

Involuntary part-timers

Nathalie Noreau

Many people choose to work part time for personal, family or other reasons. Part-time employment can also benefit employers, by providing some flexibility during slack periods. Since 1975, the number of part-time workers has more than doubled from 988,000 to 2.1 million in 1993 (from 11% to 17% of total employment).

But while some people want to work part time, others are forced to do so because they are unable to find full-time jobs. The latter are "involuntary" part-time workers (see [Data source and definitions](#)). In 1993, involuntary part-timers numbered 760,000 and represented 35% of all part-time workers. These figures marked a substantial increase from 1975 when involuntary part-timers totalled 109,000 and accounted for 11% of all part-time employment. However, this was not a steady increase, as involuntary part-time employment tends to rise during recessions and decline in periods of recovery.

This article examines trends in involuntary part-time employment in relation to business cycles since 1980. It also discusses the characteristics of workers affected by this phenomenon during the two recessions that the period encompasses. The growth of involuntary part-time employment and its association with underemployment reflect the widening discrepancy between the work hours offered by employers and the preferences of workers.

Effect of the business cycle

Involuntary part-time employment tends to follow the business cycle. When economic growth is weak, or in times of recession, the number of full-time jobs generally decreases, while involuntary part-time employment increases. Faced with the prospect of unemployment, workers often have no choice but to accept part-time positions, even when they would prefer full-time work.

For example, during the 1981-82 recession, the number of involuntary part-time workers grew by 111,000, while full-time employment declined (see [Replacing full-time?](#)). And between 1982 and 1985, despite the economic recovery and a general improvement in the employment situation, an additional

131,000 people became involuntary part-timers. It was not until 1986 that the number of involuntary part-timers began to decline. [\(2\)](#)

However, the decline was short-lived. In 1990, with the beginning of the second recession, the number of involuntary part-time workers started to rise: a small increase of 13,000. This was followed by substantial jumps of 129,000 in 1991 and 107,000 in 1992, again accompanied by a decline in the number employed full time. In 1993, the growth of involuntary part-time employment eased to 92,000.

Thus, although the rate of increase of involuntary part-timers was steeper between 1981 and 1982 than between 1990 and 1991 (41% versus 30%), in actual numbers, the second recession surpassed the first ([Table 1](#)).



Table 1 Work arrangements and involuntary part-time employment rate

Source: *Labour Force Survey*

Unemployment and underemployment

The unemployment rate is the most common measure of the state of the labour market. As well, unemployment and the rate of involuntary part-time work (involuntary part-timers as a proportion of all part-time workers) tend to move in tandem. Consequently, as unemployment falls with economic recovery, a corresponding downturn may also be expected in involuntary part-time employment.

And indeed, both indicators did decline during the expansion years between 1983 and 1989. However, while the unemployment rate fell back to its pre-recession level, the involuntary part-time employment rate remained well above what it had been in 1980 ([Chart A](#)). Therefore, despite the overall improvement in the employment situation, the involuntary part-time rate revealed persistent underemployment - a phenomenon that the unemployment rate conceals ([Devereaux](#), 1992). [\(3\)](#)



Chart A Despite the “boom” of the mid-1980s, involuntary part-time work did not fall as much as unemployment.

Source: *Labour Force Survey*

Most involuntary part-timers are women

Throughout the 1980 to 1993 period, women constituted the majority of involuntary part-timers. By 1993, a total of 510,000 women were involuntary part-time workers, more than double the number of men (250,000). However, the proportion of men among involuntary part-timers increased in the recessions and declined during the recovery. In both 1984 and 1993, men made up about a third of involuntary part-time workers; by contrast, at the peak of the expansion period, in 1989, the proportion fell as low as 28%).

And while most involuntary part-timers are women, the rate of involuntary part-time work (involuntary part-timers as a proportion of all part-time workers in a specific group) is higher among men. This is because the few men who work part time are more likely than their female counterparts to do so involuntarily.

