Women and Precarious Work:
A Framework for Policy Recommendations

Based on Work of the Women and Work Policy Working Group
Oxfam Canada

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Executive Summary

Precarious employment — perhaps as complex a concept to fully understand and analyze as it is to say — is a multi-dimensional phenomenon that affects a growing number of workers in Canada and globally.

Precarious employment is characterized by work that is unstable, unprotected and increasingly unable to sustain individuals and families … in which the future of the work is uncertain and workers face the possibility of job loss … and by situations in which workers lack a voice through unions or other organizations, work under inadequate or totally absent regulation, and receive pay considered low in relation to hours worked. While these characteristics bring to mind work situations and environments that happen in the poorest countries, to the most badly treated of labourers, the reality is the process of globalization has helped nurture and entrench such situations in Canada and throughout the world. And, no matter where it happens, precarious employment overwhelmingly undermines women workers. It has such an impact on the lives of those it affects — including on their current and day-to-day lives, as well as on their future prospects — that their lives, not just their work, are precarious.

Many of the contributing issues and complexities associated with precarious work can be addressed by Oxfam Canada. No single organization can hope to deal with the situation effectively. However, the successes achieved to date demonstrate that through collaborative and concerted effort on a variety of fronts, with goals that position people’s needs as the top priority, and with a focus on working relationships across organizations that strategically pool expertise, influence and effort, Oxfam Canada can make a significant contribution to creating a global environment that challenges precarious employment and promotes fair labour, social and economic policies.

Putting a Name and a Face on the Issues

While many Canadians are aware of the impact of the competitive and liberalized world that globalization provokes — for example, lower priced goods that can attract the consumer — public awareness of and media attention to the extent to which precarious employment is part of this phenomenon is extremely low. However, given its growth across sectors of the economy, its occurrence throughout Canada and around the world, now is the time to label the issue, explain it to Canadians, get the media involved and build awareness and understanding.
Preventing the Adverse Effects of Trade and Other Policies on Women

Women are disproportionately affected by precarious employment. In fact, women are faced with the “triple burden”, including their roles as mothers, as workers and as community advocates. Not only do women suffer the consequences of precarious work — so do their families and communities. As governments around the world have decreased social spending, services such as health care, child care and elderly care have become unavailable or unaffordable, increasing the burden for women. Similarly, trade policies do not traditionally include a gender analysis that would expose — before agreements are negotiated — potential negative impacts buried in them on women, families and communities. The reality is that globalization, and the various policies and structures that support it, have contributed to the feminization of poverty. Under global economics, women have an increased work burden, a decrease in compensation for their labour, and growing health risks associated with poor working conditions and stress, which have all had a negative impact on women globally.

The story for women does not end there. As women have become increasingly vulnerable in the workplace and in the labour market more generally, they have become less inclined to address issues of sexual harassment, coercion and abuse. While this occurs across all sectors, two examples — very different on the surface, but with frighteningly similar impacts on women — bring this issue to life (the garment industry and the teleservice industry). Globalization has led to the negotiation of non-supportive, regressive policies and workplaces throughout the world.

Unravelling the complexities and facilitating change

Globalization and neoliberal economies and the phenomenal growth in size and number of transnational corporations have served to fan the flame of precarious employment, enabling it to spread like wildfire throughout the world. Together, they pit nations, communities and workers in competition with each other. Where it was once a major financial decision for a corporation to move its operations to another country, multilateral agreements, with ever lower labour standards, make it easy and financially prudent for companies to move to new locales in search of even lower standards.
In Canada, social policy and labour policy have been eroded over the last decades. Changes to (un)employment insurance, workfare policies and cutbacks to social services, programs and assistance are creating an environment where the working poor are grateful for having jobs, despite the conditions and poor compensation. For example, it is more difficult for workers who are in non-traditional employment situations to obtain benefits under Employment Insurance — frequently women and recent immigrants. As a result, as the frequency of precarious employment increases, the government is making it more difficult for these vulnerable workers to obtain social assistance benefits that were once available to almost every Canadian worker.

Similar conditions are found in the global south, as workers continue to stress that they do not want consumers to boycott products produced by workers in precarious conditions — that they need the employment and do not want companies to close down or move their operations to other locations — even though they are paid significantly less than workers in the global north.

**Building and reinforcing the global labour floor and trade agreements**

In the global south, only a small proportion of workers (15 percent) work in the formal sector. Most women work in the informal sector. Whether formal or informal, unions are often illegal or union rights are severely restricted in many worksites. In Canada, as well, such violations take place, most recently in the form of “back to work” legislation in the public sector.

The ILO has not generally been effective in enforcing its labour standards, relying on moral suasion and publicity to persuade state violators to change their conduct. There is a need for stronger complaint mechanisms available to workers and their allies, as well as for more effective and comprehensive monitoring of labour standard compliance at the level of the workplace. Material incentives for compliance are also needed. These could include tying aid provision and trade access to compliance levels. There is growing interest in linking ILO core standards to international trade agreements between high and low labour standard regimes — possibly reducing the power asymmetry between regimes by tying core ILO standards to global multilateral trade through the World Trade Organization.
In addition to the need to take into account women’s needs and responsibilities, the growing regional, gender and other inequalities generated by neoliberalism calls for linking the ILO core labour standards to economic development for the south. Such a change could include providing greater access to OECD markets for developing country products and services, offering special treatment and access to developing countries, and providing debt relief to southern governments, among others.

Such changes can help, in part, to take labour rights and standards out of the competition and to put a floor under the current global “race to the bottom.” Core labour standards should not be allowed to be pawns in the new global competition of all against all. For this to be realized, these core labour standards need to be made truly global. Workers, no matter where they work, should be guaranteed these rights. Women, who work in lower skilled, labour intensive export-oriented sectors in the south, will be among the main beneficiaries of changes in this direction; further work with the ILO must be undertaken in order that those labour standards be extended to protect women working in the informal economy.

Recent trade negotiations and some trade agreements include provisions to ensure that minimum labour standards are respected in the signatory countries. Increasingly, these trade agreements attempt to incorporate ILO core labour standards and, in some cases, have used the resources of the ILO to try to strengthen the enforcement of labour rights in the south. Up to this point, though, trade agreements have provided little or nothing in the way of concrete results. The evolution of the recent agreements will provide the evidence showing whether or not they actually contribute to the creation of a viable global labour rights “floor” based on the ILO core labour standards.

Moving forward through collaboration

Precarious employment is a phenomenon that reshapes itself over time and over geography. Traditional industries (e.g., the garment industry), new and emerging sectors (e.g., the call centre industry) are both major settings for precarious work. Countries as different as Canada and Bangladesh have “grown” closer over time in some respects — workers in both the global south and north are clearly affected by precarious employment.

Some of the complexities concern the range and nature of organizations that contribute to precarious employment. Governments, international organizations, the private sector,
consumers and taxpayers — and the agreements and arrangements they make (including trade agreements) — all make some contribution to this serious problem. These same organizations and groups must be part of the solution. At the same time, awareness, debate and dialogue must move into broader society.

Oxfam Canada has worked in collaboration with partners in the global south to expose precarious employment and to work towards change. Clearly, precarious employment has no boundaries. It touches the lives of Canadians both as consumers and producers; we are connected to the world through economics. The neoliberal system of globalization has left no community unaffected.

