

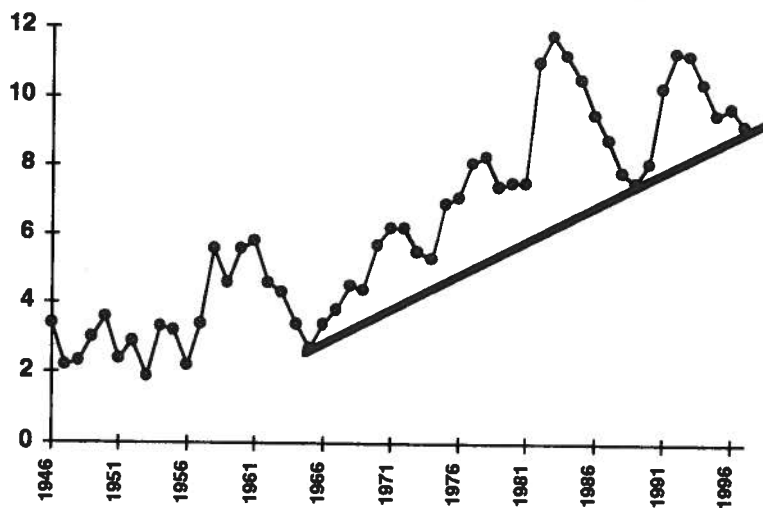
Working Time Issues

Briefing Notes

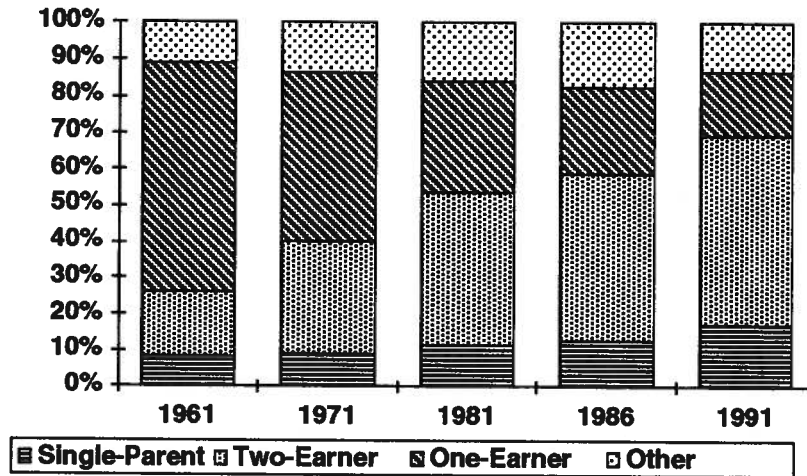
May 1998

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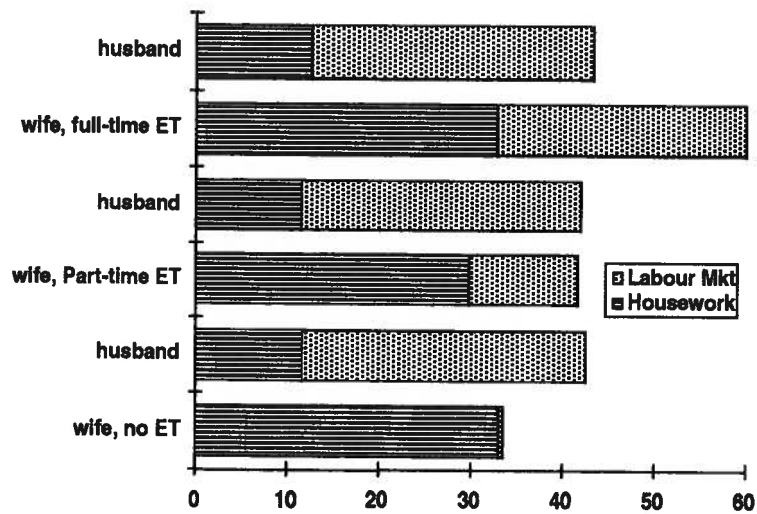
Unemployment Levels



