

Article

"Has There Been a She-covery? The Financial Crisis of 2008 and Its Impact on the Ontario Labour Market "

Wayne Lewchuk

Relations industrielles / Industrial Relations, vol. 68, n° 1, 2013, p. 25-45.

Pour citer cet article, utiliser l'information suivante :

URI: <http://id.erudit.org/iderudit/1014740ar>

DOI: 10.7202/1014740ar

Note : les règles d'écriture des références bibliographiques peuvent varier selon les différents domaines du savoir.

Ce document est protégé par la loi sur le droit d'auteur. L'utilisation des services d'Érudit (y compris la reproduction) est assujettie à sa politique d'utilisation que vous pouvez consulter à l'URI <https://apropos.erudit.org/fr/usagers/politique-dutilisation/>

Érudit est un consortium interuniversitaire sans but lucratif composé de l'Université de Montréal, l'Université Laval et l'Université du Québec à Montréal. Il a pour mission la promotion et la valorisation de la recherche. Érudit offre des services d'édition numérique de documents scientifiques depuis 1998.

Pour communiquer avec les responsables d'Érudit : info@erudit.org

Has There Been a She-recovery? The Financial Crisis of 2008 and Its Impact on the Ontario Labour Market

Wayne Lewchuk

This paper explores changes in labour market outcomes between June 2005 and November 2010. It asks if the recovery in labour markets following the 2008 financial crisis favoured men or women. The analysis is based on a unique longitudinal database of individuals in the Toronto-Hamilton labour market. Men were the most likely to have paid employment in the post-financial crisis period, but only at the cost of a significant deterioration in its terms and conditions. The findings suggest that many middle-aged workers were not protected by job seniority or implicit lifetime employment relationships. The findings point to a further decline in the prevalence of the standard employment relationship and the male breadwinner model of employment.

KEYWORDS: labour markets, precarious employment, financial crisis, standard employment relationship, male breadwinner

Introduction

The labour market turmoil associated with the financial crisis that began in late 2008 provides an opportunity to test the effect of the feminization of labour markets on how modern labour markets function in times of crisis. Since the 1980s, female labour market participation has increased, but more importantly, there has been a degree of convergence in male/female terms of employment. While women have made small gains in finding better-paying, more secure employment, men are experiencing more dramatic changes as the standard employment relationship and the male breadwinner model of employment have become less prevalent (Kalleberg, 2011). It is argued that the employment characteristics that women have traditionally experienced (lower pay, less security, more informality) have become the new norm for all workers (Armstrong, 1996; Vosko, 2000; Korkki, 2011).¹

Wayne Lewchuk, Professor, School of Labour Studies and Department of Economics, McMaster University, Hamilton (lewchuk@mcmaster.ca).

Marlea Clarke and Alice de Wolff were co-authors in an earlier project that is the foundation for this study. This project would not have been possible without them. Sam Vrankulj and Scott Thorn assisted in the second round of data collection and Dale Brown provided assistance in framing the presentation. The views expressed in this paper are solely those of the author.

This paper will focus on two related questions. The first is whether men and women had different experiences as labour markets began to recover in November 2010. The second is whether the standard employment contract, that provides more senior workers a degree of employment security in exchange for loyalty to a company, has frayed. The paper assesses the accuracy of reports suggesting that the quality of employment had returned to pre-financial crisis levels by the spring of 2011 (Tal, 2011; Cross, 2011).

There is ample evidence that men bore a disproportionate share of the job losses related to the 2008 financial crisis. Many of these losses came from sectors that provided permanent full-time employment and above average wages, sectors where men were more likely to be employed (EFILWC, 2009: 32-36). This led several analysts to conclude that in both Canada and the United States, the 2008 recession was a “He-cession” (Beckman, 2011; Hennessy and Yalnizyan, 2009; Proudfoot, 2011) and that the crisis might have a long-term impact on male/female employment norms (Salami, 2009). If the 2008 recession can be described as a “He-cession”, is it accurate to describe the recovery that began in late 2009 as a “She-covery”?

Answering this question can help shed light on the changing nature of labour markets in Canada and other developed economies. Numerous observers have noted significant changes in the characteristics of employment relationships since the 1990s (Cappelli, 1999; Farber, 2008; Kalleberg, 2011). Most argue employment has become more precarious. As economies have become more deeply linked through trade, and as advances in communication and transportation make it easier to shift jobs to all parts of the globe, employers have demanded more flexibility from their workforces and abandoned the implicit contract that gave workers with seniority some protection from job loss (Carnoy, 2000; Castells, 2010). The job dislocation associated with the financial crisis provides an opportunity to observe how workers at different moments in their work careers experienced the crisis.

The Changing Nature of Labour Markets in Canada

Even before the 2008 financial crisis, research suggested that relative male/female labour market outcomes in Canada were in transition. While men continue to earn more than women, the gap in median total income of males and females has narrowed since 1976 when the median male earned 2.9 times the median female in Ontario. By 2006, the difference had narrowed to 1.7 times and by 2009 it narrowed further to 1.5 times. Over this period, the median male experienced a 20% fall in his real income while the median female enjoyed a 50% increase (Statistics Canada, CANSIM, Table 202-0407). In manufacturing

communities like Hamilton, the change has been more dramatic. In 1976, the median Hamilton male earned almost three times as much as the median female, but by 2009, the ratio was barely over one to one.² This convergence is also apparent in average earnings. In 1976, women in Ontario working full-year and full-time earned 60.9% of what men earned. By 2009, they were earning 81.7%. Half of this convergence took place since 2000 (Statistics Canada, CANSIM, Table 202-0102).

In other ways, the convergence of the labour market experiences of men and women has been more dramatic. Between 1976 and 2010, the proportion of workers who were women increased from just over one-third to almost one-half (37.1% to 47.7%). Female employment rates, as a percentage of female population age 15 and over, increased from 41.9% in 1976 to 57.9% in 2010, while that of men declined from 72.2% to 65.4%. While women continue to be more likely than men to be employed in part-time work, the gap has narrowed. In 1976, women were four times more likely than men to be employed part-time. By 2010, this figure had fallen to just over two times as likely. By 2009, women were more likely than men to be in unions, were more likely to be covered by a registered pension plan, and were less likely to report being unemployed (Statistics Canada, 2011 and CANSIM, Table 282-0002).