As well, the men's rate is more sensitive than women's to the business cycle, rising sharply in recessions and declining substantially as the economy recovers. In 1984 and 1985, the involuntary part-time rate for men was 33%, compared with 29% for women; the continuing expansion brought both rates down to 22% in 1989. But 1993, the percentage of male part-timers who were involuntary was 38%, whereas the figure for women was 34%.

Rates vary by age

By far, the highest rates of involuntary part-time employment occurs among men aged 25 to 44 ([Chart B](#)). Their rate peaked at 69% in 1985 and then declined steeply to 55% in 1989. Nonetheless, the 1989 figure was well above the pre-recession level. Moreover, by 1993, the rate had regained its 1985 peak. This high rate and the sharp increases and declines are largely a reflection of the small number of 25 to 44 year-old men who work part time. Thus, relatively few male involuntary part-timers can yield a high rate, and minor changes in their numbers can produce major fluctuations.



Chart B

For both men and women, the rate of involuntary part-time work* is highest among those aged 25 to 44.

Source:

Labour Force Survey

*

Involuntary part-time work as a proportion of total part-time work.

Younger and older men who work part time are much less likely to do so involuntarily than are 25 to 44 year-olds. And since 1980, trends in the rates of involuntary part-time work have differed for men aged 15 to 24, compared with those 45 and older. Among the youngest group, the 1993 rate was lower than that of the first recession. By contrast, among the older workers, the 1993 rate substantially surpassed the previous peak (38% versus 27%). As a result, in 1993, male part-time workers aged 45 and over were more likely than those aged 15 to 24 to be involuntary part-timers. The low rate among young men may reflect the fact that they are staying in school longer because of scarce employment opportunities in the past few years ([Akyeampong](#), 1992).

Among women aged 25 and over who worked part time, the 1993 involuntary rate was much higher than the previous peak. The rate among those aged 25 to 44 was 40% in 1993, compared with 30% for the earlier recession. At age 45 and over, the corresponding figures were 32% and 22%.

While 25 to 44 year-old women were much less likely than men in this age range to be involuntary part-timers, this was not the case at older and younger ages. At age 45 and over, women's rate of involuntary part-time employment was only slightly lower than that of men. And at ages 15 to 24, women working part time were more likely than men to do so involuntarily. However, the trends that prevailed for male involuntary part-timers in this age range also applied to women: the 1993 level was below that of the previous recession, probably as a result of rising school enrolment.

Industry

Variations in rates of involuntary part-time work by industry are, to some extent, attributable to the characteristics of workers and the nature of jobs in different industries. [\(4\)](#) Employment in the goods-producing sector is three-quarters male and mostly full-time. On the other hand, the service sector, which is more than half female, has a large part-time component.

In 1980, men in the goods-producing and service sectors had similar rates of involuntary part-time employment. By 1993, the rates had risen in both sectors, but more in goods ([Table 2](#)). Consequently, men who were employed part time in goods-producing industries were more likely than those in the service sector to be involuntary part-timers.



Table 2 Involuntary part-time employment rate* by industry and sex

Source: Labour Force Survey

Rates of involuntary part-time employment also rose among female workers in both sectors. However, throughout the period, the rate in services remained above that in goods. (5)

Rates are higher in the east

Involuntary part-time employment rates vary substantially across the country, with levels generally higher in the Atlantic region and Quebec. Involuntary part-time employment in all provinces was affected by the two recessions, though not at the same time nor to the same degree.

In 1993, the rate in the Atlantic provinces was 51%, the highest in the country. In fact, with only two exceptions, this region had the highest rate every year since 1980. The rate decreased only marginally during the 1983-89 recovery and, thus, began the second recession at a much higher level than in 1981.

In Quebec, too, the involuntary part-time employment rate stayed well above the national average throughout the period. And because the high rates of the first recession persisted afterwards, the province entered the second recession with an already high rate (33% in 1990). However, the increase from 1990 to 1991 was more moderate (4 percentage points) than during the 1981 to 1982 period (8 percentage points). By 1993, Quebec's rate was 42%.