A planned, concerted and collaborative effort to challenge precarious employment and to create structures that support decent work situations — especially for women — is vital to building lasting solutions to global poverty and injustice.
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I Women and Precarious Work — Background and Context

Precarious employment is a complex emerging issue that has an impact on workers in Canada and around the globe. While myriad factors and issues contribute to the increasingly precarious nature of work, at the heart of the problem is a process of globalization that is rapidly opening new markets and driving up international competition. Many corporations find themselves in an ever-tighter position to meet the ultimate goal of profit maximization. The search for cheaper production, coupled with an over supply of labour, inhibits the development of stable and decent employment in developing countries and undermines established practices of employment in developed countries such as Canada.

Moreover, the burdens of increasing economic competition are unevenly distributed and a disproportionate burden is being sustained by an increasing number of poor and disenfranchised women, resulting in the “feminization of poverty.” It is increasingly clear that women are carrying a heavier burden of responsibility — accompanied by increased levels of poverty for them and their children.

Often described as the “triple burden of women,” the feminization of poverty underscores the three fundamental roles women play — as mothers, as workers and as community advocates. And like all zero sum relationships, increasing the burden in one area of responsibility results in decreased attention to the others — in this case, detracting from women’s participation in community and family. As discussed below, women in Canada and around the world are more likely to be in precarious work than are men.

A. About this Paper

In mid-2002, Oxfam Canada’s Women and Work Policy Working Group was assigned the task of developing a program policy framework on the issue of women and precarious work for consideration by the Board Directors of Oxfam Canada. While awareness and understanding of the issue of women and precarious work is growing, the complexities of the issue and its links to broader social and economic issues and policies — both Canadian and international — demanded a thorough and broad-based review of its roots, its scope and nature and the factors that have enabled, and continue to enable, the problem to spread. In order for Oxfam Canada to discuss and develop a plan of action, a solid foundation of information was required. The group relied on research that Oxfam International was carrying out at the time, particularly the report Trading Away Our Rights: Women Workers in Global Supply Chain. That research, together with the current paper, provides the basis for the group’s recommendations, presented in Chapter IV.

A critical component of the Working Group’s mandate was to bring together diverse voices from across Canada to share knowledge and expertise on the issue of women and precarious work. This paper is a summary of two years of discussion, contributions and deliberation, reflecting the effort of the Policy Working Group to develop a solid picture of the nature and scope of the problem of women and precarious work in Canada and in the global south.
The purpose of the paper is to improve and promote understanding of the myriad issues and factors that contribute to the precariousness of work — especially for the world’s women — and to set out an agenda for action to be addressed by Oxfam Canada, but that also calls for much broader and concerted action at the local, national, regional and international levels.

The paper is organized into four chapters. This first, introductory chapter casts a wide net across the issue of precarious work — including a discussion of its meaning, a profile of people most affected and an overview of the key issues and factors that contribute to precariousness of work at home and globally. Chapter II provides a more in-depth examination of the policy environment in Canada and globally that has led to the current state of precariousness of work, as well as the linkages between domestic policy and the global trends. In Chapter III, the issues are presented in more concrete terms, focusing on a case study of the garment industry and call centre industry. Finally, Chapter IV introduces some of the activity currently under way to address precarious work issues globally and outlines a set of recommendations for action to be considered by Oxfam Canada.

B. Precarious Work — Evolving Definitions, Deep Roots

Precarious employment is an emerging and complex phenomenon. Rather than select a single definition for use in its work, the Policy Working Group has adopted three overlapping definitions that each reflect important approaches to thinking about precarious work. Together, they reinforce the important notions that the problem itself is new and evolving and that it shifts and represents itself in multiple dimensions across both geography and industry.

Defined by uncertainty and insecurity

The following three approaches to defining precarious work each have a different (but overlapping) focus. All three underscore the significance of uncertainty and insecurity of work. All are reflected at times in the remainder of this report.

As these conceptualizations demonstrate, precarious work is a complex issue. The adoption of any single or simple definition of the concept would prematurely limit the focus of Oxfam Canada as it responds to a problem that has not yet finished defining itself.

Enriching the definition

In the Canadian context, precarious employment includes the following types of work: contingent, temporary, casual, contract, part-time, seasonal, own-account self-employment (without paid help) and multiple job holding. It is usually examined in opposition to what is commonly called “standard” employment, defined as secure employment with an employer, working full-time, year round, on the employer's premises under his or her supervision, enjoying extensive statutory benefits and entitlements, and having the expectation of being employed indefinitely. Standard employment has been disappearing rapidly, especially for women.

In the world’s global south such standard jobs have always been rare, except among a privileged minority. Rather, work has more usually been precarious, but development efforts by bilateral, multilateral agencies and non-governmental organizations (NGOs) have frequently sought to increase access to standard jobs. In the contemporary competitive economic context, such efforts seem to be increasingly futile. Increasing numbers of people are employed precariously globally.
Three approaches to defining precarious work

1. **Focus on current conditions:** Precarious work is defined along a continuum on which the following work arrangements are found: part-time work; seasonal, part-year or short-term contract work; own-account self-employment (particularly on the part of the less skilled); and multiple job-holding. Home-based work and shift work are sometimes included as well.

2. **Focus on prospects:** Precarious work is defined according to a worker’s prospects for future work security and life chances. Prospects include: expectations of continued employment and income; workplace autonomy (e.g., the presence of union representation that ensures some input into decision-making over grievance resolution, the organization and pace of work, etc.); the extent and effectiveness of regulatory protection; and wage levels.

3. **Focus on process:** Use of the term “precarization” is used to accentuate the ongoing process of experiencing precarious work conditions and arrangements. This approach highlights: the reflexive nature of precariousness and its differential social impact (i.e., precariousness is experienced differently — for example, on the part of those for whom it is a sudden, new experience, compared to those for whom it has become normalized); the continuity between work life and other areas of social life (family, personal life, etc.); the extent to which work arrangements are socially isolating; and the extent to which work experience provides skills and other resources that are not only transferable and marketable but also socially enabling and empowering.

While the idea of atypical employment contracts may have more relevance to the global north, limited social benefits and statutory entitlements, job insecurity, low job tenure, low wages and high risks of ill health are features of work that more and more link workers in north and south. In a further twist, migrants who leave poorer countries in search of better economic opportunity are frequently only able to find precarious work in receiving labour markets.

**Roots of the concept of precarious work**

The concept of precarious work has grown out of criticisms that the past distinction between standard (full-time, permanent) and non-standard (part-time and/or short-term) employment no longer reflected adequately the complexities of work arrangements resulting from neoliberal economic and social reforms such as privatization and labour market de-regulation. Attempts to make labour markets more “flexible” in terms of employees has resulted since the 1980s in the growth of contingent forms of work and employment arrangements that depart from the conventional norm of full-time, permanent employment — but that are not adequately described by such terms as “part-time” or “short-term.” In recent years, as the extent of insecure work (especially for women) has been revealed, the concept of precarious employment, with its varied definitions, has emerged.

**C. Who is Affected by Precarious Work? An Overview**

One of the more troubling trends about precarious work is that it is generally on the rise. In the relentless search for flexibility and low costs in the present phase of late capitalism, employers everywhere and in all sectors of the economy are redefining work in a way that makes it unstable,
unprotected and increasingly unable to sustain individuals and families. Precarious work is a problem not only for women. Increasing numbers of men, too, find themselves engaged in precarious work, in a process called “harmonizing down.” However, when work of this kind is combined with the multiple other ways in which women are disadvantaged worldwide, its impact on women’s lives is particularly problematic.