These trends all point to men losing some of the privileged position they held in labour markets for much of the twentieth century, while women have made some strides in finding better-paying and more secure employment. These trends point to a decline in the standard employment relationship as it emerged over the course of the last century (Secombe, 1993). The popular press has been quick to notice this trend with titles like “Stiffed: The Betrayal of the American Man” and “Manning Up: How the Rise of Women has Turned Men into Boys” (Faludi, 1999; Hymowitz, 2011).

Closely linked to the debate over the change in male and female labour market outcomes is the view that employment overall is becoming less secure and that an older model of lifetime employment is in decline. In a comprehensive study of changing employment norms, Cappelli concluded over a decade ago that, “The old employment system of secure, lifetime jobs with predictable advancement and stable pay is dead” (Cappelli, 1999: 17). Farber (2008) documented a change in employment tenure in the United States and concluded:

. . . the nature of the private-sector employment relationship in the United States has changed substantially in ways that make jobs less secure and workers more mobile. . . . What is clear is that young workers today should not look forward to the same type of career with one firm experienced by their parents (Farber, 2008: 32).

A recent study of Canadian labour markets argued that temporary employment has grown twice as fast as permanent employment since 1997 and that during the crisis, contract employment continued to grow despite the downturn in overall employment (Galarneau, 2010).

These changes have eroded the employment protection that senior workers implicitly enjoyed as one component of the standard employment relationship. Hallock (2009) examined the reasons why Fortune 500 firms laid off workers in the United States. He concluded that the implicit employment contract, where employers guarded workers with higher seniority from unnecessary layoffs and in return workers responded by showing some loyalty to their employers, had frayed. Valletta (1999, 2007) using US PSID data from 1976 to 1993 found that while tenure continues to shield workers from involuntary dismissal, the protection that tenure provides has diminished significantly since 1976. Carnoy (2000) argued that downsizing has become a regular part of work life. He wrote, "Downsizing is largely a euphemism for reducing the number of 'obsolete', higher priced, older workers, usually in their middle to late forties and early fifties, and replacing them with younger, more recently educated, and lower wage workers" (Carnoy, 2000: 94). The findings that follow explore the extent to which seniority shielded workers from job loss during a recession and at what age workers start becoming "obsolete."

The Study

In June 2005, 2,714 individuals from the Greater Toronto and Hamilton region agreed to complete a survey exploring the relationship between different forms of the employment relationship and health outcomes.³ To be eligible for the study, individuals had to be employed for pay in the month prior to the survey being administered. Comparison of the sample data with census data indicates that the sample is reasonably representative.⁴

In November 2010, the 1,946 Round One participants who agreed to be contacted to complete a second survey were mailed a card inviting them to participate in the second round of the study. Of this number, 395 had moved since Round One and could not be contacted. Of the 1,551 individuals contacted, 922 (59.4%) responded. We limit the analysis in this paper to the 791 individuals who were younger than 55 in June 2005. The Second Round sample is representative of the 1,946 individuals who agreed to be contacted a second time.⁵

Key features of the sample are that everyone was employed for pay at the start of the study in June 2005 and that new entrants to the labour market since June 2005 were not included. This has several important implications in interpreting the findings. The November 2010 sample should be viewed as a cohort of workers who are five years further along their lifetime career path with the financial crisis happening midway through this five year period. For most workers, includ-

ing those able to make the transition from temporary to permanent employment during this period, and for workers in standard employment relationships at the start of the period, one would expect to find an improvement in labour market security as they move along their lifetime career path. The exception might be older workers transitioning to retirement. This effect is minimized by limiting the study to individuals younger than 55 in June 2005. Secondly, all members of this cohort were employed at the start of the study. This may create a downward bias in any findings regarding unemployment in November 2010 as the initial sample excludes at least some workers with an above average risk of being unemployed.

Changes in Employment Sector between June 2005 and November 2010

The period between June 2005 and November 2010 was one of significant shifts in relation to where study participants found employment. Only 54.2% of the sample participants were employed in the same sector in both periods. This figure was marginally higher for women (55.8%) relative to men (52.4%). Over 73% of the women in the health sector, and 80% in education and the public sectors in June 2005 were still in those sectors in November 2010. By contrast, less than 60% of the women in retail, and less than half of those in manufacturing and construction were still in those sectors five years later. Just over half of the men in management, administration, science and manufacturing in June 2005 were still in those sectors five years later. Less than one-third of the men in retail in June 2005 were still in retail five years later. Men were less likely than women to remain in health (53%) and in the education and the public sector (69%).

TABLE 1

Employment by Sector and by Sex, June 2005 and November 2010 (%)*

	Total		Men		Women	
	2005/6	2010/11	2005/6	2010/11	2005/6	2010/11
Management	7.6	10.0	6.9	12.8	8.2	7.6
Administration	20.8	18.3	19.0	15.9	22.4	20.4
Science	15.7	12.1	23.5	19.7	8.8	5.5
Health	11.0	11.2	5.2	5.5	16.1	16.2
Education and Public Sector	9.0	11.7	5.5	6.2	12.1	16.5
Retail	8.2	8.4	7.6	6.6	8.8	10.1
Manufacturing and Construction	10.8	8.6	17.2	13.8	5.2	4.0
Other	16.9	19.7	15.2	19.6	18.5	19.8
All Sectors	100	100	100	100	100	100

* N = 290 men and 330 women. Analysis limited to individuals who were not full-time students in either period.

Table 1 reports the share of employment by sector in June 2005 and November 2010. Overall, there were substantial increases in the share of total employment in the management, education and public sectors and declines in science, manufacturing and construction. For men, employment increased in management jobs and declined in the manufacturing and construction sector. Women experienced increases in employment in retail and in the education and the public sectors and reductions in the administration and science sectors.

Changes in Employment Security between June 2005 and November 2010

Several questions asked on the surveys allow an investigation of changes in employment security in the two time periods. In November 2010, all participants were asked:

- Have you had paid work in the past month?
- Has your overall employment situation become more or less secure over the last five years?