Ontario's rate of involuntary part-time work was the only one to drop below pre-recession levels during the recovery. However, although Ontario entered the second recession with a very low rate (15% in 1990), it increased markedly to 32% in 1993.

In the early 1980s, the Prairie provinces had the lowest rates of involuntary part-time employment. However, the first recession brought substantial increases in all three provinces. Alberta was the only one of the three in which the rate dropped substantially during the recovery. Declines in Manitoba were minimal, while in Saskatchewan the rate climbed almost steadily. The second recession meant further increases in each province, so that the 1993 rates were 32% in Alberta, 34% in Manitoba, and 38% in Saskatchewan, far surpassing 1980 rates.

British Columbia's involuntary part-time employment rate rose sharply during the first recession from 16% in 1981 to 39% in 1984. A gradual decline over the rest of the decade saw the rate bottom out at 21% in 1990. By 1993, it had risen to only 30%, the lowest in the country.

Summary

Like unemployment, involuntary part-time employment is tied to the business cycle. However, although unemployment dropped after the recession of the early 1980s, the involuntary part-time employment rate never returned to its pre-recession level, thus indicating a degree of persistent underemployment.

While women constitute the majority of involuntary part-time workers, the rate is actually higher for

men, particularly at ages 25 to 44. As well, by 1993, men in goods-producing industries had a much higher rate than did those in the service sector; in 1980 the rates had been virtually identical. Rates rose among women in both sectors, but those in services continued to have the highest rate.

Over the 1980 to 1993 period, rates of involuntary part-time employment varied substantially from region to region.

Replacing full-time?

The increase in involuntary part-time employment appears to be linked to the declining number of full-time positions. From 1980 to 1993, the proportion of full-timers dropped 4.3 percentage points, while the proportion of involuntary part-timers rose 3.9 percentage points. Does this mean that, to some extent, involuntary part-timers are replacing full-time workers? And if so, in which industrial sectors?

A comparison of lost full-time and new involuntary part-time employment between 1980 and 1993 suggests that in goods-producing industries the substitution effect was negligible - losses in full-time employment were accompanied by only slight increases in involuntary part-time workers. On the other hand, in several service sector industries - transportation and storage, communication, trade, and other service industries [\(1\)](#) - the declines in full-time employment were associated with substantially rising numbers of involuntary part-timers.

Data source and definitions

The data in this article are annual averages derived from the monthly Labour Force Survey (LFS). Part-time workers spend less than 30 hours per week at all jobs. The LFS asks respondents who report 1 to 29 hours of work per week why they do not work 30 hours or more (full time). Based on their responses, two groups of part-timers can be identified. The first, voluntary part-timers, consists of people who have chosen part-time work because of personal or family responsibilities, school attendance, illness or disability, or simply because they do not want a full-time job. The second group, involuntary part-timers, would rather work full time but are unable to find full-time employment. These workers are "underemployed" in that they are obliged to take part-time positions because the hours offered by employers do not meet their requirements.

Notes

Note 1

Includes business services, educational services, health and social services, accommodation and food services, and other services.

Note 2

This downturn in the number of involuntary part-timers was insignificant, compared with the increase between 1975 and 1985. Akyeampong (1986) notes that involuntary part-time employment rose continuously over the period from 109,000 to 509,000 (the rate increased from 11% to 29%).

Note 3

Involuntary part-time workers are not factored into the official unemployment rate. They are, however, included in a supplementary measure of unemployment -- the unemployment rate for the full-time labour force. In the calculation of this rate, involuntary part-time workers are treated as partially unemployed.

Note 4

Industry designations are somewhat misleading. The industry to which workers are assigned is the one in which they are currently employed. Consequently, when workers in, for instance, manufacturing lose their job and can find only part-time employment in services, they are shown working in services. Therefore, they are counted among involuntary part-time workers in services, not manufacturing.

