



**EMPLOYMENT SECURITY AND INSECURITY AS A
DETERMINANT OF HEALTH**

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**Canada Research Chair on the Socio-Organizational Challenges of the
Knowledge Economy**

**by
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Employment Security And Insecurity As A Determinant Of Health

The Current Situation

The knowledge economy reflects a key transformation of the labour market, especially with respect to employability, job diversification, employment security and careers. In the resource-dependent regions of Canada where the percentage of people without university education is especially high, unemployment is higher and long periods of unemployment are more frequent. Many workers end up excluded from employment insurance programs. Furthermore, available jobs are often precarious and poorly paid, which leads to lower benefits.

Careers are increasingly fragmented, with individuals being involved in a growing number of jobs, projects and businesses over the course of their working lives. (Beck, 1992; CST, 1998, a,b). New “nomadic” careers are the opposite of traditional careers wherein one moves up the ladder in large hierarchical companies and institutions. Nomadic workers change employers frequently by developing the skills they need to migrate within a company or profession, and increasingly outside to self-employment. Nomadic careers can be viewed as precarious or unstable, depending on the context. In high technology sectors and for people with a strong resume, mobility may be beneficial. It is generally less positive, however, for individuals who are not highly skilled.

Only half of all working Canadians have a single, full-time job that has lasted six months or more (Lowe, 1999; Tremblay, 2001). The current Canadian labour force includes:

- 16 % self-employed workers
- 10 % temporary workers
- 11 % regular part-time workers
- 6 % employed in their current job for less than six months
- 2 % employed in more than one job.

Women in Canada are more likely than men to be unemployed and underemployed, and to face job insecurity. In 2001, women’s participation rate was 59.7%, while the rate for men was 72.5%. The gap between women and men is further accentuated if the variables of marital status, sex and age are taken into account. The highest participation rate for women is among single women aged 25 to 44. Between 1976 and 2001, the largest growth of women’s workforce participation in Quebec occurred among women whose youngest child was in the 3 to 5 year-old range (an increase of 42.9%), while across Canada, the highest rise was found among women whose youngest child was under 3 years of age (an increase of 33.8%).

The diversification of the labour force in types of employment over the last decades has especially affected women. In Quebec, based on data from 2000, 59.6% of women aged 15 to 64 worked in a typical job (full-time wage work), while 67.3% of men of comparable age had this type of employment. With respect to atypical forms of work, 16% of women worked part-time, while only 4.8% of men do so. The number of women engaged in full-time self-employment was only slightly more than half the number of men thus employed (7.9% versus 15.5%).

Factors that Affect the Issue

In the past, the standard-bearer for job security was the male industrial worker, with a full-time, unionized job. He had protection and a stable, permanent job. Any interruptions in his employment were covered by unemployment insurance, which protected the family income. Today, this worker hardly exists. We have entered the age of flexibility. This has led to a range of new employment states and periods of unemployment (Tremblay, 1990, 1997). It also entails variable intensities of employment, including part-time, casual and contract work. The types of work and levels of income are variable, and are leading to a review of the traditional definitions of the various groups within the labour force (Standing, 2000:2; Tremblay, 1997).

In the current economic environment, companies are in an endless search for improved competitiveness and productivity, which often results in demands for flexibility, diversified types of employment, changed work shifts, and ultimately, insecurity. Globalization and the international division of labour have contributed to the displacement of investment and jobs toward developing countries, which increases feelings of job insecurity.

Slow growth in the '70s, which resulted in workforce rationalization and layoffs, long-term unemployment, also led to a reduction in the unemployment insurance benefits offered to jobless people. Today, only about one of every two workers is eligible for employment insurance,

The effects of participating in a job market entry program vary according to the philosophy and values behind it. Scandinavia provides active support for entry into regular employment. Participants are valued and usually end up in a steady job. The Scandinavian countries also support integration into work through job training programs, work time adjustment measures, family-friendly policies and longer family leaves (Tremblay and Rolland, 1998; Tremblay and Villeneuve, 1998). All these policies influence the overall labour market, the chances of finding work, and, accordingly, the subjective assessment of the effects of taking part in a publicly-funded job program.