In addition, in June 2005 and in November 2010, all participants were asked if they were:

- In a standard employment relationship?⁶
- In a precarious employment relationship?⁷

Working for Pay

Who was the least successful in holding on to paid employment in the post-financial crisis labour market?⁸ The findings are reported in Table 2. The analysis is limited to non full-time students.⁹

TABLE 2
Individuals Not in Paid Employment in November 2010 (%)

	Men (n = 354)	Women (n = 389)
Full sample	4.2	7.2**
White	1.6	8.4**
Chinese	4.7	5.8
Other racialized groups	6.6	7.7
Age 20-29	3.7	2.4
Age 30-39	5.0	5.5
Age 40-49	3.2	9.0**
Age 50-59	5.2	11.5*

* p < .10; ** p < .05; *** p < .01 (two-tailed test). Test for differences in male/female outcomes.

There was evidence of both a gendered and a racialized effect on who retained paid employment in the post-financial crisis period. In the sample as a whole, women were more than one and a half times more likely than men to be not working for pay in November 2010. While men were most likely to lose jobs during the crisis, they were relatively successful finding paid work by November 2010. White men were significantly more successful than white women in finding paid employment. Men and women from other racialized groups were not significantly different in how likely they were to find paid employment. White men fared better than men from other racialized groups, while white women were less likely to be working for pay than women from other racialized groups.

Table 2 also reports individuals not working for pay by age and sex. Men and women younger than 40 were equally successful in finding paid employment. Women over 40 did significantly worse than men in these age categories. If the effect of having children was behind these trends, we would have predicted this to have a larger effect on women in their 20s, but less of an effect on women in their 40s, most of whom will have moved beyond the child rearing phase of life.¹⁰ Participants moving towards retirement may explain the out-of-work profile of those in their 50s, but this is unlikely to explain why more women than men in their 40s were not working for pay.

Employment sector in June 2005 was not strongly associated with who was not working for pay in November 2010. Those employed in the sciences in June 2005 were the least likely not to be working for pay in November 2010 (5.3%), while those in retail were the most likely not to be working for pay (7.3%). The survey did not include a direct measure to determine if not working for pay was voluntary or involuntary. Men not working for pay were marginally more likely to be attending school full-time (33.3%) relative to women (24.3%). Of non-students not in paid employment in November 2010, 60.8% reported looking for work in the last month. Women (59.3%) were somewhat less likely to be looking for work than men (64.3%). The latter suggests that there was not a significant difference between men and women regarding the degree to which not being in paid employment was a voluntary decision to not work.

Change in Reported Security of Employment

Was employment less secure in November 2010 compared to June 2005 and was the probability of finding more secure employment associated with sex and race? Findings for non-students are reported in Table 3. Over the five-year period, there was significant movement between more and less secure employment. Less than half of the sample reported their degree of security was unchanged. In the sample as a whole, respondents were more likely to report their employment

was less secure (32.9%) than more secure (24.5%). This was true for men and women, and for white workers and workers from other racialized groups.

The probability of finding more secure employment was associated with both sex and race. While an equal percentage of men and women reported their employment had become less secure, women were generally less successful than men in finding more secure employment. This suggests that while the broader labour market was becoming less secure for both men and women, men remained more likely than women to be moving along a career path towards more secure employment. This was most clearly true for white men and men from Chinese ethnic backgrounds who were more likely to find secure employment than white women or men from other racialized groups. White men and men from Chinese ethnic backgrounds were also less likely than men from other racialized groups to report that employment had become less secure.

TABLE 3
Change in Employment Security Pre- and Post-Financial Crisis (%)

	Less Secure		More Secure	
	Men (n = 94)	Women (n = 109)	Men (n = 79)	Women (n = 72)
Full sample	32.5	33.2	27.3	22.0**
White	32.2	36.7	28.7	20.9**
Chinese	29.7	28.8	29.7	23.2*
Other racialized groups	39.3	34.4	19.6	21.9
Age 20-29	18.5	28.1	44.4	28.1*
Age 30-39	38.7	32.4	31.2	27.6
Age 40-49	32.6	37.5	25.0	16.7**
Age 50-59	29.9	31.6	19.5	19.0

* $p < .10$; ** $p < .05$; *** $p < .01$ (two-tailed test). Test for differences in male/female outcomes. The 171 individuals who were students in either June 2005 or November 2010 were excluded from this table; 263 of the remaining 617 individuals reported no change in their level of employment security.

Table 3 also explores changes in employment security by sex and age. There is some evidence of a gender effect within age categories. Nearly half the young men in the sample reported post-financial crisis employment was more secure, while less than one-fifth reported that it was less secure. Young men represent the only cohort in the study where it can reasonably be argued that post-financial crisis employment was more secure. In no other category in Table 3 did more men or women report that employment was more secure than reported it was less secure. Middle-aged men and women in November 2010 were the most likely to report moving into less secure employment. Women in their 20s and 40s were less successful in finding more secure work than their male counterparts, but there were no significant differences between men

and women in the number reporting less secure employment in any of the age cohorts.

These findings suggest that individuals at different stages of their working careers had different experiences in the post-financial crisis labour market. They also suggest that the standard employment relationship is not insulating middle-age workers from employment insecurity. It is often assumed that the standard employment relationship includes an implicit agreement that provides for greater employment security and protection from job loss during economic downturns. For men, this does not appear to have been the case between June 2005 and November 2010. Men who reported being in a standard employment relationship in June 2005 had no clear advantage relative to men not in a standard employment relationship in terms of working for pay in November 2010 (95.5/94.5%). They were also as likely as men not in standard employment relationships to report their employment was less secure in November 2010 compared to June 2005 (32.3/33.0%). Women had a different experience. Women in standard employment relationships in June 2005 were more likely than women not in standard employment relationships to be working for pay in November 2010 (95.2/87.2%). They were also less likely than women not in standard employment relationships in June 2005 to report employment had become less secure (29.6/38.3%).