Note 5

To some extent, a comparison of patterns of involuntary part-time employment in the goods-producing and service sectors in 1980 and 1993 is misleading, as these years mark different points in the business cycle. However, when two similar years are used for the comparison - 1980 and 1989, both at the end of periods of expansion - the trends in involuntary part-time employment by industry still hold.

References

- Akyeampong, E. B. "[Discouraged workers - where have they gone?](#)" *Perspectives on Labour and Income* (Statistics Canada, Catalogue 75-001E) 4, no. 3 (Autumn 1992): 38-44.
- ---. " 'Involuntary' part-time employment in Canada, 1975-1985." *The Labour Force* (Statistics

Canada, Catalogue 71-001) 42, no. 12 (December 1986): 143-170.

- David, S. *Supplementary Measures of Unemployment: Definitions and Measurement*. Staff Report. Ottawa: Labour and Household Surveys Analysis Division, Statistics Canada, December 1989.
- Devereaux, M. S. "[Alternative measures of unemployment.](#)" *Perspectives on Labour and Income* (Statistics Canada, Catalogue 75-001E) 4, no. 4 (Winter 1992): 35-43.
- Duchesne, D. and M. Webber. "Supplementary measures of unemployment - an update." *The Labour Force* (Statistics Canada, Catalogue 71-001) 40, no. 4 (April 1984): 91-121.
- Jackson, G. "Alternative concepts and measures of unemployment." *The Labour Force* (Statistics Canada, Catalogue 71-001) 43, no. 2 (February 1987): 85-120.
- Lévesque, J. M. "The growth of part-time work in a changing industrial environment." *The Labour Force* (Statistics Canada, Catalogue 71-001) 43, no. 5 (May 1987): 87-107.
- Logan, R. "[Voluntary part-time workers.](#)" *Perspectives on Labour and Income* (Statistics Canada, Catalogue 75-001E) 6, no. 3 (Autumn 1994): 18-24.

Author

Nathalie Noreau is with the Business and Labour Market Analysis Division of Statistics Canada.

Source

Perspectives on Labour and Income, Autumn 1994, Vol. 6, No. 3 (Statistics Canada, Catalogue 75-001E). This is the fourth of five articles in the issue.



Table 1

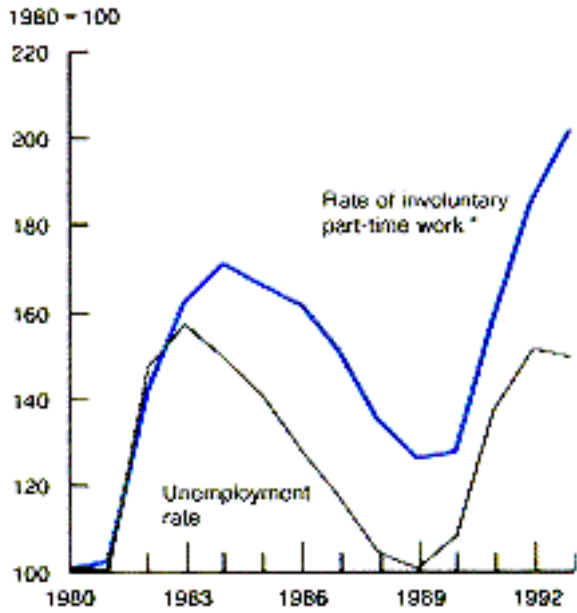
Work arrangements and involuntary part-time employment rate

	Employment				
	Total	Full-time	Part-time		
Year			Total	Involuntary	Involuntary/total
	'000		'000		%
1980	10,708	9,316	1,392	245	18
1981	11,001	9,515	1,486	268	18
1982	10,618	9,090	1,528	379	25
1983	10,675	9,036	1,639	467	28
1984	10,932	9,263	1,668	502	30
1985	11,221	9,484	1,737	509	29
1986	11,531	9,742	1,789	506	28
1987	11,861	10,057	1,804	479	27
1988	12,245	10,363	1,882	446	24
1989	12,486	10,597	1,888	420	22
1990	12,572	10,640	1,932	432	22
1991	12,340	10,317	2,023	561	28
1992	12,240	10,182	2,058	669	32
1993	12,383	10,241	2,143	760	35

Source: Labour Force Survey

Chart A

Despite the "boom" of the mid-1980s, involuntary part-time work did not fall as much as unemployment.