In contrast, in North America, there is more emphasis on palliative and passive measures such as workfare. There are few alternate work schedule arrangements and little informational support, although the situation in Quebec improved slightly with the requirement that companies spend 1% of payroll on training. Family-supportive policies are minimal in English-speaking Canada (although the Federal government enacted a parental leave policy), but slightly more developed in Quebec, where parents pay \$5 per day per child for childcare. We are still far from the Scandinavian standard. (Tremblay and Villeneuve, 1998).

Political ideology and theory also influences how unemployment is viewed. In the United States, an unemployed person is considered to be responsible for his or her condition. The state sees little need to intervene, since the market should allow them to overcome their unemployment, if it is working well. In the U.S. there are the "deserving" poor (disabled persons) and the undeserving poor (those who are responsible for their own condition). In Scandinavia the accent is on life-long professional development, labour force integration, and the participation of civil society (associations, third-sector, social economy) in strategies for integration (Tremblay, 2002). In France, at least in theory, there is greater emphasis on integration and collective solidarity than on simple compensation benefits for unemployed workers. However, there is a shared view among a number of researchers that France's minimum integration income, supposedly different from workfare, has had only a qualified success (Paugam, 1994). There appears to be a gap between the objectives and philosophy



Employment Security And Insecurity As A Determinant Of Health

and the reality. Those who gained the most from the program were those who needed it the least, while at the same time the program was unable to help those with less formal education or lower skill levels escape their dependence (Paugam, 1994; Chapon, Euzéby, 2002).

Ideology also influences policy formulation related to gender. Scandinavian policies are based on equality between men and women. They favour women's labour force participation and men's role in parenting, and consider women as autonomous rather than as a husband's dependant (Tremblay and Villeneuve, 1998). Germany supports men whose wives remain at home; the Netherlands and France promote women's part-time work and temporary withdrawal from the labour force for the purpose of maternity (Tremblay and Villeneuve, 1998). Countries with a liberal or laissez-faire approach require women to integrate into the labour force (workfare), without providing proper wages or working conditions or measures to help with work and family balance (Tremblay, 2002).

We suggest that the Scandinavian model best allows for the economic and job security of individuals. The U.S. and Anglo-Saxon model is based on liberal ideology, which believes that markets can assume the regulatory role and that the free movement of goods around the world is a source of growth and security. Unfortunately, while this model achieves a certain level of economic security, it does not apply to everyone, and certainly does not apply to American women excluded from the labour market or those who earn low wages. However, over the years, the American model has been applied more and more round the world, despite some resistance and opposition. This model may endanger the very objective of economic security, especially for women, given the prevailing standards and conditions (unequal wages, discrimination, family responsibilities imposed on women, sole support parents, etc.) (Tremblay, 2002).

Job insecurity as a subjective issue

Employment or job insecurity is largely subjective; something an individual feels given his or her job situation and the overall economic situation. Job insecurity can thus be considered a symptom of income insecurity and insecurity about the labour market in general (Tremblay, 2002).

There are both objective and subjective measures of employment security and insecurity, although the validity and relevance of traditional objective measures in today's knowledge economy and changed labour market is questionable. For example, the unemployment rate no longer offers a correct measurement of the true supply of labour or insecurity. Measuring categories of unemployed people and inactive members of the labour force is too simplistic for an analysis of the reality of self-employment or the new diversity of employment status (casual, temporary, reduced-time, part-time, etc.). Voluntary work, caregiving and parenting are increasingly recognized as legitimate, which raises further issues about the distinction between work and non-work, and perceptions of security and insecurity.

Subjective measures may relate to the feelings that one's permanence in employment is guaranteed by the company, as in Japan (Tremblay and Rolland, 1998) or by society, such as in Sweden (Tremblay and Rolland, 1998). The following measures are of particular interest: the likelihood of losing one's job, the likelihood of finding another, the value of the current job, and the value of the future job or period of unemployment (Dasgupta, 2001:9).

