# Precarious Employment and the Internal Responsibility System

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# Talk is motivated by growing evidence that having a bad job can be worse for your health than being unemployed.

- Ruhm (US) Stuckler (EU)
- Broom (Australia)



# What does this new labour market look like?

- 25% of workers in Canada are in less permanent forms of employment
- Job tenure for men has fallen 10%
- More jobs lasting less than one year and fewer lasting more than 20
- Increased risk of involuntary job loss
- Increased income variability
- Increased income inequality

### Three parts to my talk

- 1. Is the internal responsibility system effective at protecting the health of workers?
- 2. Modeling how labour markets and the employment relationship affects health outcomes?
- 3. What policy initiatives might lead to better health for those in precarious employment?

### The Study

 Population study of non-student workers living in the Hamilton/Toronto corridor

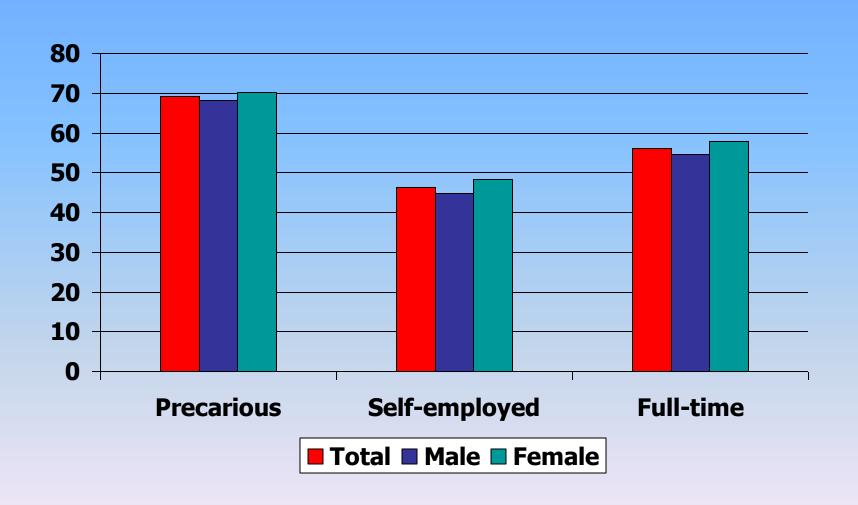
Survey/interview work done in 2005-

2007

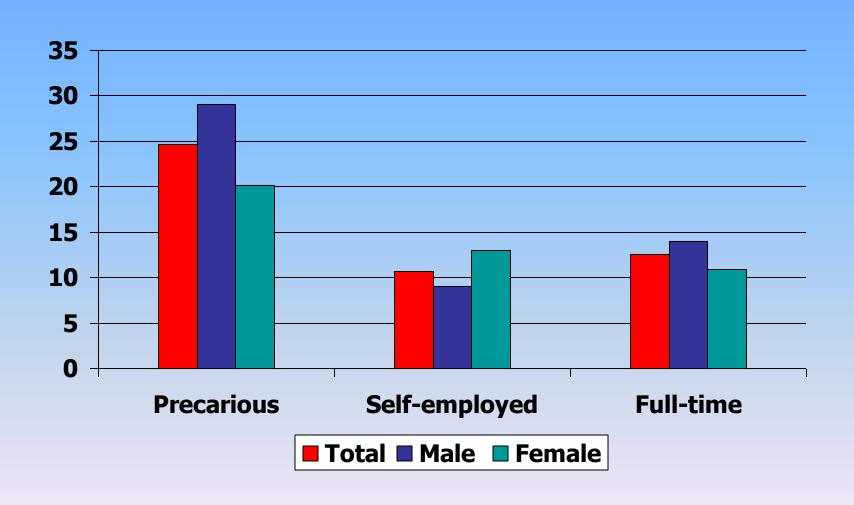
n=2,114



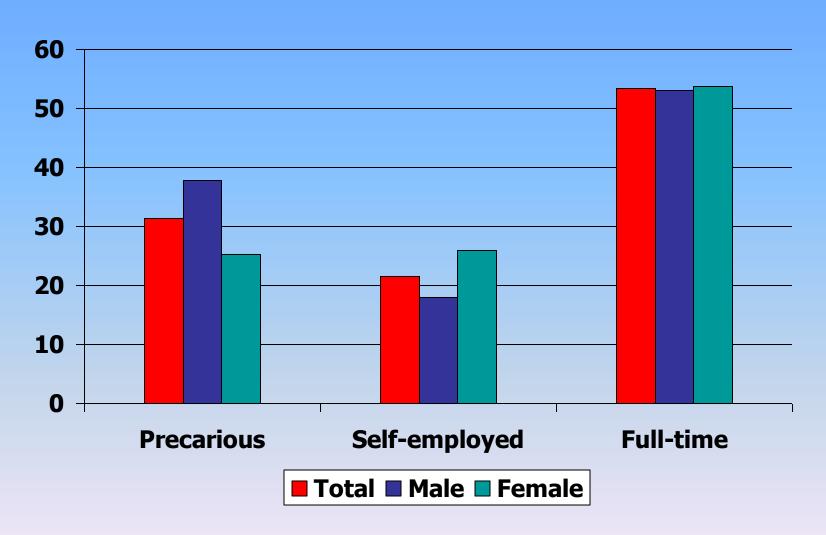
# Raising H&S Issue at Work Unlikely to Lead to Changes (%)