In specific places, different forms of precarious work contribute to women’s overall labour market experience, to their ability or inability to make a living for themselves and their families, and to their experience of daily life. It contributes to growing numbers of people living in poverty.

Precarious Employment in Canada

In Canada, job security was once a cherished principle in labour relations in the public and private sectors, but is increasingly seen by employers as an impediment to the flexibility they require to be cost effective. As a result, many permanent, full-time jobs have been replaced by those that can be described — from an employer’s point of view — as flexible. The impact on workers is not as beneficial.

Following are some facts and figures about precarious work in Canada:

- Full-time permanent workers are in the least precarious situation (see Table 1)
- Firm size is a good indicator of regulatory protection — smaller firms tend to lack progressive labour policies and do not tend to enforce regulations. Part-time employees of smaller firms experience multiple forms of precariousness — in terms of pay alone, part-time temporary workers earn on average $7/hour less than full-time permanent employees.
- While the overall proportion of people employed in non-standard forms of work stabilized in the 1990s in Canada, the proportion in the most precarious forms — temporary and own-account work — increased. Self-employment grew in the 1990s with the highest continuing growth among own-account self-employed workers, which is both the most precarious and the most likely to be occupied by women.
- The proportion of the working population with full-time permanent jobs fell between 1989 and 2002 from 67 percent to 63 percent. These trends affected women and men differently. Men continued to be more likely to have full-time permanent jobs (66 percent versus 59 percent). Women constituted a majority of part-time workers in both employment and self-employment, and those part-time jobs were more likely to be temporary.
- Part-time permanent employees are more likely to be unionized than part-time temporary workers, but are less likely to be unionized than full-time permanent workers. In terms of hourly wages, full-time permanent employees made significantly more money than part-time and temporary workers.

These data confirm research that precarious employment is on the rise in Canada and that marginalized women are disproportionately affected.
Table 1: Selected Characteristics of Precarious Wage Work, by Form of Work, Employees in Canada, 2002

<table>
<thead>
<tr>
<th>Form of Wage Work (from most to least precarious)</th>
<th>Total Number of Employees: Estimate (000s)</th>
<th>Firm Size Less than 20 % of Employees</th>
<th>Union Coverage Mean</th>
<th>Hourly Wages ($) Mean</th>
<th>Hours per Week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time permanent (least precarious)</td>
<td>9,693.9</td>
<td>17</td>
<td>34</td>
<td>19.23</td>
<td>40</td>
</tr>
<tr>
<td>Full-time temporary</td>
<td>1,002.5</td>
<td>26</td>
<td>31</td>
<td>14.84</td>
<td>40</td>
</tr>
<tr>
<td>Part-time permanent</td>
<td>1,679.7</td>
<td>28</td>
<td>26</td>
<td>12.73</td>
<td>18</td>
</tr>
<tr>
<td>Part-time temporary (most precarious)</td>
<td>689.8</td>
<td>29</td>
<td>22</td>
<td>11.61</td>
<td>15</td>
</tr>
<tr>
<td>Total/Average</td>
<td>13,065.8</td>
<td>20</td>
<td>32</td>
<td>17.66</td>
<td>36</td>
</tr>
</tbody>
</table>


**Precarious employment affects many sectors in Canada**

The statistical trends fail to capture the diversity of precarious employment in relation to region, urban and rural differences, industry sector, conditions of work, and especially with regard to particular demographic groups. While goods-producing industries have moved towards just-in-time production and the use of temporary workers (who are often migrant people on short-term, unprotected work permits), the public sector has subcontracted many functions to for-profit firms. Overall trends are toward short-term contracts and subcontracting — both of which remove permanence and increase precariousness.

In her studies of precarious employment in Canada, Benita Bunjun found that almost every sector and industry has been restructured and has seen the rise of precarious employment. The search for low wage flexible workers has taken place in virtually all industries, both in private and public sectors, and is a significant factor in the restructuring of the global economy. Many industries have been clearly affected by a rise in precarious work conditions, including automobile manufacturing, forestry, agriculture, fishing, health care, retail, clerical, newspaper, tourism, sex trade and exotic dancing, fast food, domestic work, cleaning, apparel and call centres. Racialized and immigrant women are often targeted for much of the increasingly precarious work in all sectors of the economy. This phenomenon clearly links precarious work in Canada to vulnerable women and men in the global south, whether or not they remain in the south or migrate to richer countries in search of better paid and more secure livelihoods which are less and less available.

**Women and newcomers to Canada are disproportionately affected**

There is evidence that women and newcomers to Canada are disproportionately represented in the population of precariously employed people. Precarious employment is a gendered issue, since women show a higher representation of the work force in precarious job sectors. For example, 40 percent of women’s jobs in Canada are considered non-standard employment.
While women’s participation rate in the Canadian labour force has risen to an all-time high and the female unemployment rate has remained slightly lower than the male rate, the face of many aspects of precarious employment is increasingly female:

- Women earn less — despite the closing of the female/male wage gap in recent years, in 2000, 65 percent of adult workers earning less than $10 an hour were women, and 69 percent for those earning less than $8 per hour were women.21
- Approximately 20 percent of women are employed in either temporary jobs or in own-account self-employment.22
- The incidence of part-time work among women is almost three times that for men (27.7 percent versus 10.9 percent in 2002).22
- From 1989 to 2002, women’s share of permanent part-time work decreased, while temporary work grew.23

Rising levels of precarious, low-paid employment, problems of finding affordable, quality child care, and increasing demands and costs for looking after elderly parents all point to a public policy framework that is discriminatory against women workers. Historically in Canada, standard employment has been the prerogative of white, able-bodied men, while marginal employment has fallen disproportionately on women.24

Added to this is the growing gender gap in eligibility for Employment Insurance (EI) benefits: in 2001, only 33 percent of unemployed women received regular EI benefits compared with 44 percent of men; in 1994 the comparable figures were 49 percent for women and 53 percent for men.26

> “Women workers of colour are, on average, paid significantly less and have less job security than other women workers, despite higher than average levels of education.”25

Andrew Jackson, Canadian Labour Congress

While the expansion of precarious work and the decline in employment benefits have affected women in general over the past couple of decades, the impact has been more severe on women of colour. Many workers in Canada who fall into the description of precarious employment are migrants who leave poorer countries in search of better economic opportunity and are only able to find precarious work in receiving labour markets.10

### D. The Significance and Impact of Globalization

While there are many perspectives and definitions of globalization, for the purposes of this paper, globalization is considered in two forms: as **multilateralism** (a global trading system fostered by technology, finance, production and trade) and as **regionalism** (integration of regional economies bound by political alliances, geography, culture and language). Given the importance of globalization to precarious employment in both Canada and the global south, it is useful to separate and examine some of the elements and factors that contribute to globalization and to identify its impact. Chapters II and III continue examining globalization at different levels.
Some Factors and Issues Associated with Globalization

A number of issues and processes are integral to the concept and practice of globalization and its contribution to the current state of precarious employment:

**Economic liberalization** is a process whereby global markets are increasingly integrated through macro-economic policies that promote trade and borderless investment. “Large corporations and wealthy institutions and individuals invest in productive capacity in any given country and, if desired, then relocate from one country to another with fewer and fewer impediments.” Investment decisions are often based on the cost, availability and skills of labour.

**Free trade** and the development of export processing zones (EPZs) are important aspects of economic liberalization. Not a new phenomenon, free trade was defended in the 18th century by Adam Smith as important to increasing the supply of commodities and services, and as a mechanism for giving rise to new divisions of labour. EZPs or maquiladoras are tools of free trade in developing countries, providing instant access to exports without trade barriers. The International Confederation of Free Trade Unions (ICFTU), the world’s largest trade union central, argues that EZPs “have been deliberately created to prevent union organization as an incentive to investors.”