Family Composition, 1961-91

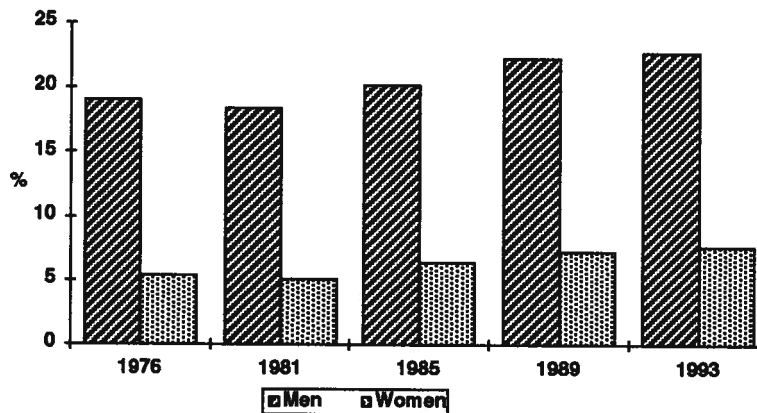


Typical Five-Day Week



Longer Hours

% Working Over 40 Hours



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Policy Options

- **Encourage Voluntary Adjustments by Firms and Employees**
- **Reduce overtime**
- **Shorten hours of full-time workers**
- **Improve mobility between full and part-time**
- **Voluntary change, collective bargaining, and legislation**

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Macroeconomic Effects of Reduced Hours

- **Reduction in Hours Worked usually generates a productivity increase**
- **Best guess - about 50% increased employment and 50% productivity increase**
- **If unit labour costs do not change, then no inflation problem**
- **Employed have more leisure time, unemployed more work and income**
- **No major effects on output or real disposable income - consistent with no additional demand**

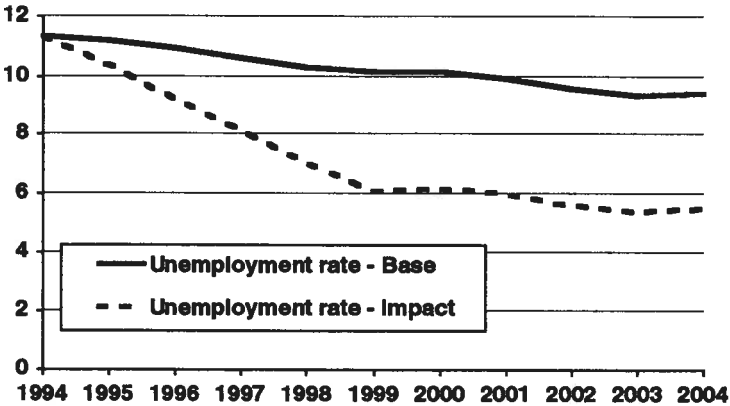
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Selected Indicators (percentage impact)

	1995	1999	2004
Unemployment Rate (points)	-0.8	-4.1	-3.9
Real GDP	0.0	-0.0	-0.3
Real Disposable Income	-0.2	-0.7	-1.4
Real Corporate Profits	0.1	1.5	2.0
Total Government Balance (\$bn)	1.2	3.0	4.9
Output per Hour	1.1	5.7	5.7
Wage Rate per Hour	1.1	5.7	5.7
Leisure Time	0.5	2.6	2.7

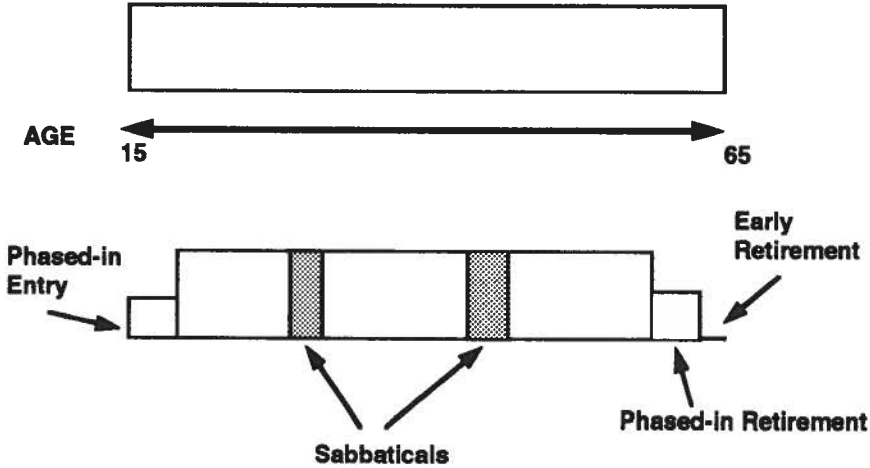
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Impact on Unemployment Rate (per cent)