## Raising H&S Concern Would Negatively Affect Future Employment (%)



# Received Health and Safety Training at Work (%)

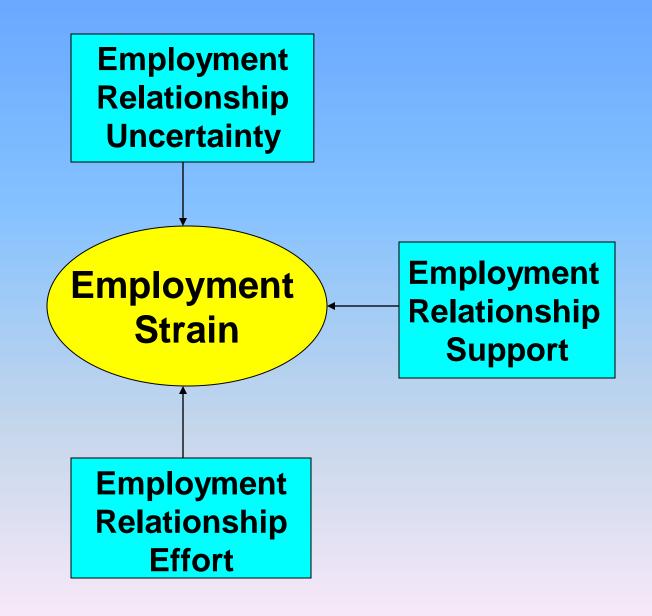


# Forms of the Employment Relationship and Health Outcomes (%)

	Less Permanent Employment Relationships				Permanent Employment Relationships		
	Temp Agency (n=172)	Short-term contract (n=144)	Self-employed (n=167)	Fixed-term contract (n=112)	Permanent Part-time (n=148)	Permanent Full-time (n=1,371)	P
Self-reported health fair to poor	16.9	13.9	14.4	11.6	13.5	12.3	-
Self-reported mental health fair to poor	17.4	10.4	10.8	9.8	8.8	10.3	-
Pain at work at least half the time	30.2	21.5	15.6	14.3	16.2	16.9	**
Frustrated with work at least half the time	40.7	34.7	24.9	31.3	31.8	29.6	**
Exhausted after work most days	37.2	35.4	24.0	28.6	33.8	34.5	*
Tense at work at least half the time	44.2	29.9	30.1	31.3	36.5	41.6	**
Work stressful most days	43.6	25.7	25.2	28.6	30.4	37.6	***
Work leads to sleep problems at least half the time	27.3	20.8	22.2	28.6	12.2	19.6	**
Work leads to headaches at least half the time	26.7	14.6	17.5	14.3	12.2	16.9	**
Work-related injury or illness last year	16.9	13.2	12.6	10.7	16.2	12.8	10 -

(\* significant at 10%, \*\* significant at 5%, \*\*\* significant <1%)

### The Employment Strain Model



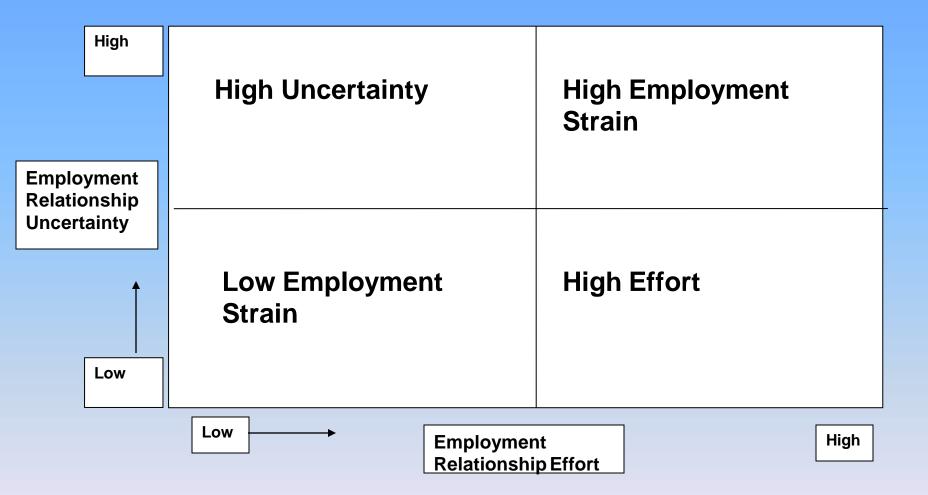
# **Impact of a Ten Point Increase in Employment Relationship Indices on Health Indicators (Odds ratios)**