**Flexible labour markets** are associated with increased expansion of global trade. In practice, the term translates into cheap labour, limited labour protection and avoidance of unions.

**Structural adjustment** is the equivalent of free trade in developing countries. The international debt crisis of the early 1980s resulted in the creation of structural adjustment programs (SAPs) and their imposition on approximately 100 countries, primarily in the global south. Unable to make payments on loans from public and private creditors, indebted countries have been encouraged or obliged to seek relief from the IMF and World Bank. The consequent loans from both institutions came with SAP conditions that were geared to making recipient countries open to a liberalized global economy. Conditions for receiving SAP loans included: the reduction of government expenditures; the privatization of public services; the opening of capital and commodity markets to foreign corporations; and the promotion of exports as a means of generating hard currency in order to reduce the national debt. Structural adjustment programmes have had a dramatic impact on employment and working conditions through a variety of direct and indirect mechanisms.

**The Impact of Globalization in Canada**

In Canada, globalization has also had a downward leveling effect by lowering wages, fostering part-time work, increasing job insecurity and generally contributing to the feminization of the labour force. Increasingly, the public sector is also restricted from expanding services while private-for-profit businesses have access to work

Historically in Canada, and until recently, standard employment has been the prerogative of white, able-bodied, men. Marginal employment has fallen disproportionately on women. 

While nominally being geared to expanding and integrating global markets, the various sets of agreements and policies underlying globalization are really all about enhancing capital accumulation, or creating more opportunities for corporate profitability.
that has historically been carried out by civil servants. Equally, globalization has led to the restructuring of many industrial sectors, resulting, in particular, in massive layoffs in manufacturing, mining, forestry and fishing.

Overall, globalization has intensified a binary system of employment, in which most marginal workers are women, who work in temporary, low-paid labour intensive jobs and part-time work. Standard or mainstream employment, with full-time, full-year work and high job security, is increasingly on the decline, particularly for women.\(^{7,31}\)

Standard employment not only presupposes secure employment but also extensive statutory benefits and entitlements.\(^{32,6,31}\)

Immigrants to Canada do not fare well, either:

From domestic work to the garment industry to fruit and vegetable harvesting, immigrants continue to work in precarious employment throughout Canada with little or no protection from labour standards. Circumstances in their home countries … have obliged many to migrate and accept almost any employment, both for their own immediate well-being and also to provide remittances to their families back home. And just as these workers have filled past and present voids in the Canadian labour market, this role is likely to continue because of the combination of poor labour standards, low pay and inadequacies in Canada’s social programmes.\(^{35}\)

Building on this overview, the next section offers a closer examination of the impact of various aspects of neoliberalism on women in precarious employment.
II Laying Out the Issues — The Neoliberal Policy Environment in Canada and Globally

Like many countries in the industrialized west, since the mid-1980s, Canada has been undergoing significant economic restructuring under successive neoliberal governments. The agenda pursued by Canadian governments has seen the passage of successive free trade agreements, privatization and deregulation. This has had a profound effect on the Canadian labour force as a whole and on women in precarious employment in particular.

At the same time, governments in Canada have become increasingly loyal to the neoliberal economic doctrine of minimizing state interference in markets. Of course, in this respect, Canada has been very much in tune with the rhetoric, now fashionable worldwide, of achieving international competitiveness through the enhancement of market freedoms. In Canada, however, international competitiveness more often than not means reducing the size of government to compete with the United States.

The development of events that have had an impact on the quality of employment in Canada can be found as well in other industrialized countries. However, the situation described above, created by neoliberal policies in Canada, mirrors a much more severe state of affairs in the global south. The existence of precarious employment in developing countries, mostly for women, has been reinforced by similar neoliberal policies.

A. Neoliberalism and Women in Precarious Work in Canada

Labour Policy

An important component of the neoliberal agenda in Canada has concerned the deregulation of labour markets, which has had a profound effect on workers in Canada. The impact on industrial relations policy began with the federal government’s attempts to restrain the wages of federal public sector workers in the late eighties and early nineties. Provincial governments soon followed suit as the pressure to contain government deficits in the early nineties became all-consuming. Some examples of government action serve to illustrate the problem:

- layoffs and reduction of wages of public sector workers
- increasing intolerance of public sector job action, reflected in the use of back-to-work legislation and imposed settlements, and resulting in little if any real wage growth for many public sector workers over the last 15 years
- more aggressive government attacks on workers’ rights in the private sector (including making it difficult for workers to join unions, and minimizing penalties for employers who break labour laws)

Shifts to regressive labour legislation have occurred in recent years in various provinces. At the same time, policies aimed at equalizing power in the work force for marginalized groups — such as employment equity, training and workplace modifications for people with disabilities — are being eradicated. Restructuring of Employment Insurance (EI) has resulted in less protection for women in precarious types of jobs. Similarly, immigration policies take advantage of the
diversity, fluidity and flexibility of the human capital of immigrants who enter Canada\textsuperscript{39} and support precarious work.\textsuperscript{37}

The introduction of legislation that reinforces imbalance in employer/employee relations (such as British Columbia’s introduction of the $6 training wage) enables employers to access cheaper labour unregulated or monitored by unions. Cuts to social programs are a part of a package of initiatives that gives priority to a low-wage flexible labour force over the establishment of a stable living wage. For women, the cuts and changes are closely associated with poorly paid work in the garment, farm and service work industries that are traditionally outside of union protection, labour, health and environmental standards.\textsuperscript{38}

Recently in Canada, various provinces have shifted Standard Employment Acts and Regulations towards regressive labour legislation.\textsuperscript{39} Consequently, there is a rising lack of regulatory protection ordinarily afforded by the law. This matter could be mitigated by the presence of a union. However — particularly for new Canadians unfamiliar with and reluctant to inquire about their rights, regulatory protection is subject to a generally low degree of implementation by labour inspectors and employers.\textsuperscript{2}

Increasingly, then, the protections offered to Canadian workers are being weakened to the point where they look very similar to historically weak U.S. labour laws. This downward harmonization in provinces like Ontario and British Columbia is often justified by a need to create a business climate that is competitive with the United States.

International market pressures have also placed key industrial sectors of the Canadian economy into considerable trouble. The recession of the early nineties led to enormous job losses in manufacturing, especially in central Canada. Those jobs have never been recovered. In the last number of years, basic steel production has experienced several bankruptcies and the auto sector has seen several plant closings. In other sectors, such as lumber, U.S. protectionism has led to significant job losses in an important natural resource sector.

In short, traditional, high-paying, unionized jobs have been lost in Canada, only to be replaced by more precarious, lower paid, non-union jobs, often in the service sector. In towns that have been hit hard by plant closures, call centres have taken up the slack, employing thousands of Canadians in low-paying precarious work. One result is that, like the U.S. before it, union density in Canada’s private sector is dropping rapidly as unionized jobs are replaced with non-union work.

These important changes in the Canadian industrial relations climate have had the effect of creating more precarious work. These jobs are increasingly being filled by women, who are entering the work force in ever increasing numbers as a result of falling income levels, particularly for lower income Canadians. Unfortunately, at a time when more and more women are finding themselves in precarious work, the legal protections for such workers are being eroded in most Canadian jurisdictions.

