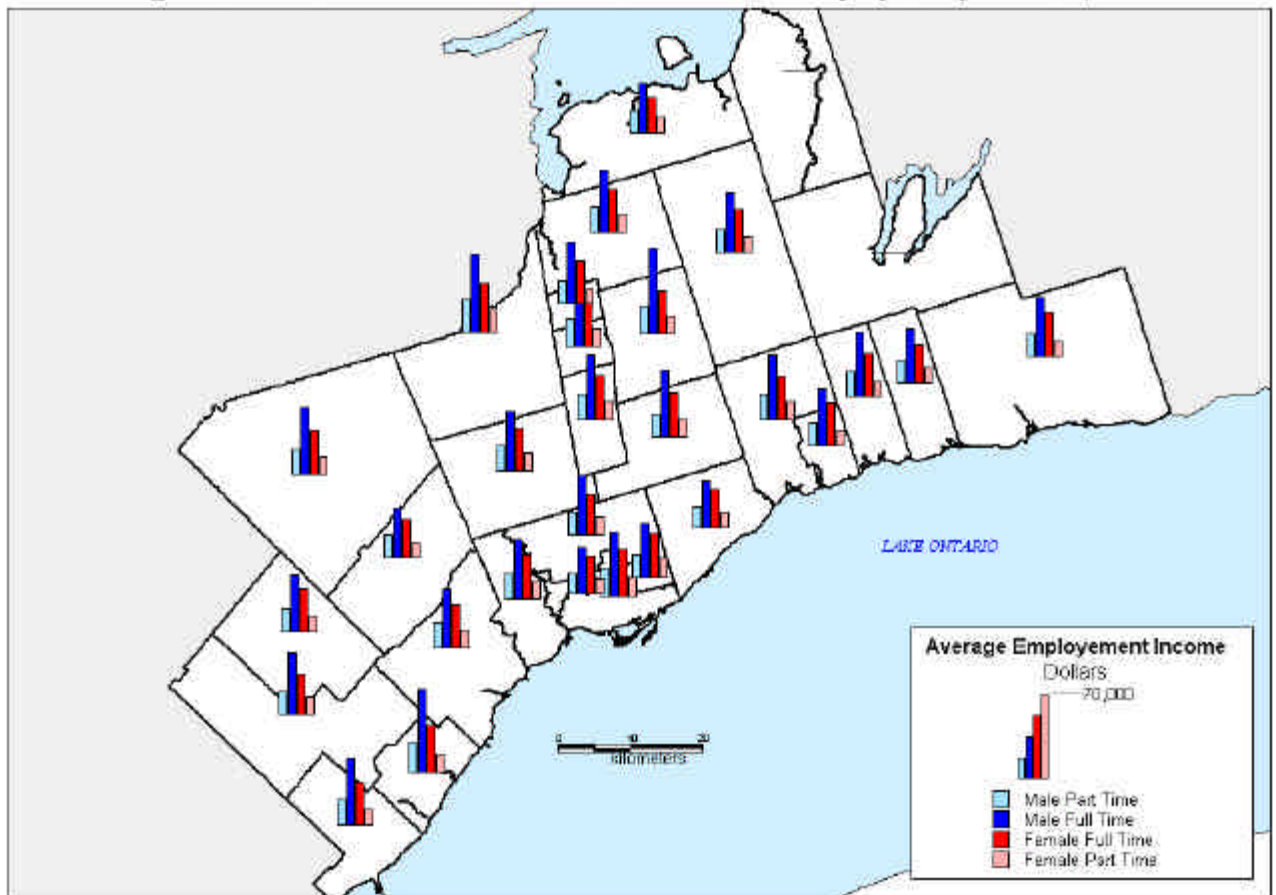
DOMAIN: Living

Earners confront significant variations in their employment conditions and, consequently, in income generation within market economies. Wage and non-wage compensation tend to vary considerably according to status of employment, i.e. full-time, part-time, and gender. Although wages is just one component of total compensation for labour, the difference in earnings between full-time and part-time, male and female workers, indicates how significant disparities are in income formation. The process of wage polarization shows inequalities in the paid labour force.

TRENDS

In Canada male workers earn more money than females even though women have slowly moved up the earnings ladder in the past 30 years (Scott & Lochhead 1997). The closing of the gap has resulted from the combination of the increase in time worked by women, falling or stagnating wages of men and modest increases in the earning of women (Jackson & Robinson 2000). In the GTA, full-time male workers average \$50,737

Wage Polarization Between Full Time & Part Time Employees by Gender, 1996



annually while full-time female workers make almost 31% less. However, the gap is now smaller than in 1991, when full-time female workers in the GTA were making 34% less than full-time male workers. Among part-time workers, males average \$20,821 while females only \$14,803. This wage polarization agrees with employment trends recently developed in the Canadian economy (Burke & Shields 1999). However, contrasts

in wages within the GTA are more pronounced between full-time and part-time male workers than the case with females. This is particularly noticeable in suburban communities like Oakville, King and Whitchurch-Stouffville where high-salaried full-time male workers are more frequently found (Figure III). About 29% of full-time male workers in those communities hold managerial and administrative positions. Overall, job inequality by gender seems to be less significant in the amalgamated city of Toronto than in the suburbs.

LINKAGES

Wage polarization indicates not only job inequality but also differences in quality of employment. Temporary, contract and non-tenure forms of jobs are related to employment contingency, economic polarization and social exclusion. Although these patterns may be seen as transitory outcomes from recent adjustments in the production system, they may well be structural to the new economy that requires new policy alternatives.

ACTION

The Ontario government has begun to review the Employment Standards Act and workplace legislation in order to flexibilize the labour force. If the government changes the employment legislation as planned, the gap in labour compensation between full and part-time workers can increase considerably by the end of year 2000 (Ontario 2000). The maximum working hours per week would be upped from 48 to 60, which could be averaged unevenly over a three-week period; vacation time could be scheduled by the day instead of by week blocks; and no guarantee time off on public holidays.

Difficulties:

- The use of employment figures from the 1996 Census is not optimum as data are outdated and collected every five years.

Future prospects:

- Updated information on employment can be obtained from the “Labour Force Survey” released by Statistics Canada annually.

Sources of Information:

Employment Income by Employment Status and Gender - 1996 Census, Statistics Canada.

Income Distribution - Financial Post Markets, 2001 Canadian Demographics.

References:

Burke, M. & J. Shields 1999. *The Job-Poor Recovery: Social Cohesion and the Canadian Labour Market*. Ryerson Social Reporting Network Research Report, Ryerson Polytechnic University, Toronto.

Jackson, A. & D. Robinson 2000. *Falling Behind: The State of Working Canada 2000*. Canadian Centre for Policy Alternatives, Ottawa.

Ontario 2000. *Consultation Paper July 26 and News Release Aug 23*, Ontario Ministry of Labour.

Scott, K. & C. Lochhead 1997. *Are Women Catching Up in the Earning Race?* Canadian Council on Social Development, Ottawa.