It was reported in Table 2 that men were more likely than women to be in paid employment in November 2010. Table 3 provides a better understanding of how this came about. It suggests that in part, this was achieved only by a large number of men, particularly men over the age of 30, accepting employment that was less secure. Chen and Morissette (2010) examined the experience of older workers in Canada between 2000 and 2004 and noted that men in their 50s were at an increasing disadvantage in labour markets. They found that displaced men in their 50s were at a disadvantage in finding new employment relative to women and that men who did find new employment suffered larger median and average income losses than earlier cohorts of men. For women, income losses were getting smaller relative to earlier cohorts of women. Their paper, and earlier work by Carnoy (2000: 94) suggest the advantages men have traditionally enjoyed in labour markets may begin eroding well before men are in their 50s.

Having a Standard Employment Relationship

Were men more likely than women to be employed in a standard employment relationship in the post-financial crisis economy? The standard employment relationship is defined as employment that is full-time and permanent, with a single employer who provides at least 30 hours of employment a week, pays benefits beyond a simple wage, and with whom the respondent is expected to be employed for at least one more year. Findings are reported in Table 4. Again, the

focus is only on participants who were not full-time students as it is unlikely a full-time student would also be able to hold a permanent full-time job.

Around two-thirds of participants reported having such a job in both periods, with a small decline in November 2010. While overall, women were less likely than men to be in standard employment relationship pre- and post-financial crisis, the differences were relatively small and converging. White women were marginally less likely than men to be in a standard employment relationship pre-financial crisis, but as likely post-financial crisis. This was largely the result of the large number of white men moving out of standard employment in the post-recession labour market. Women from Chinese ethnic backgrounds were less likely to be in a standard employment relationship in both periods, while there was some convergence between men and women from other racialized groups in the post-financial crisis labour market.

TABLE 4
Individuals in Standard Employment Relationships (%)

	Standard employment relationship (2005/06)		Standard employment relationship (2010/11)	
	Men (n = 298)	Women (n = 337)	Men (n = 354)	Women (n = 389)
Full sample	68.1	57.3***	66.1	58.4**
White	67.5	60.0*	62.8	59.4
Chinese	67.5	57.3**	69.8	57.1**
Other racialized groups	72.7	53.2**	66.7	59.3
Age 20-29	56.3	58.3	61.0	57.8
Age 30-39	74.1	56.0***	72.3	65.5
Age 40-49	79.5	62.0***	66.0	55.0**
Age 50-59	62.8	48.0**	63.6	54.2*

* p < .10; ** p < .05; *** p < .01 (two-tailed test). Test for differences in male/female outcomes. The age groups in this table refer to individuals in the specified age category in June 2005 with individuals with the same age characteristics in November 2010.

Table 4 also reports findings for changes in the prevalence of the standard employment relationship within age cohorts. In June 2005, middle-aged men were significantly more likely to be employed in a standard employment relationship than women. This was less evident in November 2010. Men in their 30s reported a small drop in the prevalence of standard employment relationships while the percentage of women increased, narrowing the gender gap. The percentage of men in their 40s in standard employment relationships fell from just under 80 percent to less than two-thirds. The number of women in this age cohort in standard employment relationships also fell, but by less, resulting in a narrowing of the gap between men and women. The findings in Table 4 indicate that as a result of the turmoil in labour markets associated with the financial crisis, the

lifetime employment patterns of middle-aged men and women have converged as middle-aged men found it difficult to replace their pre-crisis employment with similar jobs in the post-crisis labour market.

Table 4 is evidence that the “He-cession” may be having a lingering impact on labour markets and that the effect is most pronounced for middle-aged men, many of whom were no longer working in standard employment relationships. It further points to the erosion of the implicit contract related to the standard employment relationship that protected more senior workers from job loss. Supporting evidence of this shift can be found in the percentage of workers in different age grades reporting that they were provided with a pension by their employer. Prior to the financial crisis, more men in their 30s and 40s reported having a company pension plan than women. By November 2010, this was reversed, with more women in their 30s and 40s reporting having a pension plan. Most of this convergence reflects men losing their pension plans rather than women acquiring this benefit. The percentage of men in their 40s with a company pension plan fell from 57% in June 2005 to only 37% five years later. By November 2010, 43% of women in their 40s had some form of a company pension plan, down marginally from 47% in June 2005.

Changing Prevalence of Precarious Employment

The previous section indicated that the gendered distribution of standard employment relationships in the pre-financial crisis labour market has changed in the post-financial crisis labour market. Does this mean there was also a change in the distribution of precarious employment in the post-financial crisis economy? Precarious employment is defined as employment through a temporary employment agency or employed on a short-term contract lasting less than one year. There was a small increase in the prevalence of precarious employment for men and women in the post-financial crisis labour market. White and non-white workers had different pre- and post-recession experiences. White men were less likely to be in precarious employment in the post-recession period, while white women were more likely to be in a precarious employment relationship. Men from non-white racialized groups reported an increase in the prevalence of precarious employment, while the level of precarious employment was unchanged for women from non-white racialized groups. The most significant changes were reported by middle-aged men, for whom the incidence of precarious employment almost doubled in the post-financial crisis labour market. Prior to the crisis, women in their 30s were more likely to be in precarious employment than men. However, after the crisis there was no statistical difference in the prevalence of precarious employment for these two groups. The bulk of this convergence reflects more men in precarious employment rather than women finding other forms of employment.

TABLE 5
Individuals in Precarious Employment Relationships (%)

	Precarious employment relationship (2005/06) (n = 601)		Precarious employment relationship (2010/11) (n = 735)	
	Men	Women	Men	Women
Full sample	11.4	14.1	13.2	15.0
White	12.3	11.9	7.1	14.4***
Chinese	10.6	14.9	14.3	13.5
Other racialized groups	10.9	17.5	21.1	19.5
Age 20-29	18.2	19.8	15.9	21.7
Age 30-39	6.3	12.2*	11.2	10.1
Age 40-49	6.7	10.5	13.0	18.2
Age 50-59	15.4	14.6	13.0	11.6

* p < .10; ** p < .05; *** p < .01 (two-tailed test). Test for differences in male/female outcomes.

