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CANADA

Which workers are being hit hardest by the COVID-19 lockdown? These 6 graphics paint a stark picture of Canadian inequality

By **Patty Winsa** Data Reporter

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Editor's note: Some have termed COVID-19 "the great equalizer" because it can indiscriminately infect anyone. But the impact it has on people and families is far from equal. The Star's Viral Inequality series looks at how people from various walks of life have seen their lives change and, in some cases, how they've slipped through the safety net of government support.

The COVID-19 lockdown is proving to be a "highly unequal economic shock," hitting not only low-wage hourly workers the hardest, but also women in non-unionized jobs, according to an analysis of Statistics Canada labour force data by Waterloo professor of economics Mikal Skuterud.

The data also shows women with small children are losing more hours of work, compared to those with older kids, and that self-employed workers, who include small business owners, are feeling the pinch much more than employees in the private or public sector.

Skuterud says many of those jobs may be lost forever and the impact of those losses will widen the gap between the "haves" and the "have nots."

This recession "has hit lower income people and families, more than people like me," says Skuterud, who continues to work from home. "It's been very unequal. And that's a concern."

"The question is what's this going to do to inequality."

By his estimates, three to five million workers in Canada have been affected and Skuterud believes many of those people will not go back to the jobs they once did.

"People are going to have to move and find jobs in other sectors, and maybe these are sectors where they don't have the skills they need," says Skuterud. "All of this is going to become a big issue coming forward."

Skuterud's analysis is based on Statistics Canada's labour force survey from April. The survey, of up to 60,000 people, is done each month online or by phone. Like the census, participation is mandatory under the Statistics Act.

Not your traditional recession

Typically, recessions come from the demand side of the market, says Skuterud. Consumers stop buying goods, companies don't need to produce as much and, when production slows down, they lay off workers.

In the COVID-19 crisis, workers were told to stay home practically overnight.

And instead of the typical job losses in manufacturing and construction, the initial economic shock is happening in jobs where people have human interactions, says Skuterud.

A lot of those jobs are in the lower-wage service and retail industry, with lower hourly wages, where the workforce is predominantly female, he says.

“The financial crisis of 2008 didn’t happen overnight. It just wasn’t nearly the same magnitude, not nearly as many workers were affected as this.”

Non-unionized women hit hardest

The biggest job losses are in areas with human interaction, such as cashiers or any kind of retail. “It’s the type of jobs that women are concentrated in and lower wage workers are concentrated in,” says Skuterud.

Job losses among non-unionized women paid by the hour have been three times larger than among unionized women paid by the hour, such as nurses, says Skuterud.

Lost hours among women with children

As a result of the lockdown, women with young children have experienced the biggest loss in total working hours.

“We know from lots of research that caregiving falls on women,” says Skuterud. “For sure that’s what’s happening.”

Women in science have complained of not being able to work as much as their male counterparts during the pandemic and, in the university environment, Skuterud has noticed a bigger decrease in the number of academic papers from women compared to men.

He says it’s critical to address child care when we begin to turn the corner.

How families are faring

In general, recessions hurt families more than individuals, often because spouses work in the same sector and layoffs affect both spouses.

Skuterud says that’s not happening this time around, although the percentage of couples who’ve both lost their jobs went up from February to April this year.

In “this recession, the effect at the individual level has been massive,” he says.

Self-employed workers

Hours on the job for self-employed workers dropped by nearly 50 per cent between mid-February and mid-April, and private sector workers experienced a higher proportion of job losses.

“There are a lot of self-employed people: marginal business owners, workers in the gig economy, people driving Ubers,” says Skuterud. “These people have really been hit hard.”

“Going forward it will be interesting to see how many people move into self-employment,” he says. “And not because there’s good opportunity, but because of survival.”

“There’s going to be more and more people looking for those jobs just to survive.”

Impact biggest in people who rent

From February to April 2020, a larger proportion of people who rent lost their jobs compared to people who owned their own homes.

It’s another indicator “that the recession has really hit lower income people harder,” says Skuterud. “That’s the bottom line in all of these charts.”



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