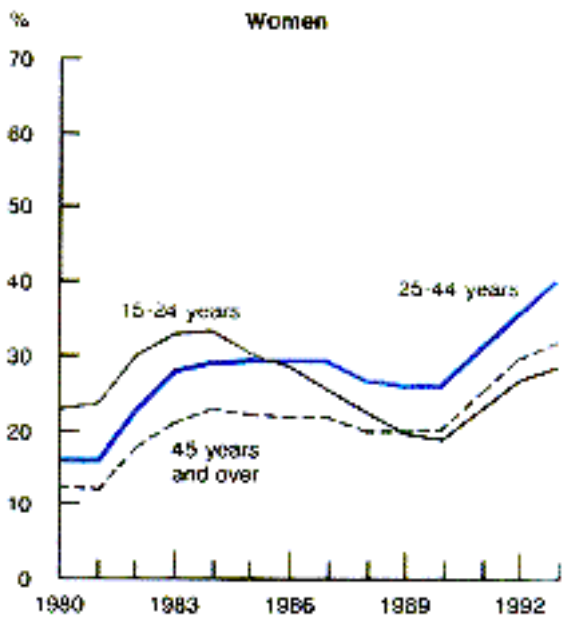
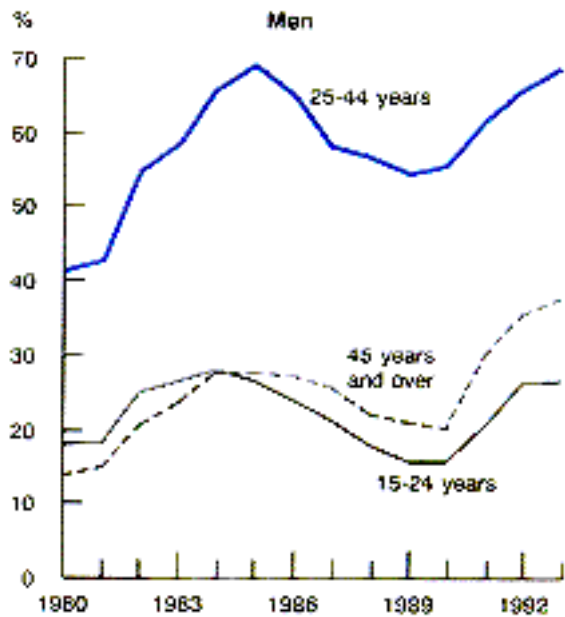


Source: Labour Force Survey

* Involuntary part-time work as a proportion of total part-time work

Chart B

For both men and women, the rate of involuntary part-time work* is highest among those aged 25 to 44.



Source: Labour Force Survey

* Involuntary part-time work as a proportion of total part-time work

Table 2

Involuntary part-time employment rate* by industry and sex

	1980		1993	
	Men	Women	Men	Women
	%			
Goods-producing	20	10	47	25
Agriculture	--	--	21	15
Other primary	--	--	--	--
Manufacturing	22	17	48	39
Construction	38	9	66	20
Service-producing	19	18	36	35
Transportation, communication and other utilities	38	19	64	45
Trade	15	17	29	34
Finance, insurance and real estate	--	13	29	30
Services	20	18	38	36
Business, education, health and social services	20	18	43	37
Accommodation, food and other services	20	19	36	35
Public administration	--	19	34	35

*Source: Labour Force Survey*** Involuntary part-time work as a proportion of total part-time work*