Evidence presented in this section indicates that the gendered effect of the post-financial crisis recovery of labour markets is not as straightforward as simply suggesting men were advantaged or disadvantaged or that the quality of employment in November 2010 was equivalent to that in June 2005. Men continued to be the most likely to remain in paid employment in the post-financial crisis labour market and young men were the most likely to report moving into more secure employment. However, while middle-aged men were successful in finding employment, it was only at the cost of accepting less secure precarious employment and employment that was less likely to have the characteristics of the standard employment relationship. Prior to the crisis, there were statistically significant differences in the prevalence of standard employment relationships and precarious employment between middle-aged men and women. In the post-financial crisis labour market, this was no longer true. The findings in this section do point to a convergence of the employment characteristics of men and women. The bulk of this convergence is a result of more men moving into less secure and more precarious employment and fewer having employment with the characteristics of the standard employment relationship.

Looking only at the prevalence of the standard employment relationship provides support for Tal's (2011) conclusion that the quality of employment by 2011 was about the same as before the financial crisis.¹¹ However, looking at the changing distribution of the standard employment relationship by sex, age and racial categories, a somewhat different picture emerges. The stability in the percentage of all men in standard employment relationships post-recession masks the increase in the number of young men in such positions and the decrease in the number of men in their 40s. A more detailed analysis suggests that a signifi-

cant number of middle-aged men were unable to find secure employment and resorted to short-term contracts or work through temporary employment agencies. This was particularly true for men from other racialized groups. The descriptions of post-financial crisis labour markets by Tal (2011) and Cross (2011) fail to uncover these inter-generational shifts. Our findings support other research that indicates that long-term permanent employment is becoming less prevalent, that seniority is less of a buffer against job loss, and that there has been further erosion in the prevalence of the standard employment relationship.

Changes in *Employment Relationship Uncertainty* between June 2005 and November 2010

In this section, the impact of the 2008 financial crisis on employment insecurity is explored with the help of indices developed as part of an earlier project exploring the impact of the employment relationship on health outcomes. The *Employment Relationship Uncertainty* index was designed to provide a comprehensive measure of the different elements of employment insecurity. It offers further insights into the impact of the recession on labour market outcomes. Analysis is limited to the 620 individuals who were not full-time students in either June 2005 or November 2010.

The *Employment Relationship Uncertainty* index combines 12 questions measuring uncertainty over future employment, uncertainty over future income and uncertainty over work schedules. The overall index can be disaggregated into three separate components. *Employment Fragility* (five questions) includes indicators of average contract length, whether workers work regular hours or only when called upon by their employer, whether workers receive a record of their pay and how often they are not paid, or paid incorrectly. *Earnings Uncertainty* (four questions) includes indicators of ability to anticipate future earnings, whether a worker is paid when sick or unable to work, and whether they are enrolled in a workplace pension plan. *Scheduling Uncertainty* (three questions) includes indicators of the amount of advanced notice that workers receive concerning work schedules and how this affects their ability to plan their work and non-work activities.¹² Indices were calculated on a scale of 0 to 100, with 100 representing high levels of *Employment Relationship Uncertainty*. The questions used to calculate the indices were asked in both June 2005 and November 2010.

Table 6 compares the pre- and post-financial crisis changes in the indices. Changes in *Employment Relationship Uncertainty* suggest that male workers under the age of 30 in November 2010 were in significantly more secure employment post-recession, while male workers age 40-49 in November 2010 were in significantly less secure employment. Pre- and post-crisis levels of *Employment Relationship Uncertainty* were relatively unchanged for women. Women under the age of 30 did report lower levels of uncertainty, but this was

statistically significant only at the 10% level. Changes in the three components of *Employment Relationship Uncertainty* provide a more detailed picture of how employment relationships were changed by the recession. Men under the age of 30 were the only ones to report significantly lower levels of *Employment Fragility*, suggesting this group of workers was relatively successful in finding jobs that could be described as permanent and stable. No other group made significant gains. Men and women under the age of 30 reported significant reductions in *Earnings Uncertainty*, while men 40-49 in November 2010 reported an increase in *Earnings Uncertainty* that was statistically significant only at the 10% level. Women aged 40-49 reported a significant increase in *Scheduling Uncertainty*.

The findings for young workers are not surprising. One would anticipate that young workers close to the start of their working careers would have moved into more secure employment as they moved five years further along their lifetime career paths. That young men appear to have made more progress than young women suggests that, while men may have borne the brunt of lay-offs during the recession, young men continued to be more successful than any other group in finding more secure employment. The findings for other participants in the study are more surprising. Men and women between the ages of 30-39, and still at the early stages of their lifetime careers, made no progress at all in finding more secure employment. Men who were between the ages of 40-49 reported higher overall *Employment Relationship Uncertainty*, driven in part by higher levels of *Earnings Uncertainty*. The post-recession recovery appears to have benefited young men, but had a negative impact on mid-career men. Mid-career women reported about the same levels of employment insecurity before and after the recession.

These findings confirm the previous conclusions that post-financial crisis employment characteristics have changed for middle-aged workers. It supports the thesis that there has been a further decline in the prevalence of the standard employment relationship and that seniority did not protect workers in their 40s from the negative effects of the economic downturn.

TABLE 6

Change in Employment Relationship Indices between June 2005 and November 2010 (#)

Age 2010/11	Employment Relationship Uncertainty		Employment Fragility		Earnings Uncertainty		Scheduling Uncertainty	
	Male	Female	Male	Female	Male	Female	Male	Female
Age < 30	-14.6***	-6.3*	-11.0***	-1.2	-25.2***	-18.8**	-6.5	1.8
30-39	-2.7	-0.9	-2.6	1.2	-5.2	-3.2	1.5	-1.4
40-49	3.9**	2.0	2.5	0.9	5.0*	1.0	4.3	5.1**
50-59	1.3	2.3	-0.4	1.8	1.4	0.3	3.1	3.4

* p < .10; ** p < .05; *** p < .01 (two-tailed test). Tests indicate if the change in an index over the period is different from zero.

Discussion

This paper had two objectives. The first was to assess whether the post-financial crisis recovery in employment had the characteristics of a “She-covery.” Speculation is that the severity of male job loss during 2008 and 2009 may have a lasting effect on gendered employment outcomes. The second objective was to assess if post-financial crisis employment had different characteristics than pre-financial crisis employment and, in particular, if employment was becoming less secure and more precarious.