	Employment Relationship Uncertainty	Employment Relationship Effort	Employment Relationship Support	Physical Risks
Self-reported health fair to poor	1.14(**)	0.94	0.86(**)	1.16(***)
Self-reported mental health fair to poor	0.99	1.20(**)	0.81(***)	1.16(***)
Pain at work at least half the time	1.09	1.21(***)	0.95	1.54(***)
Frustrated with work at least half the time	0.92(*)	1.42(***)	0.88(***)	1.36(***)
Exhausted after work most days	0.92(*)	1.23(***)	0.85(***)	1.34(***)
Tense at work at least half the time	0.94	1.35(***)	0.91(**)	1.30(***)
Work stressful most days	0.91(**)	1.32(***)	0.88(***)	1.14(**)
Work leads to sleep problems at least half the time	1.08	1.40(***)	0.95	1.33(***)
Work leads to headaches at least half the time	1.05	1.44(***)	0.96	1.44(**)
Work-related injury or illness last year	0.95	1.28(***)	1.02	1.43(***)

Health outcome=f(age, sex, race, physical risks, employment relationship type, employment relationship uncertainty, employment relationship effort, 12 employment relationship support). Values greater than one represent more frequent poor health indicators.

(\* significant at 10%, \*\* significant at 5%, \*\*\* significant at 1%)

#### **Employment Strain Categories**



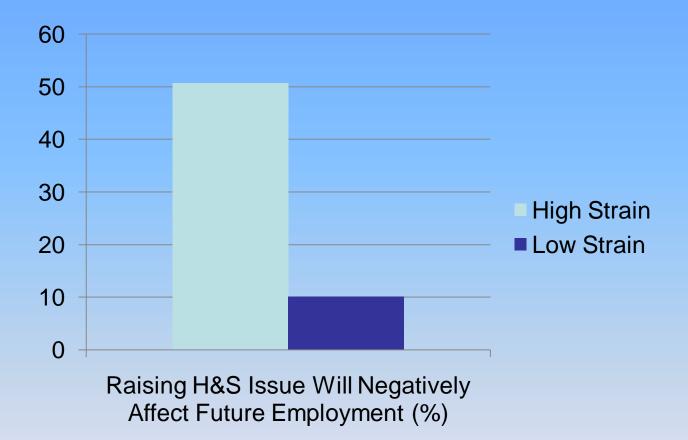
#### Distribution of Employment Relationship Types Across Employment Strain Categories (%)

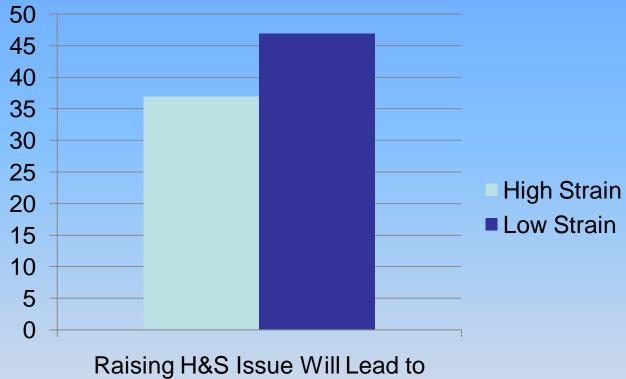
	Less Permanent Employment Relationships				Permanent Employment Relationships		
	Temp Agency (n=172)	Short-term contract (n=144)	Self- employed (n=167)	Fixed-term contract (n=112)	Permanent Part-time (n=148)	Permanent Full-time (n=1,371)	
High employment strain	72.1	62.5	62.9	42.0	46.6	20.9	
Low employment strain	5.2	2.8	6.0	17.0	18.2	41.9	
High Effort	2.9	2.8	5.4	17.0	4.1	23.5	
High Uncertainty	19.8	31.9	25.8	24.1	31.1	13.6	