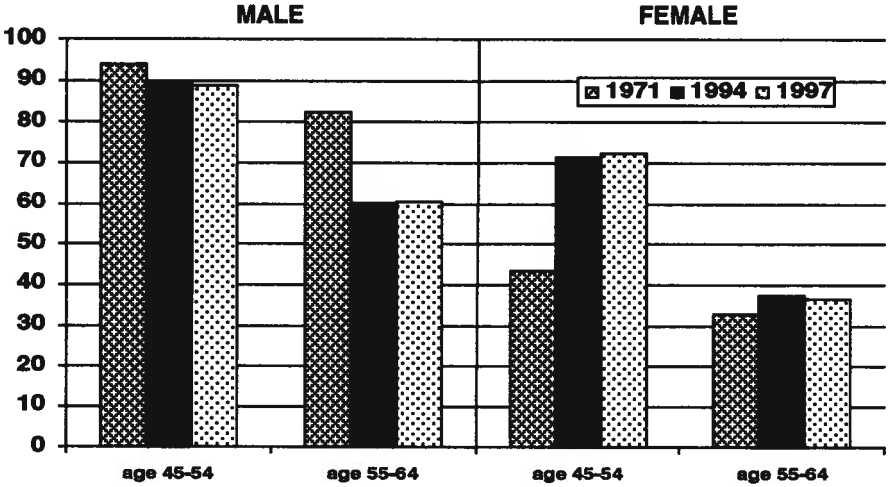
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Lifecycle Changes



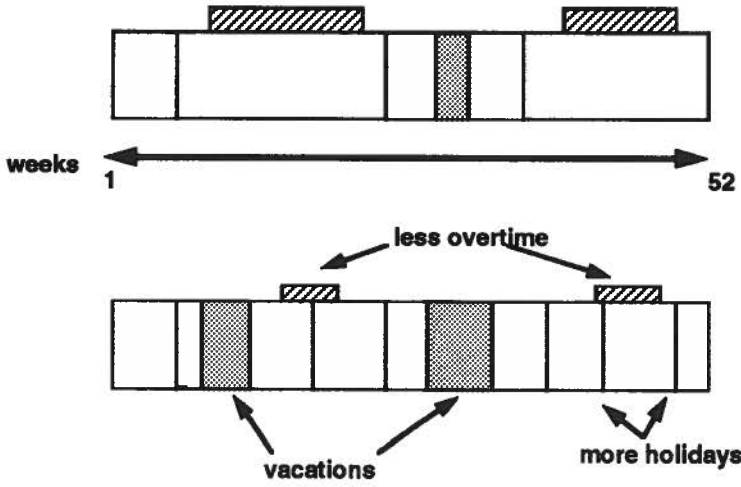
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Labour Force Participation Rates Age 45-54 and 55-64



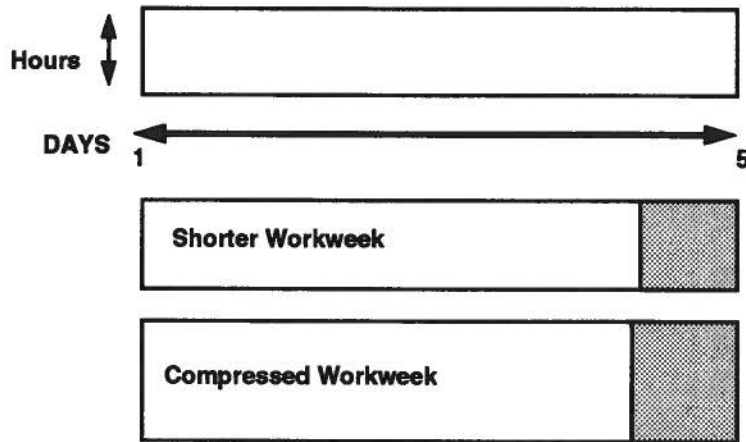
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Workyear Changes



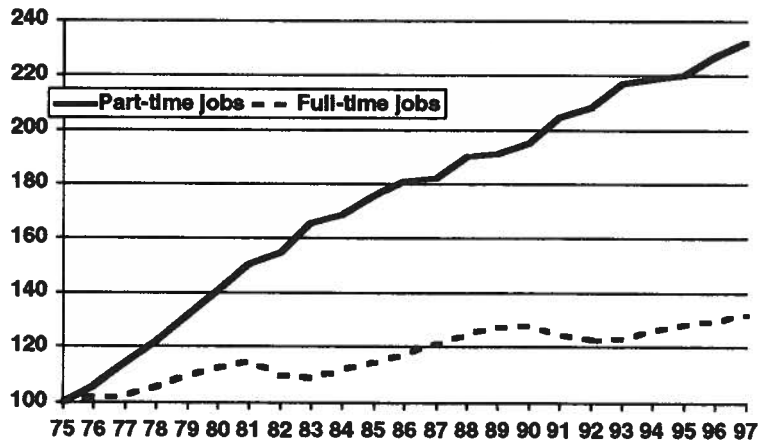
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Changing Workweek



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Full-time and Part-time Employment, 1975-1997 (1975=100)



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The Good Society

- **Three Phases of Working Life**
- **Multiple Income Sources**
- **The Family**
- **Communities**

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The Class Struggle

- **Insiders & Outsiders**
- **Private Security**
- **Elitist Services**
- **The Underground**