Has there been a “She-covery” and has the financial crisis had a lingering gendered impact on labour market outcomes? The findings in this paper suggest that this has been the case; however, the nature of this effect is not as simple as women finding more secure, better paying employment, or men being forced into less secure employment. For the sample as a whole, men were marginally more likely than women to be employed for pay. Young men were more successful in finding more secure employment. Middle-aged men were the most likely to remain in paid employment in the post-financial crisis labour market, but at the cost of accepting less secure employment and employment that was less likely to have the characteristics of the standard employment relationship.

By November 2010, fewer men between the ages of 30 and 49 were in standard employment relationships and more were in precarious employment. For women aged 30 to 39, the trend was the opposite: more were in standard employment relationships in November 2010 and fewer reported being in precarious employment. Women in their 40s experienced a significant increase in precarious employment and a decrease in standard employment relationships. By November 2010, more men in their 30s were in precarious employment than women in that age bracket. This is a major shift from June 2005 when men in their 30s were half as likely as women to report being in precarious employment. The more detailed evaluation of changes in the characteristics of employment post-crisis also points to the gains made by young workers, especially young men, in finding employment that was more secure. Conversely, men in their 40s found that continued employment in the post-crisis labour market was associated with higher levels of *Employment Relationship Uncertainty*.

Has there been a fraying of the implicit employment protections associated with the standard employment relationship that has benefited many men in the post-World War II labour market? Other than young workers, and in particular young male workers, all of the indicators point to employment being less secure, less likely to have the characteristics of the standard employment relationship, and more likely to be precarious. The findings suggest that tenure has provided only limited protection to middle-aged workers, and that employment is becoming less secure as early as age 30, well before we would expect any end of career

effect in employment security. Such a finding adds weight to the argument that the prevalence of lifetime employment is eroding. In our sample, workers between the ages of 30 and 49, and in particular men in those age brackets, appear to have borne the brunt of the post-crisis labour market adjustment.

Overall, these findings suggest that the post-financial crisis labour market does have different characteristics than the pre-financial crisis market. Such a finding is consistent with other research that suggests that workers are less likely to be engaged in lifetime employment and that seniority has become less of a buffer against unexpected job loss. It offers evidence to support the thesis that the implicit contract associated with the standard employment relationship has, in fact, frayed. While men appear to enjoy a substantial advantage over women in the early stages of their careers, these advantages are not sustained over their working careers and, by the time men and women reach their 40s, holding on to secure employment with generous benefits is becoming more difficult for both men and women. The old employment model of lifetime employment for men, and greater access to employment that paid a family wage, is becoming less prevalent. To some extent, this is a function of women doing better in labour markets, but it also appears to be a product of middle-aged men doing worse. Such a finding calls for a review of many of our social policies that reflect an earlier period when workers, particularly male workers, could anticipate some employment security following an initial apprenticeship in the labour market. Individuals in their 40s are likely to continue to have major commitments to children and mortgages to pay, while at the same time, facing more precarious employment. This has serious implications for the welfare of households and families. The evidence in this paper suggests that it is not rising interest rates that will destabilize many households, but rather the growing precarity of mid-career employment.

Notes

- 1 Research from the first round of this project, based on data collected in June 2005, found surprisingly few differences in male/female rates of insecurity and employment instability (Lewchuk, Clarke and de Wolff, 2011).
- 2 Personal communication Sara Mayo, Social Planning and Research Council of Hamilton, June 2011.
- 3 The sample was drawn from 60 Toronto census tracts representing 145,109 households with at least one individual in paid employment. All households received a multilingual postcard inviting all members of the household over the age of 18 who had worked in the previous month to participate. Participants were offered \$10 for completing the survey. Surveys were available in English, Chinese and Tamil. Posters were posted in public spaces in the targeted areas to encourage more individuals to participate. Those who completed the survey were asked to distribute additional postcards to people they thought might be interested in completing the survey. For details on the sampling strategy, see Lewchuk, Clarke and de Wolff (2008, 2011).

- 4 Compared to the 2006 census data, the first round sample is marginally over-represented in employed women (51.0 versus 47.1 percent) and has marginally more individuals who had completed college or university (63.0 versus 55.4 percent). It has fewer individuals working more than 30 hours (72.9 versus 83.8 percent). The percentage of part-time workers is 16.2 versus 15.5 percent, and median individual incomes is 30,653 versus 30,013.
- 5 Males made up 46.5% of the June 2005 sample and 46.5% of the November 2010 sample. In June 2005, 38.5% were white compared to 38.7% in November 2010. In June 2005, the average age was 35.0 and in November 2010 the average June 2005 age was 36.8.
- 6 Individuals were identified in a standard employment relationship if they answered yes to the following question: "In the last month, have you had permanent, full-time paid employment? (that is, one employer provides you with over 30 hours of work a week, pays you benefits, and you expect to be employed by them at least one year from now)."
- 7 Individuals were identified in a precarious employment relationship if they indicated they were currently employed in a temporary or short-term contract, or if they indicated that half or more of their paid hours of work were found through a temporary employment agency.
- 8 Individuals not in paid employment include both the unemployed plus those who had withdrawn from the labour market. Individuals who had withdrawn from the labour market to attend school full-time were not included in this table.
- 9 48 individuals indicated they were full-time students in November 2010. Three-quarters of this group were also students in June 2005.
- 10 In 2009 3.1% of all births in Canada were to women 40 or older. Statistics Canada, *Births 2009* <<http://www.statcan.gc.ca/pub/84f0210x/2009000/t003-eng.pdf>>.
- 11 There is one qualification to the above: everyone in the November 2010 sample was at least five years beyond his or her first job, having been employed in June 2005. New labour market entrants were not included over the five-year period. Had new labour market entrants been included in the 2010 sample, there would have been more young low seniority individuals in the study, a group less likely to be in a standard employment relationship. In 2005, the percentage of workers under 30 years old in a standard employment relationship was less than half that of older workers. Had new entrants been included in the 2010 sample, the percentage of participants in a standard employment relationship would almost certainly have been lower.
- 12 Cronbach's alphas were calculated for all the indexes. *Employment Relationship Uncertainty*: 0.804; *Employment Fragility*: 0.644; *Earnings Uncertainty*: 0.599; *Scheduling Uncertainty*: 0.899. Details of the survey methodology and the construction of the indices can be found in Lewchuk, Clarke and de Wolff (2008).

