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Is part-time work increasing in Hamilton?

A detailed look at how part-time work is changing in Hamilton.



A Local Labour Market Check-up

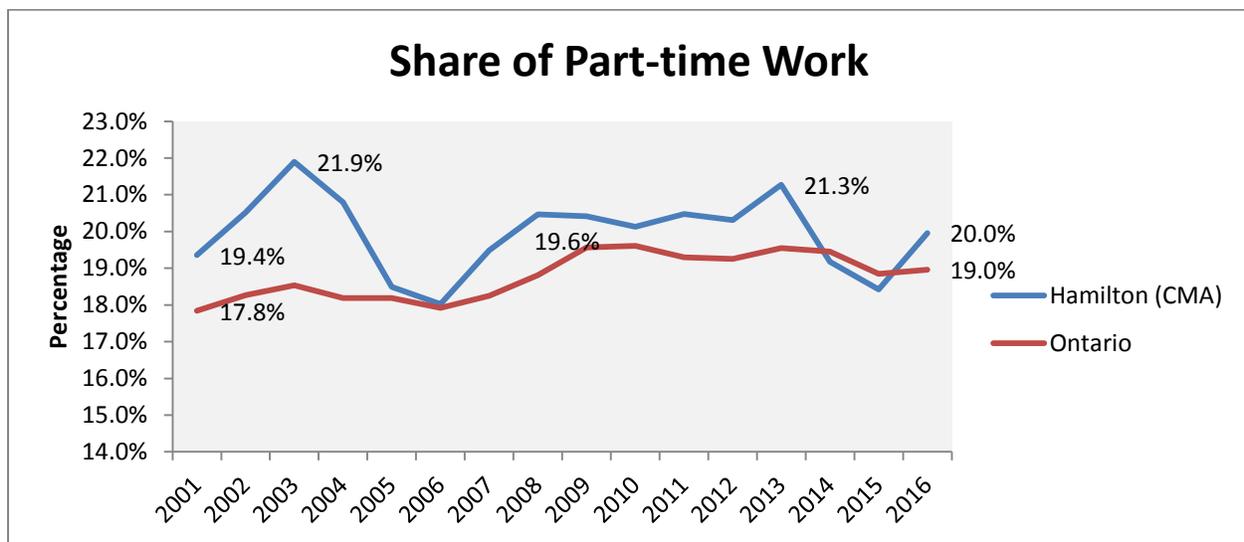


Is part-time work increasing in Hamilton?

In the past year or so, the increase in part-time work has sounded the alarm bells amongst Canada's labour market economists.¹ A recent report by TD Bank, 'Canada's Part-time Conundrum', says that "the economy continued to add jobs at a solid rate [in 2016], marking the seventh year of expansion following the recession... but unfortunately all of these jobs were part-time positions."² This increase in part-time is concerning since many of these workers may want full-time work but cannot find it.

Looking at Hamilton specifically, we see that in 2016 the labour market was soft overall. Only a total of 400 jobs were created and this was led entirely by part-time work. There was an increase 6,000 part-time jobs but a decline of 5,600 full-time jobs. From an Ontario perspective, there was an increase of 54,400 full-time jobs and 22,000 part-time jobs. Regional differences matter. Ontario did not mirror the national trends because Alberta influenced the national trend due to many full-time job losses in the past year.

Hamilton, on the other hand, did mirror the national trend in 2016. If we dig a little deeper we find that this may be only a one year blip. From 2013 to 2015, there was an increase 19,400 full-time jobs and a decline of 8,700 part-time jobs. While the increase in part-time work in 2016 in Hamilton is something to consider in 2017, it is important to look at longer span as presented in the chart below.



Source: Labour Force Survey

Over the past 15 years the prevalence of part-time work has fluctuated in Hamilton but hovered around the 20% mark. Ontario has seen a slight increase but the increase is not large at only 1.2 percent points.. Looking at a longer time horizon, evidence from 1976 onwards does show an increase in part-time jobs.³ But, looking at recent data, the changes have not been as dramatic as the current literature presents. Typically large increases in part-time work occur around recessions and this is evident in the last two recessions. In the 2001/2002 recession the share of part-time work increased 2.5 percentage points, and in the 2007/2008 recession it increased 1.8 percentage points in Hamilton.

¹ Wright, Lisa. "Part-time Work Fuels Canada's Labour Market", Toronto Star, January 6th 2017.

Younglai, Rachelle. "Canada gain 44,000 jobs, driven by boom in part-time positions", Globe and Mail, November 4th, 2016.

Morissette, René; Hou, Feng; and Schellenberg, Grant. "Full-Time Employment 1976 to 2014", Statistics Canada, November 2015.

² "Canada's Part-Time Conundrum", TD Economics, January 4th, 2017.