# **Employment Strain and Health (Odds Ratios Relative to Low Employment Strain**

	High Employment Strain	High Effort	High Uncertainty	Low Employment Strain
Self-reported health fair to poor	2.01 (**)	1.50 (*)	2.20 (***)	1.00
Self-reported mental health fair to poor	1.86 (***)	1.61 (**)	1.62 (**)	1.00
Pain at work at least half the time	2.05 (***)	1.35	1.15	1.00
Frustrated with work at least half the time	1.90 (***)	1.54 (**)	0.90	1.00
Exhausted after work most days	1.63 (**)	1.47 (**)	0.96	1.00
Tense at work at least half the time	1.54 (**)	1.52 (**)	0.81	1.00
Work stressful most days	1.81 (***)	1.66 (***)	0.88	1.00
Work leads to sleep problems at least half the time	2.51 (***)	1.72 (**)	1.07	1.00
Work leads to headaches at least half the time	2.02 (***)	1.64 (**)	1.01	1.00
Work-related injury or illness last year	1.44 (*)	1.36	0.67	1.00

health outcome=f(age, sex, race, physical risks, employment relationship type, high employment strain, high uncertainty, high effort). Values greater than one represent more frequent poor health indicators. (\* significant at 10%, \*\* significant at 5%, \*\*\* significant at 1%)





Raising H&S Issue Will Lead to Change (%)

# A healthy labour market policy agenda for post-standard employment labour markets

- Recognize that labour market polices can affect health outcomes
- Reduce focus on life-time employment with one employer and employer funded benefits

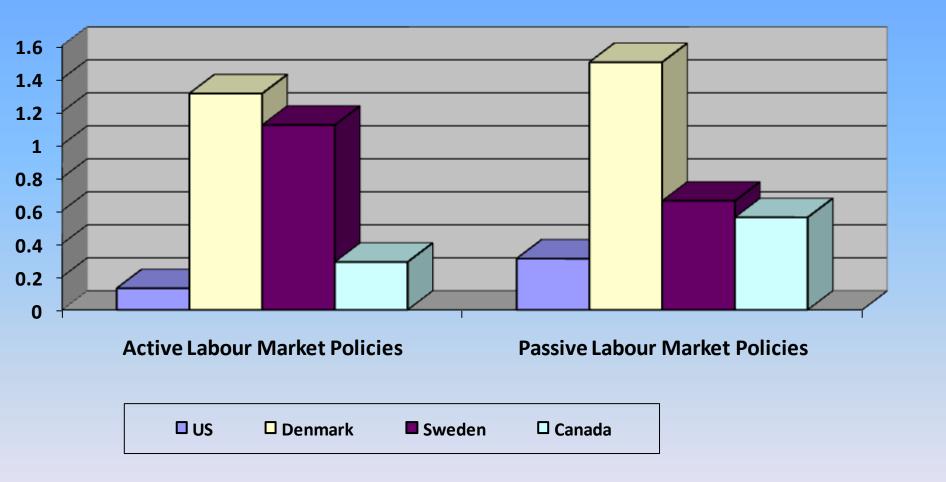
## Policies that work against the Internal Responsibility System

- Policies that increase the supply of low waged workers in precarious forms of employment
  - "Work-first" policies
  - Immigration & failure to recognize foreign credentials
  - Weak retraining models
- Reduced income support during unemployment
- Reduced job search support for the unemployed

## The Flexicurity Model

- Flexicurity (Denmark and the Netherlands)
- Weak labour market protection
- Generous passive labour market supports (income bridging)
- Generous active labour market supports (training and job search)

#### Chart One: Public social expenditure on Labour Market Policies 2007 (% of GDP)



Source: OECD.StatExtracts, <a href="http://stats.oecd.org/Index.aspx?DatasetCode=LMPEXP">http://stats.oecd.org/Index.aspx?DatasetCode=LMPEXP</a> Accessed April 23, 2010.

# Reducing Employment Relationship Uncertainty

- a) Finding and keeping a job
- tenure based employment rights
- "formalize" short-term and temporary contracts
- advanced notice of work assignments (premium for short term notice)

#### b) Income security

- Income insurance/unemployment insurance
- Guaranteed Annual Income
- Reform and enhance severance pay for short-term assignments
- Delink benefits from employers (Pensions, sick benefits, health care)

# Reducing Employment Relationship Effort

- Active labour market policies
- Make adult education and retraining a basic right
- Create publically funded alternatives to employer based training (payroll tax)
  - Training institutes
    - Institut de tourisme et d'hotellerie du Quebec)
    - Las Vegas Culinary Training Academy

# Increasing Employment Relationship Support

- New role for unions
  - Defending the tenure rights of workers
  - Multi-site union contracts/sector bargaining
- Reforms of the OHS legislation to recognize the vulnerability of precarious workers

## Long-term agenda

"[Insecure work] must be civilized and recognized so that, rather than being a condition one reluctantly bears, the pattern of working can become a mode of life one chooses, a mode that is desirable, one that is regulated and valued by society, a source of new culture, freedoms and sociality, establishing the right of all to choose the discontinuities in their working lives without experiencing a discontinuity in their income." Gorz, Reclaiming Work, p. 53 26