**Social Policy**

The agenda to reduce the ability of governments to regulate the market followed a now well-documented policy agenda. Initially, the federal government began by divesting itself from crown corporations such as PetroCanada and Air Canada. This was followed in the nineties by a focus on reducing the government budget deficit as well as significant tax cuts for corporations. This deficit concern was exacerbated by the pursuit of a monetary policy that had the effect of inflating the Canadian dollar and increasing the cost of servicing the debt.
Having sold many Canadians on the need to slay the deficit, the government had a ready-made reason to reduce the size of government, cut transfer payments and limit social programs such as EI. As the nineties progressed, the government also increasingly focused on tax cuts, particularly to corporate Canada. As a result, by the end of the 1990’s, fundamental government services like health care and education were facing serious cutbacks and increasingly, the public’s confidence in the government’s ability to provide these basic services was undermined.

In Canada, like the rest of the industrialized west, this agenda was an attempt to abolish the class compromise created after the Second World War. This readjustment has led to significant concrete losses for labour and other subordinate social groups in society. Many key activities that legitimize the importance of the state, such as health care, employment insurance, welfare, regional development — all of which were expanded in the post-war era — have been attacked, cut back or withdrawn entirely.

There is ample evidence that this attack on the public sphere has had a disproportionate effect on women. First, it has led to loss of employment for women due to their over-representation in the public sector. Government offices have been faced with contracting out and downsizing with women being shifted into the private sector as part-time, flexible labour with lower wages, no benefits and reduced job security. Second, women are disproportionately affected by cutbacks to social programs like welfare and EI because they depend upon such benefits. This is especially the case with respect to women who are doing precarious work. Lastly, cutbacks to health care, and the failure of the government to implement child care and home care programs also have a disproportionate effect on women who are more likely to be caregivers in the family context.

Other ways in which policy has weakened social safety nets, favoured those with a high income and contributed to the precariousness of women’s work include:

- cuts in marginal tax rates and improvements in the terms and conditions of registered retirement savings plans, capital gains and stock dividends, coupled with the lack of inheritance or wealth transfer tax;
- minimum wages and welfare rates have kept thousands of working and non-working individuals below the poverty line and the percentage of unemployed workers eligible to receive benefits has been cut;
- wage discrimination because of the privatization of public services;
- welfare reform (including budget cuts, introduction of time limits for collecting social assistance, and lack of support to assist welfare recipients with child care, transportation, training and education

**Employment Insurance — a case in point**
Successive neoliberal governments in Canada have pursued significant changes in social policy — changes that have had profound effects on women in precarious work. Indeed, increasingly,
social policy has been restructured to serve the perceived interests of Canadian labour policy by reducing benefits and forcing the working poor into increasingly precarious jobs.

Nowhere is the impact of changes in social policy better exemplified than in the decade long attack on Federal EI benefits. Changes to the (then) Unemployment Insurance in 1992 and 1996 have made it difficult for people to claim benefits in certain situations and have had a disproportionate effect on women. It is now more difficult for workers who have part-time or irregular hours to accumulate a sufficient number of hours at work to acquire EI benefits, and it is also more difficult for workers who are in non-traditional employment situations to obtain benefits. As a result, as the frequency of precarious employment increases, the government is making it more difficult for these vulnerable workers to obtain benefits that were once available to almost every Canadian worker. Clearly, precarious workers are the primary target of these changes to the EI system.

It is also clear that the major purpose of these changes to EI is to reduce costs. In fact, since the changes to EI, the fund has generated an enormous surplus that has been used to pay down the federal deficit. Reductions in EI expenditures have been on the order of 25 percent, while the number of recipients has dropped dramatically. At present, less than 50 percent of the unemployed receive benefits, compared to 87 percent as recently as 1990.

_Welfare, workfare, child care and women_

Another area affected by federal cuts in transfer payments is welfare. Several provinces have cut welfare rates — most notably Ontario, which cut the provincial welfare rate by 22 percent in 1996. In British Columbia, the government cut the operating budget for social assistance by 30 percent in 2002 and introduced a two-year limit for employable recipients of welfare without children.

Reforms such as these are having a significant impact on women. In many provinces, for example, the Canada Child Tax Benefit is clawed back from women on social assistance. In several provinces, women with children over the age of 6 are considered employable and are subject to workfare programs. Such programs require welfare recipients to work in order to receive benefits, or at least engage in job searches or job training. These programs, common in the United States, have been implemented in New Brunswick, Quebec, Ontario and Alberta.

A recent study in B.C. suggests that the workfare initiatives have not only reduced social assistance benefits but also suppressed wages among low-income workers, a majority of whom are women:41

In terms of non-statutory benefits such as extended medical insurance, dental plans, disability coverage and private pension plans, the fact that most non-standard workers are not eligible reinforces the precariousness of their work-related lives. According to 2000 data, while 58 percent of full-time workers and 57 percent of permanent workers had such plans, coverage fell to only 17 per cent of part-time and 14 percent of temporary workers. Roughly the same gaps apply to employer-sponsored retirement pension plans.42 How many low-income families without medical and dental benefits live in dread of the prospect of a child developing a serious illness, such as an asthmatic condition requiring a ventilator and regular costly medication, or a family member needing to have major dental work performed?43
In addition to cutting back on all forms of social assistance upon which working women depend, the federal government has consistently failed to deliver on repeated promises to implement affordable child care — something that women workers in precarious employment need. In spite of federal government promises in each of the last three election campaigns — to introduce a new, national affordable child care program — to date, no such program has materialized. Only in the province of Quebec has the government been able to introduce an effective, affordable public child care program, although there still remains a shortage of accessible child care in that province. For most Canadian women, child care remains largely unaffordable and, due to the dramatic shortage of child care spaces, unavailable.

B. The Global Perspective

Pressure to Adopt Neoliberal Policy

In the early 1980s, developing countries, particularly those in Latin America and Africa, were required to implement neoliberal policies and structural adjustment programs (SAPs) by international financial institutions, specifically the IMF and the World Bank, in order to access loans that would help restore financial order at a time of severe economic and financial crises. Those policies/programs have had a series of identifiable effects, particularly on labour. As states reduced the size of their operation and their role in the economy, public enterprises were privatized and spending severely reduced in order to generate resources and reduce deficits. Public employment decreased significantly, as did spending in such social programs as health and education. State protection and promotion of domestic businesses (from agriculture to manufacturing industries) were greatly reduced, giving way to incentives to private business to compete. Foreign funds had to be attracted and foreign firms seduced to invest in the countries affected. Markets were opened and barriers brought down. Labour regulations were made flexible in favour of employers, to make business more attractive. The logic behind the policies was that market demand and supply would take care of bringing everything to order, including work for those who needed it, and that workers could move more freely to where they were demanded.

A large number of workers from countries that went through this process, such as those in South America, have seen their status of employment shift from permanent employment in the public sector, or at private firms that could no longer compete, to term contracts at export industries or the survivor domestic industries, with no benefits, no health and safety responsibilities for the employer, and in many cases no “labour” relation, as work contracts have become “commercial” contracts for the “provision of services.” Alarmingly, with this process, workers in the global south have lost access to social protection (e.g., health services and retirement pensions), as these benefits are directly linked to employment, through payroll contributions of employees and employers to health and pension systems. Unions have lost strength, as they continuously lose members, and as they are banned from where new jobs are created. As a consequence, workers have lost their voice and representation as a unified body.