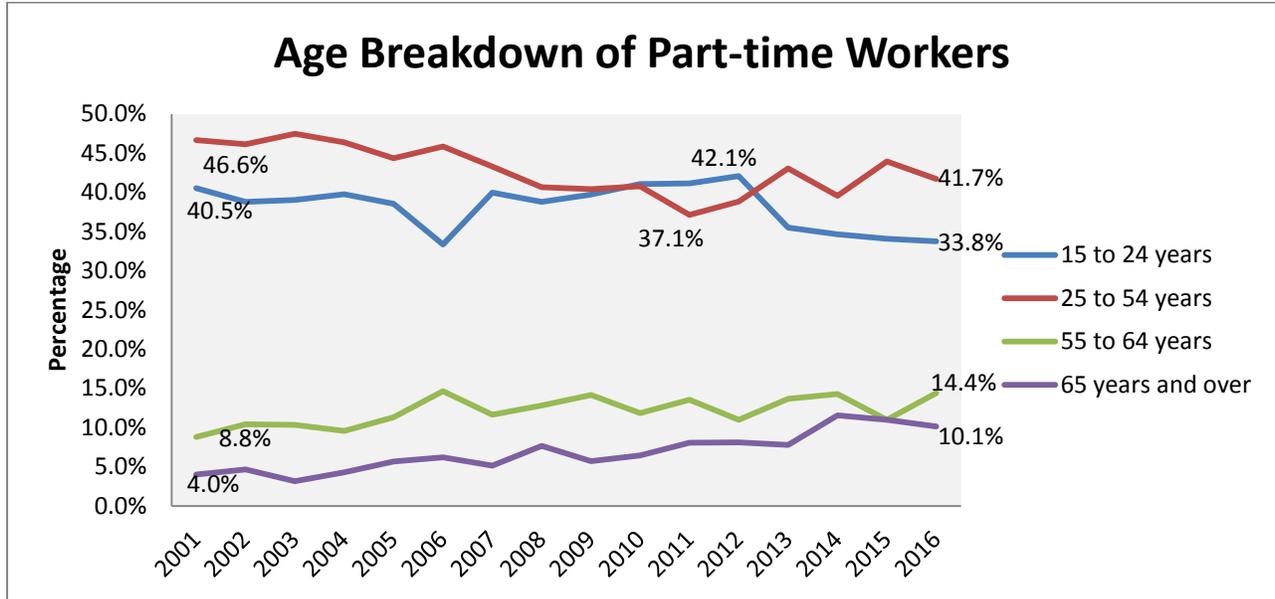
³ Morissette, René; Hou, Feng; and Schellenberg, Grant. "Full-Time Employment 1976 to 2014", Statistics Canada, November 2015.

While the overall share of part-time work has been steady in Hamilton, the composition of the part-time workforce has not. Typically it has been younger, female workers, but these trends are beginning to change. Since 2001 the share of part-time workers that were 15 to 24 decreased from 40.5% to 33.8%. The increases have been among older workers. The share of part-time workers from people aged 55 to 64 increased from 8.8% to 14.4%, and from people aged 65 years and over increased from 4.0% to 10.1%. (See Appendix)

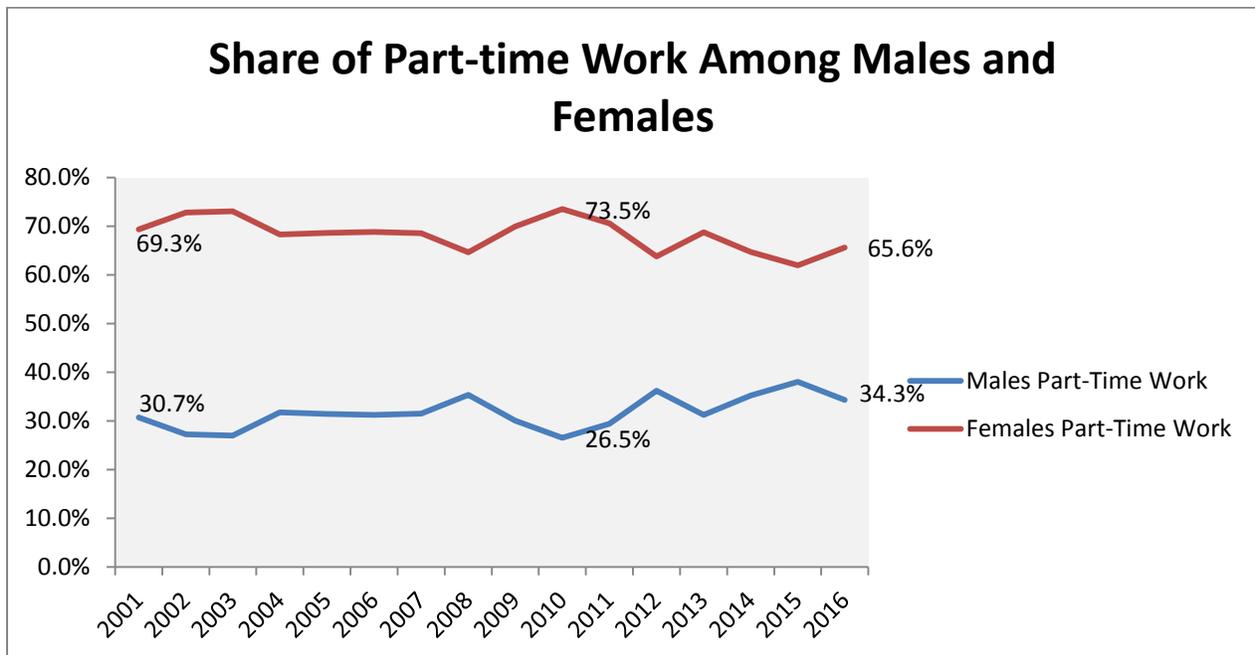
The gender breakdown has also been shifting. Since 2001, the share of part-time workers that are female decreased from 69.3% to 65.6%, and the percentage of that workforce that is men has increased from 30.7% to 34.3%. This trend has only become apparent since 2010.

Since the 1970s part-time work has become gradually more predominate in the local labour market. This share has stayed the same since 2001 but the people working part-time are changing. Despite the ongoing debate about the ever-increasing numbers of part time workers, the real conversation should be about composition of this workforce. There has been a noticeable increase in older workers especially males. This sets off a new set of alarm bells.

APPENDIX



Source: Labour Force Survey



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