Insecurity is related to the perception of risk. In theory, manual or manufacturing jobs should be associated with greater perceived insecurity, but in fact, the feeling of insecurity rises in countries with higher levels of education (OECD, 1997). Perceived insecurity does



Employment Security And Insecurity As A Determinant Of Health

not appear very differentiated by sex, possibly because women, who are more highly represented in part-time and precarious jobs than men, have lower expectations of security and stability (Standing 1999; Tremblay and Chevrier, 2002a). There is also individual security; a person's curriculum vitae, skills, and union membership can provide a feeling of personal security (Standing, 1999:37).

Effects of Job Security and Insecurity on Health and Business

Precarious employment is a source of stress due to a lack of income and meaningful work, uncertain prospects for the future, and its potential to undermine social support networks (World Health Organization, 1999).

Job security is considered important for the well-being of workers and their families, as well as being seen as favouring macro-economic stability (Bellemare and Poulin Simon, 1986). Stable employment has both financial and non-financial advantages, including participation in social life, self-esteem, and personal development. Job security is a source of loyalty, commitment and increased motivation (Tremblay and Rolland, 1998) and can therefore be seen as positive for business, as it favours productivity and innovation (Tremblay, 2001a).

Implications for Policy, Practice and Research

Policy-makers need to consider the full range of types of work, including self-employed, part-time and contract employment. To reduce insecurity directly, one can try to ensure either greater job security or greater coverage of costs (benefits). While the latter approach does not reduce insecurity at its source, increased benefit coverage does make insecurity easier to bear. Insecurity can also be reduced indirectly, by attacking its causes. (Standing, 1999:183)

This means addressing the social situations in which Canadians live. Social policies can be used as a source of redistribution, not just of income, but also of societal roles (Tremblay and Villeneuve, 1998). This could give every person the chance to participate in both spheres, both the workplace and the family (Vielle, 2002).

- Proper measures to help balance work and parenting roles, high quality jobs and pay equity measures encourage women's participation in the labour force (Tremblay, 2001, 2002b, c). Without such measures, women remain trapped within the family and continue to be their husbands' dependants.
- Incentive measures such as offering two months of parenting leave only for fathers (as is the case in Sweden) encourages the participation of fathers in parenting and family responsibilities (including caring for ageing or ill parents) (Tremblay and Villeneuve, 1998). The extension of parental leave in Canada and the opportunity to share such leave between spouses is not enough to increase the participation of fathers, especially given that women generally earn only 70 % of what men make.
- When one parent chooses to stay at home with children or serves as a sole support parent, social security measures should be provided to the dependent person to ensure a degree of autonomy in decision-making. Provision should be made to cover all forms of risks, including the risk of withdrawal from the labour force, loss of a job, illness, and unemployment. Finally, there should be a broad definition of close dependants (Vielle, 2002). Otherwise, there is a risk that women will withdraw from the labour force in order to care for close family, without formal recognition of this



Employment Security And Insecurity As A Determinant Of Health

responsibility. Currently such withdrawal puts the rest of their working lives in peril, and some find themselves permanently excluded from the paid labour force. Financial autonomy of persons with a disability or who are otherwise dependent also needs to be ensured.

The health sector has a supportive role to play in helping employers and employees find a mutual win-win situation between the needs for flexibility and job security. The health sector can also improve job security by supporting broad social policy reform, including the provision of a national daycare program and increased access to publicly funded help with the care of older people. Lastly, as a large employer, the health sector can lead by example by implementing workplace policies for healthcare workers that support training, gender equity and job security, as well as mechanisms to support family-work balance, such as working time flexibility or reduction (Tremblay 2002; Tremblay and Amherdt, 2000, Tremblay and Vaillancourt, 2002).

Research priorities include:

- Updating definitions and measurements of employment and unemployment, job security and insecurity and employment categories in light of changes to labour market brought on by the knowledge economy.
- Updating research on measures offered (or not) by Canadian businesses with regards to work-family balancing and their impact on stress reduction and satisfaction in work-life issues.

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Employment Security And Insecurity As A Determinant Of Health

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