In all developing regions, self-employment comprises a greater share of informal employment (outside of agriculture) than wage employment, but informal wage employment is also significant, comprising 30 to 40 percent of informal employment, outside of agriculture.
Although the structural adjustment and neoliberal policies adopted in many countries of the south could be judged successful in controlling inflation and financial crises, they have also had long-lasting effects on the structure of economic power, on the boundaries of states versus those of multinational firms, and on the situation of employment of millions of people in the world, redefining what we understand today as “work” and “employment.” While a full statistical picture of the levels of precarious employment in the world does not exist, an approximation can be made through the concept of “informal employment.” Informal employment is comprised of both self-employment in informal enterprises (i.e., small or unregistered) and wage employment in jobs without secure contracts, worker benefits or social protection (informal jobs).

**Trade Policy and Global Production Chains**

The need of firms to compete — now playing in a global court — and the liberalization of the economy in more and more countries both responded and contributed to the importance of trade in this new era of globalization. The WTO (World Trade Organization) and the rules that it dictates, and by which countries must abide in order to be members, gradually acquired a renovated and crucial role in the liberalization of economies and the abolition of trade barriers.

In this context, transnational production became attractive to firms that market labour-intensive goods. The idea of crossing borders, not only for finding new markets for products, but also to find less expensive labour, shifted jobs from areas with high labour standards to areas that offered low-cost, unregulated labour. The phenomenon of transnational production, which involves the making of a product at different locations of the world, according to where each stage of production is more cost effective, is portrayed in the concept of “global value chains” or “global production chains.” The analysis of buyer-driven chains (i.e., finished goods follow the specifications, guidelines and technical advice provided by the purchasing agents, which are usually the design, marketing and retailing agents) can map how retail firms use this process to achieve lower production costs. It is mostly women who work at the lower end of the chains, with rewards that are significantly less than those gained by those above them along the chain (from intermediary subcontractors, up to the staff at retail firms). Although women have differing views about the jobs created, the nature of the jobs is precarious.

Global production chains exist in many sectors, from garments, footwear and toys, to manufacturing of electrical appliances. They tend to turn labour into a commodity in the process of manufacturing consumer goods of volatile demand, making jobs part of shifting, insecure, short-term and volatile employment waves. The garment sector, in particular, can create thousands of jobs for women in a particular area of the world at some point, and suddenly close down plants and relocate to other areas. These flows are being seen from Mexico and the Philippines to China. Although the sector was not liberalized all at once, but gradually through the phasing-out of the MFA (Multi-Fiber Agreement), its effects on massive shifts of labour — mostly women’s labour (and indeed mostly precarious jobs) — has not been less hard, and will have strong consequences by 2005, leaving countries with major problems of unemployment.

The liberalization of world economies brought the need to create frameworks for regulating and providing the best conditions for exchange between countries, especially between certain blocks of countries, natural blocks that could provide extended markets for firms. Integration of regional blocks is seen in the signing and continuing negotiation of new trade agreements between countries. NAFTA, the North American Free Trade Agreement that involves Canada, the U.S. and Mexico, has been in place for 10 years. Several sectors have witnessed how manufacturing plants, and the jobs they provided, have been closed to relocate to more attractive economic areas, shifting bases from Canada and the U.S. to Mexico. Although the effect of
NAFTA on employment in Mexico itself is debatable, as it increased in some sectors and decreased in others, the quality of employment created is generally of low standard. In Mexico, NAFTA has had an effect on the closing of certain industries, but it is more notorious for its profound effect on agriculture and the economic activity of peasants. Privatization of communal land and the elimination of small-holders’ agriculture, resulted in an exodus of landless peasants from rural to urban areas, to become the labour for “maquila” plants, mostly in the garment and electrical appliances sectors. Additionally, the open competition from highly subsidized corn and other agricultural goods, which represented a large portion of the Mexican economy, also forced peasants out of agriculture, as their products could not compete with the foreign lower prices. The impacts of trade agreements are discussed more fully later in this chapter.

**Impacts on the Unorganized, the “Not-Represented” and Women**

The role of unions as collective bodies that interacted with employers, voiced the concerns of workers and defended their interests is being lost in this post-industrial era. The working poor are grateful for having jobs, despite the conditions and the low rewards at which they work. When an employer (and an employer-employee relationship) can be identified, workers often do not have the right to organize collectively and fear losing their jobs, if they voice concerns in defence of their rights. The levels of unemployment in developing countries and the structural conditions of poverty make the fear of losing a job a very valid one. When an employer cannot be identified, given the several layers of intermediaries and subcontractors in a chain of production, it is even harder for workers to organize and have a common voice, as there is no entity directly responsible at the other end of the table.

Low paying jobs, fluctuating work, extended hours, bad health and safety conditions at work, no access to benefits, no collective organization or voice — all characteristics of precarious employment — are aggravated for women in their traditional role of caregiver. As states have decreased their social spending, health care, child care and elderly care have become unavailable or unaffordable, increasing the burden for women. This is compounded by the traditional division of roles between men and women at the household level. State policies that recognize the productive and reproductive role of women need to be considered, either through services or through more favorable labour regulations, even if states find themselves forced to be competitive practitioners of austerity, and providers of attractive environments for businesses and foreign direct investments.
Why the Rise of Global Neoliberalism?

During the 1970s, the economic performance in Canada, the U.S. and other industrialized countries rapidly deteriorated. Driven in particular by a quest for increased profits, a new stage of capitalism, called global neoliberalism, began to emerge. As economies became more integrated into big regions such as North America and the European Union, the priorities of states changed. Employers and their political allies began to dismantle employment regulations which had helped provide increased economic stability and gave many employees at least some way to voice their needs and interests. In place of the welfare state, with its emphasis on high employment and economic stability, came the “competition state,” more emphatically oriented to economic competitiveness in international markets. At home this has meant weaker consumer protections, weaker labour protections, tax concessions to corporations, and the privatization of public resources, including parts of our education and medical systems. The social gains of the post-war era are being sacrificed in the name of corporate profitability. A number of factors have contributed to the growth of neoliberalism since the 1970s, including:

- **growth in international trade** — which now accounts for about 45 percent of the value of the world’s economic activity

- **extraordinary increases in transnational production** — today, some 64,000 transnational corporations (TNCs) take advantage of this cheap labour either by setting up subsidiaries abroad or by subcontracting work to an estimated 870,000 foreign affiliates in areas of the world where labour is cheap and where worker rights are not enforced

- **a major shift in the balance of power between employers and workers** in both the north and south, where there have been massive increases in unemployment and underemployment

- **the collapse of the Soviet bloc as a competitor for hearts and minds**, particularly in parts of the South, resulting in a more unrestrained global domination by major transnational corporations and the major powers, particularly the U.S., U.K., Japan, and Germany

- **the extraordinary rise to power of Wall Street banks, the U.S. state and the International Monetary Fund**, resulting in foreign debt crises for many countries in the global south, with major negative implications for workers in these countries (including suffering the impact of policies designed to reduce or eliminate unions, minimum wages, unemployment insurance, food subsidies, and a whole range of labour rights and standards)

With respect to the latter point, exports have become the main avenue for these governments to pay off foreign debts. To increase exports, governments need to attract new capital investments and new contracts for production. Among other measures, this has generally meant that governments in the south have seen cheap, disciplined labour as an important way to promote exports. In the context of the global power relations described above, employers and governments help to ensure that wages, union rights, workplace health and safety regulation, protections against excessive overtime and against physical and psychological abuse, as well as other labour rights and standards are kept at low levels.
C. ILO Labour Standards and International Trade Agreements

Globalization has had an impact on the human rights of women and workers — including migrant workers, the underemployed and the employed, people living in poverty, indigenous people, people with disabilities and people of colour.19,48

**ILO and labour standards**

The International Labour Organization (ILO) has identified a number of its conventions as “core labour standards”. These core standards focus on freedom of association and the right to bargain collectively, freedom from forced labour and abolition of child labour, as well as on eliminating discrimination in employment and occupations. In effect, they provide a floor to protect workers in the most basic ways.