Bibliography

- Armstrong, Pat. 1996. "The Feminization of the Workforce: Harmonizing Down in a Global Economy." *Rethinking Restructuring: Gender and Change in Canada*. Isabella Bakker, ed. Toronto: University of Toronto Press, 29-54.
- Beckman, Kip. 2011. The "He-Cession." ConferenceBoard of Canada. <[http://www.conferenceboard.ca/economics/hot_eco_topics/default/11-04-15/the_\"he-cession\".aspx](http://www.conferenceboard.ca/economics/hot_eco_topics/default/11-04-15/the_\)>.
- Cappelli, Peter. 1999. *The New Deal at Work: Managing the Market-Driven Workforce*. Boston: Harvard University Press.

- Carnoy, Martin. 2000. *Sustaining the New Economy: Work, Family, and Community in the Information Age*. Boston: Harvard University Press.
- Castells, Manuel. 2010. *The Rise of the Network Society*. 2nd ed. Oxford: Wiley-Blackwell.
- Chen, Wen-Hao and René Morissette. 2010. "Have Employment Patterns of Older Displaced Workers Improved Since the Late 1970s?" Canadian Labour Market and Skills Researcher Network, Working Paper 61. <<http://www.clsrn.econ.ubc.ca/workingpapers/CLSRN%20Working%20Paper%20no.%2061%20-%20Chen%20and%20Morissette.pdf>>.
- Cross, Philip. 2011. *Canadian Economic Observer*. January 2011 (Cat. 11-010-X, Vol. 24, No. 1), Statistics Canada. <<http://www.statcan.gc.ca/pub/11-010-x/11-010-x2011001-eng.htm>>.
- EFILWC (European Foundation for the Improvement of Living and Working Conditions). 2009. *European Restructuring Monitor, Report 2009, Restructuring in Recession*. Luxembourg: Office for Official Publications of the European Communities.
- Faludi, Susan. 1999. *Stiffed: The Betrayal of the American Man*. New York: Harper Collins Publishers.
- Farber, Henry S. 2008. "Short(er) Shrift: The Decline in Work Firm Attachment in the United States." *Laid Off, Laid Low: Political and Economic Consequences of Employment Insecurity*. Katherine S. Newman, ed. New York: Columbia University Press, 10-37.
- Galarneau, Diane. 2010. "Temporary Employment in the Downturn." *Perspectives*. Statistics Canada, 1-17. <<http://www.statcan.gc.ca/pub/75-001-x/2010111/pdf/11371-eng.pdf>>.
- Hallock, Kevin F. 2009. "Job Loss and the Fraying of the Implicit Employment Contract." *Journal of Economic Perspectives*, 23 (4), 69–93.
- Hennessy, Trish and Armine Yalnizyan. "2009: Canada's He-cession." *Behind the Numbers*. Ottawa: Canadian Center for Policy Alternatives.
- Hymowitz, Kay S. 2011. *Manning Up: How the Rise of Women has Turned Men into Boys*. New York: Basic Books.
- Kalleberg, Arne L. 2011. *Good Jobs, Bad Jobs: The Rise of Precarious Employment in the United States 1970s-2000s*. New York: Russell Sage Foundation.
- Korkki, Phyllis. 2011. "The Changing Value of Workplace Loyalty." *Globe and Mail*, April 27, B18.
- Lewchuk, Wayne, Marlea Clarke and Alice de Wolff. 2008. "Working Without Commitments: Precarious Employment and Health." *Work, Employment and Society*, 22, 387-406.
- Lewchuk, Wayne, Marlea Clarke and Alice de Wolff. 2011. *Working Without Commitments: Precarious Employment and Health*. Montreal: McGill Queen's University Press.
- Proudfoot, Shannon. 2011. *He-cession Robbing Men of Jobs, Manhood*. June 7, <<http://www.windsorstar.com/business/cession+robbing+jobs+manhood/3122654/story.html>> (downloaded May 10, 2011).
- Salami, Reihan. 2009. "The Death of Macho." *Foreign Policy*, July/August.
- Secombe, Wally. 1993. *Weathering the Storm: Working-class Families from the Industrial Revolution to the Fertility Decline*. London: Verso.
- Statistics Canada. 2011. *Women in Canada: A Gender-based Statistical Report*. 6th ed. Ottawa: Statistics Canada, <<http://www.statcan.gc.ca/pub/89-503-x/89-503-x2010001-eng.htm>>.

- Tal, Benjamin. 2011. *More and Better Jobs: Canadian Employment Quality Index, May 2011*. Toronto: CIBC, <http://research.cibcwm.com/economic_public/download/eqi-cda-20110509.pdf> (downloaded May 11, 2011).
- Valletta, Robert G. 1999. "Declining Job Security." *Journal of Labor Economics*, 17 (4, part 2), S170–S197.
- Valletta, Robert G. 2007. "Anxious Workers, Federal Reserve Bank of San Francisco." *Economic Letter*, 13, 1-3.
- Vosko, Leah. 2000. *Temporary Work: The Gendered Rise of a Precarious Employment Relationship*. Toronto: University of Toronto Press.

SUMMARY

Has There Been a She-covery? The Financial Crisis of 2008 and Its Impact on the Ontario Labour Market

The labour market turmoil associated with the financial crisis that began in late 2008 provides an opportunity to test the effect of the feminization of labour markets on how modern labour markets function in times of crisis (Armstrong, 1996; Vosko, 2000; Korkki, 2011). This paper will focus on two related questions. The first is whether men and women had different experiences as labour markets began to recover in November 2010. The second is whether the standard employment contract, that implies that workers with more seniority will be offered a degree of employment security in exchange for loyalty to a company, has frayed.