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Contrasts

- **Current Programs**
- **Motivators of Private Decisions**
- **Mobility**
- **Organizations**
- **Infrastructure**
- **Roles of Governments**

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Current Programs

- | | | |
|----------------------|------------|------------|
| • UI | No | No |
| • CPP | Yes | Yes |
| • SA | No | Yes |
| • RRSPs | Yes | Yes |
| • PITx/GST | Yes | No |
| • Immigration | Yes | No |

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Motivators of Private Decisions

- **Incremental Income** **Leisure** **Yes**
- **Family/Community** **High** **Low**
- **Horizon** **Long** **Short**

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Mobility

- **Life cycle** **Easy** **No**
- **Generational** **Easy** **Tough**
- **Geographic** **Yes** **No**

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Organizations

- **The Inside-Out Doughnut**
- **Large and Small Businesses**
- **Services from the Firm**

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Infrastructure

- **Buildings**
- **Housing**
- **Child Care**
- **Telecommunications**

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Roles of Governments

- **Control**
- **Enabling**
- **Education & Training**

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Employer Actions

- **Hours of Operation vs. Hours of Work**
- **Collective Bargaining**
- **Flexible Offerings**
- **Review Contribution of Work**
 - **Is it Hours or Something Else?**

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Labour Standards

- **Enforce Existing Ones**
- **Broaden Coverage**
- **40 hour week**
- **Increase Vacation**
- **Overtime limits with TOILOOT**
- **Benefits for Part Timers**
- **Sick Leave, Parental leave**
- **Education Leave and Saving Vehicles**

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Workplace Changes

- **The Shamrock Organization**
- **More educated labour force**
- **Equity and discrimination concerns**
- **More use of regulation and mandating**
- **Emphasis on productivity growth and international cost comparisons**
- **Technology - general-purpose factories, shorter production runs, multiple plant locations**
- **More immigrants in workplace**
- **Organizational changes in the workplace.**



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Marketplace Changes



- **More open and competitive markets**
- **More demanding consumers with more choices**
- **"Externalities" internalized through regulations affecting prices**
- **Increased emphasis on bundle of services to create distinctiveness in market**

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Societal Changes



- **Quality of life, equity goals**
- **Longer life cycle - health, wealth**
- **Lower fertility rates**
- **Increasing demands for education**
- **More "open" government, quicker response**
- **More special-interest groups**
- **Reduced demands for security of state at global level**
- **More grey power, less for young and parents**
- **Immigration contributes half of population growth**

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Working Time Changes

Society	
Family Friendly Workplace	Self-esteem
Marketplace	
Minimize Effects	Contract employment
Workplace	
Lifecycle, Annual, Workweek	Four Day Week Early retirement

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Other Changes



- **Work not Jobs (Working)**
- **Income from Working**
- **Working Fare**
- **Recognition of Working**
- **Organization of Working**
- **Time, Dollars, and Attention**

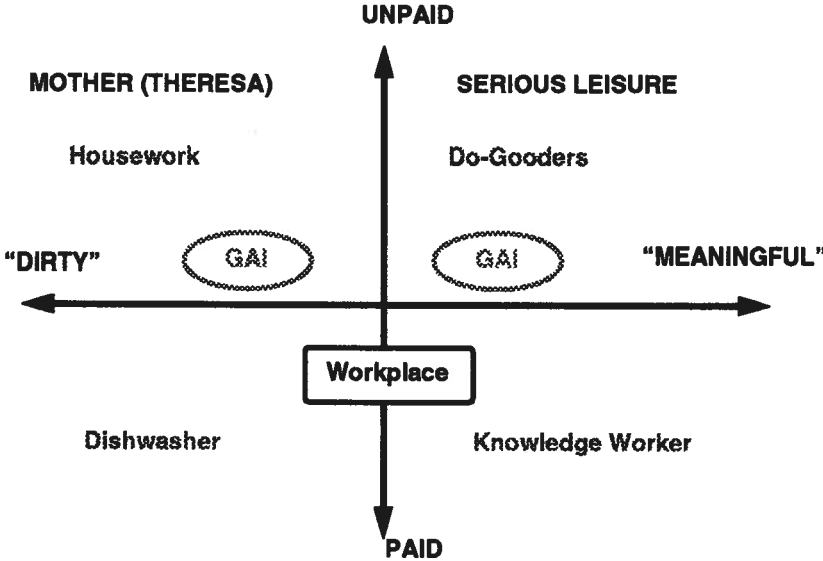
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Perspectives

- There is Lots of Work To Do,
- But a Lack of Paid Jobs
- Does it Make Sense to Organize a Society around Jobs?

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Dimensions



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