In recent years, due to the influence of international trade agreements and of international financial institutions, the ILO has backed away from its initial role of promoting global legislation to protect workers’ interests. Instead, deregulation has been promoted in order to foster corporate competitiveness; putting workers in vulnerable and exploitative work situations. Increasingly, therefore, labour is low-waged, seasonal, part-time labour.49

Precarious employment undermines, in many respects, United Nations agreements and covenants like the Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights. Also, some of the practices of multilateral financial institutions transgress the core labour standards of the ILO. Some countries state their support for core ILO labour standards, while at the same time promoting labour market policies that increase workers’ vulnerability. Violations of core labour rights, particularly with respect to women with domestic responsibilities, amplify the need for regulated decency in the global workplace.

While most ILO standards are binding only on those states that ratify them, core ILO standards are binding on all ILO member states. It is these standards that are typically at the heart of proposals to link worker rights to international trade.

**ILO labour Standards are violated**

In the south, few workers, and mostly those in the formal economy, belong to independent unions. Only about 15 percent of workers, most of whom are male, work in the formal sector. Most women work in the informal sectors of urban and rural areas. Where women do work in formal areas of the economy, as in special export processing zones, unions are often illegal or union rights are restricted in practice, if not in law.50,51 In countries such as China and Vietnam, where there are large numbers of women who are formally employed in export-oriented sectors, independent unions are illegal. Because so many work in the informal economy and parts of the formal economy where these enabling rights are absent or restricted (and difficult to gain through purely domestic struggles), links between international trade agreements and these enabling rights are potentially especially important to women workers.

It is not only in the south that core ILO labour standards, including enabling rights, are being violated. In Canada, the U.S. and other countries, the workers’ right to join unions of their
choosing, the right to strike and other fundamental rights are increasingly under attack. In Canada, the violations of ILO standards are most frequently seen in “back to work” legislation in the public sector, where very large numbers of women work. Among other things, this has weakened public sector unions’ ability to resist management’s power to transform permanent full-time jobs into part-time and contract jobs, particularly through contracting out.

**ILO enforcement needs to be stronger**

Although there is evidence that progress has been made in some countries with regard to the elimination of child labour, the ILO has not generally been effective in enforcing its labour standards. This is largely because the ILO relies on moral suasion and publicity to persuade state violators to change their conduct. In general, more effective enforcement requires going beyond “naming and shaming” to provide more incentives to employers and governments to enforce these standards. There needs to be stronger complaint mechanisms available to workers and their allies, as well as more effective and comprehensive monitoring of labour standard compliance at the level of the workplace. Material incentives for compliance are also needed. These could include tying aid provision and trade access to compliance levels. Hence the growing interest in linking ILO core standards to international trade agreements between high and low labour standard regimes. At the same time, it needs to be noted that power relations underlying these trade agreements are asymmetrical: states of the north can penalize the south for labour standards violations (or for other reasons) by raising trade barriers. One option to reduce this power asymmetry would be to tie core ILO standards to global multilateral trade through the World Trade Organization (WTO).

**Global labour standards need to protect women …**

There is also a need to expand the range of core global labour standards to take more account of the specific needs of women workers. Among other things, this includes adding in standards to regulate excessive overtime (a chronic problem in labour intensive industries where women are the majority), to provide a living wage (where minimum wage does not meet basic needs), and to require maternity benefits and child care facilities to offset the cost of women’s unpaid work in caring for children and family.

**… and abandon the “race to the bottom”**

More fundamentally, however, unequal global labour standards levels reflect global neoliberalism and the growing regional, gender and other inequalities that it generates. Thus, ILO core labour standards need to be linked to economic development for the south, adopting such changes as providing greater access to OECD markets for developing country products and services, offering special treatment and access to developing countries, providing debt relief to southern governments, increasing aid aimed at education for women and children and promoting capital controls (so countries can protect themselves from rapid changes in capital flows).

Such changes can help, in part, to take labour rights and standards out of the competition and to put a floor under the current global “race to the bottom.” Core labour standards should not be allowed to be pawns in the new global competition of all against all. For this to be realized, these minimum international labour rights and standards need to be made truly global. Workers, no matter where they work, should be guaranteed these rights. Women, who work in precarious jobs in the informal economy and in lower skilled, labour intensive export-oriented sectors in the south, will be among the main beneficiaries of changes in this direction.
Building Labour Protection into Trade Agreements

Since the early nineties, several “free trade” agreements have included an assortment of provisions that, in theory, are designed to insure that minimum labour standards are respected in the signatory countries. Increasingly, these trade agreements attempt to incorporate ILO core labour standards and, in some cases, have used the resources of the ILO to strengthen the enforcement of labour rights in the south. As such, while many of the labour provisions found in trade agreements are very new and their impact, at this point, has been minimal, it may be possible for these provisions to eventually build on the rights created by the ILO towards the creation of a viable global labour rights “floor” based on the ILO core labour standards.

Trade agreements in the Americas

A number of agreements in the Americas have been signed in the last 10 years, each containing provisions relating to labour standards. In addition to NAFTA, the first such agreement, others are:

- **NAALC (North American Agreement on Labour Cooperation)** (included in NAFTA (1993)) — promoted as a new kind of international labour rights agreement that would provide an opportunity to enforce key labour rights for workers in the North American Free Trade Zone. The core of the NAALC provides that the three signatories, Canada, the U.S. and Mexico, commit to promote 11 labour principles, including protection of the right to organize, bargain collectively and strike, as well as protections for the minimum wage, hours of work and other labour standards.

In addition, the agreement commits the signatories to work towards non-discrimination, equal pay for equal work and protection of migrant workers. Of particular interest is the NAALC mechanism that allows parties to file “Public Communications” to complain about a country’s failure to comply with the provisions of the NAALC. In fact, Public Communications have been filed by a wide variety of organizations, from trade unions to development NGOs, student groups and migrant

Developments in the Americas

- In the U.S.-Chile agreement and the CAFTA agreement, the parties explicitly reaffirm their commitment to the ILO core labour standards.

- The CAFTA contains a specific provision designed to build institutional labour capacity in member states. Negotiation of the CAFTA labour provisions took place in the wake of an important report by the ILO that highlighted the institutional problems with the enforcement of labour rights in Central America. This focus on building institutional capacities could be important if substantial resources are devoted to the project.

- The parties have contemplated using the ILO directly to assist in the enforcement of core labour standards in the CAFTA countries. While there is nothing in the final agreement to suggest that this is going to occur, the move toward an increased role for the ILO does present some interesting possibilities.

- Lastly, it should be noted that by incorporating labour rights, and their enforcement, into the body of the agreement rather than in a side agreement, the recent agreements have, at least theoretically, addressed a long-standing concern among the many critics of the NAFTA/NAALC.