These questions are explored by comparing the pre- and post-financial crisis labour market outcomes of 791 individuals employed in an area centred on Toronto and bounded by Hamilton in the west and Oshawa in the east. Evidence is presented on changes in having paid employment, the degree of employment security, the form of the employment relationship, and the characteristics of the employment relationship. Study participants completed a detailed survey describing their employment in June 2005 and again in November 2010. The paper assesses the accuracy of reports that suggest that the quality of employment had returned to pre-financial crisis levels by the spring of 2011 (Tal, 2011; Cross, 2011).

The findings suggest there has been a gendered dimension to the post-financial crisis recovery in labour markets. However, the nature of this effect is not as simple as women finding more secure, better paying employment, or men being forced into less secure employment. For the sample as a whole, men were marginally more likely than women to be in paid employment. Young men were the most successful in finding more secure employment. Middle-aged men were the most likely to remain in paid employment in the post-financial crisis labour market, but at the cost of accepting less secure employment and employment that was less likely to have the characteristics of the standard employment relationship.

KEYWORDS: labour markets, precarious employment, financial crisis, standard employment relationship, male breadwinner

RÉSUMÉ

Peut-on parler de reprise au féminin ? La crise financière de 2008 et son impact sur le marché du travail ontarien

Le bouleversement observé sur le marché du travail associé à la crise financière qui débuta fin 2008 offre une occasion de tester l'effet de la féminisation des marchés du travail sur le fonctionnement des marchés du travail contemporains en période de crise (Armstrong, 1996; Vosko, 2000; Korkki, 2011). Ce texte se concentre sur deux questions interreliées. La première est de savoir si les hommes et les femmes ont connu des expériences différentes à mesure que la situation sur les marchés du travail commençait à se redresser en 2010/2011. La seconde est de savoir si la forme traditionnelle de la relation d'emploi, laquelle implique que les travailleurs avec plus d'ancienneté se voient offrir une certaine sécurité d'emploi en échange de leur loyauté envers l'entreprise, s'est effritée.

Ces questions sont examinées en comparant les situations sur le marché du travail de 791 personnes, employées dans une aire géographique dont le centre est Toronto et ceinturée par Hamilton à l'ouest et Oshawa à l'est, avant et après la crise financière. Les observations portent sur les changements en matière d'emploi rémunéré, le degré de sécurité d'emploi, la forme et les caractéristiques de la relation d'emploi. Les participants ont eu à compléter un questionnaire détaillé décrivant leur emploi en juin 2005 et de nouveau en novembre 2010. L'étude cherche à évaluer la justesse de rapports suggérant que la qualité de l'emploi était revenu à des niveaux pré-crise financière au printemps 2011 (Tal, 2011; Cross, 2011).

Les résultats suggèrent la présence d'une dimension touchant à l'inégalité entre les hommes et les femmes à la reprise des marchés du travail après la crise financière. Toutefois, la nature de cet aspect n'est pas aussi simple que si les femmes se retrouvaient dans les emplois avec plus de sécurité et mieux payés ou que les hommes se voyaient contraints d'accepter des emplois avec moins de sécurité. Pour l'ensemble de l'échantillon, les hommes étaient marginalement plus susceptibles que les femmes de se retrouver dans un emploi rémunéré. Les hommes jeunes affichaient les meilleures chances de trouver un emploi comportant plus de sécurité. De leur côté, les hommes d'âge moyen étaient les plus susceptibles de demeurer dans un emploi rémunéré mais au prix d'une moins grande sécurité d'emploi et de caractéristiques d'emploi s'éloignant de la relation d'emploi traditionnelle.

MOTS-CLÉS : marchés du travail, emploi précaire, crise financière, relation d'emploi traditionnelle, soutien de famille masculin

RESUMEN

¿Recuperación con rasgo femenino? La crisis financiera de 2008 y su impacto en el mercado laboral de Ontario

La conmoción del mercado laboral asociada a la crisis financiera que comenzó a finales de 2008 ofrece una oportunidad para evaluar el efecto de la feminización de los mercados de trabajo sobre el funcionamiento de los mercados de trabajo contemporáneos en periodo de crisis (Armstrong, 1996; Vosko, 2000; Korkki, 2011). Este texto se focaliza en dos cuestiones vinculadas. La primera es de saber si hombres y mujeres han vivido experiencias diferentes a medida que la situación de los mercados de trabajo comenzaba a recuperarse en 2010/2011. La segunda es de saber si la forma tradicional del contrato de empleo, que implicaba que los trabajadores con mayor antigüedad contaban con un grado de seguridad de empleo a cambio de su lealtad a la compañía, se ha desmoronado.

Estas cuestiones son exploradas comparando las situaciones en el mercado de trabajo de 791 personas, empleados en una área geográfica cuyo centro es Toronto y rodeada por Hamilton al oeste y Oshawa al este, antes y después de la crisis financiera. Las observaciones muestran los cambios en materia de empleo remunerado, el grado de seguridad de empleo, la forma y las características de la relación de empleo. Los participantes completaron un cuestionario detallado que describe su empleo en junio 2005 y de nuevo en noviembre 2010. El estudio evalúa la exactitud de los informes que sugieren que la calidad del empleo ha regresado a los niveles pre-crisis financiera en la primavera de 2011 (Tal, 2011; Cross, 2011).

Los resultados sugieren la presencia de una dimensión de género en el periodo de recuperación post-crisis financiera de los mercados de trabajo. Sin embargo, la naturaleza de este efecto no es tan simple como suponer que las mujeres encuentren empleos más seguros y mejor pagados o que los hombres se vean forzados a ocupar empleos menos seguros. Por el conjunto de la muestra, los hombres fueron marginalmente más susceptibles que las mujeres a obtener empleos remunerados. Los hombres jóvenes tuvieron más éxito a encontrar empleos más seguros. Los hombres de edad mediana fueron más susceptibles de mantener un empleo remunerado en el mercado de trabajo después de la crisis financiera pero en contrapartida de aceptar un empleo menos seguro y cuyas características son menos susceptibles de aparentarse de la relación clásica de empleo.

PALABRAS CLAVES: mercados de trabajo, empleo precario, crisis financiera, relación de empleo, comportamiento masculino