With the exception of the NAFTA, the trade agreements of the Americas are very new. Only time will tell whether the latest agreements will provide any framework for the meaningful improvement of labour rights in the Americas.
worker organizations. This has led to the creation of some significant cross-border alliances that have formed for the purpose of highlighting misconduct by specific corporations. Several complaints have highlighted issues that are of particular importance to women in the workplace. For example, in 1997 a coalition of U.S. and Mexican labour, human rights and women’s groups filed a public communication regarding the widespread use of pregnancy testing in the maquiladoras. The U.S. National Administrative Office conducted a public hearing in Texas that exposed the involvement of U.S. multinational corporations in such practices. As a result, several corporations announced that they would halt these practices, and advocacy groups in Mexico continue their campaign to halt discrimination against pregnant women in the workplace.

However, a review of the results of the 26 Public Communications filed in the U.S., Mexico and Canada, as of February 2004, reveals that in the 10 years since the signing of the NAALC, most observers agree that few concrete results have been achieved through the formal complaint procedure.

- **Free trade agreements between Canada and Chile** (1996) and **Costa Rica** (2001). Both of these agreements contained labour side agreements very similar to the NAALC — again, results are yet to be seen.

- **Free trade agreements between the U.S. and Chile** (2003), and between the **U.S. and four Central American States** (CAFTA) (2004). Both agreements contain arguably improved labour provisions in which the signatories agree to affirm their obligations under the ILO declaration on Fundamental Principles and Rights at Work. Further, these agreements include labour rights in the body of the agreement and provide for improved enforcement mechanisms when compared to the NAALC.

### U.S.–Cambodia Textile Agreement

The United States has negotiated over 270 bilateral trade agreements with less developed countries. Since the late 1980’s, it began to include language in the preamble to those agreements urging countries to take steps to achieve internationally recognized labour rights. Probably the most positive example of this linkage between labour rights and standards and trade in these bilateral agreements is the **U.S.–Cambodia Textile Agreement** (UCTA). Under pressure from organized labour, the U.S. developed the UCTA to demonstrate the viability of a labour trade linkage that could be used to promote a social clause in the WTO.

One important feature of the UCTA is the central role played by the ILO. Both the U.S. and the Cambodian governments requested ILO technical assistance in monitoring and promoting improvements in labour rights and standards. As a result, the ILO is responsible for monitoring and reporting systems, the development of new laws and regulations, as well as for increasing worker awareness of employer and government capacities for the enforcement of rights. The ILO Chief Technical Advisor produces a synthesis report on the project every four months that provides an overview of monitoring for the period.

After over five years in operation, the agreement has been beneficial to many Cambodian garment workers. Among the most important gains has been an increase in unionization, albeit from a low level. As a result of knowledge gained through the ILO project, some workers have been able to form unions and demand improvements in working conditions.\(^5\)\(^3\) Associated with the UCTA, there has been an increase in the number of unions and union federations, and a related rise in competition among unions for members. This has not only given Cambodian workers more
choice among unions, but has also contributed to a more democratic and open culture of unionism in some cases. Furthermore, while monitoring is not comprehensive of the whole industry, by the end of 2002 ILO inspectors had inspected 129 of the roughly 200 registered factories. The inspected factories employed over 125,000 of the 200,000 workers in the sector.\(^5^4\)

There has also been a big increase in employment associated with the Agreement. Under the first agreement, investors from China, Taiwan, Hong Kong and Singapore set up plants in Cambodia to take advantage of improved export access to U.S. markets. This helps to account for the major increases in garment exports to the U.S. Increasing investment has led to major increases in employment. Jobs at Cambodia’s more than 200 garment-making plants tripled between 1999 and 2002, to employ 235,000 workers. The earnings of the garment workers support 10% of Cambodia’s people.\(^5^5\)

However, the UCTA raises a number of concerns that limit (or have the potential to limit) its usefulness as a model for improving workers’ labour standards and rights. A general concern is that the UCTA is based on a highly asymmetrical power relationship between a small, poor country and the U.S. As with the wider debate about social clauses, there is a need to be cautious if the negotiating power of the parties is highly unequal, and if one party is in a position to dictate terms to the others and to extract concessions.\(^5^6\) Concerns have been raised about the potential use, by the U.S., of labour standards compliance issues as a pretext for blocking imports from Cambodia.\(^5^7\) Such an attachment of labour standards to trade agreements puts power in the hands of the governments of large developed northern countries with big consumer markets.

Moreover, Cambodian workers themselves had little, if any, voice in creating the agreement and deciding how it would be monitored. Garment workers’ dependence on their jobs, and the linkage between their employment and the labour standards conditions of the UCTA, puts workers and their unions in a contradictory position. On the one hand, they want to benefit from improved labour conditions; on the other, exposure of non-compliance with the labour standards attached to the UCTA can jeopardize their jobs.

There are also concerns about the UCTA monitoring system. Approximately 30 percent of the plants are monitored every four months, by 11 field monitors hired by ILO. Some 70 percent of the plants are not visited at all and are not part of the synthesis report in each period. Finally, particularly in highly competitive, relatively low skill, labour intensive, and just-in-time production industries, short turnaround times demanded by international buyers are conducive to excessive and forced overtime, in particular. The underlying contradiction between labour standards and costs of production remains.

However, there is evidence that some Cambodian clothing manufacturers believe they can carve out a niche market as Asia’s labour friendly, safe producer.\(^5^5\) The Garment Manufacturers Association of Cambodia argues that the relatively good level of international labour rights and standards in its factories should be rewarded with lower tariffs for its exports to the U.S. and a broader range of duty-free exports to the European Union.\(^5^8\) They will not, however, be the only manufacturers pursuing this high labour standard strategy of comparative advantage. Manufacturers in other countries that are losing their quotas, such as Sri Lanka, are also pursuing this strategy.

The ILO does not certify that goods are made under good working conditions. This is appropriate, because the monitoring is not adequate to make such a certification. However, from the perspective of the Cambodian government and manufacturers, their claims to be sources of high labour standard garments need to be promoted through some form of accreditation if they are to
be more effective in persuading conscious consumers of their validity. The Cambodian government is looking for a way of validating their labour standards along the lines of the certification program for fair trade coffee, dolphin safe tuna and sustainably harvested lumber.55

The ILO’s project will continue into the fall of 2005, past the end of the Agreement on Textiles and Clothing (ATC) and Cambodia’s accession to the WTO. The ILO will attempt to make the monitoring system sustainable and to create an administrative system for Cambodia’s garment sector.59 The ILO’s Project Advisory Committee states it continues to believe that with the accession of Cambodia to the WTO in 2004, the expiry of the U.S.–Cambodia Trade Agreement in 2004 and the abolition of trade quotas under WTO regimes come 2005, ensuring that working conditions and labour relations throughout the sector are generally acceptable is now, more than ever, of the utmost importance.60

Overall, the trade agreements in the Americas described above have shown few or no results so far. While they may hold promise for the future, it is still vital to achieve serious enforcement of core ILO standards in trade agreements — particularly those related to free association and collective bargaining, as in the case of the USCTA.

**Heading in the Right Direction — Some Benefits of Trading Zones**

In addition to provisions in trade agreements, it is important to look at emerging trading zones and the possible protections they provide to workers in general and women in precarious employment in particular. Two examples — the European Union and Mercosur — demonstrate movement in a positive direction.

**The European Union**

The most well-developed example is the European Union (EU) which has, over the course of its 40-year history, developed institutions and agreements which, to some extent, have the effect of insuring the genuine maintenance of some labour standards on a transnational basis.

The Council of the European Commission, the principal legislative body of the EU, has formal responsibilities in several relevant areas including the free movement of workers, working conditions, equality between men and women, and employment and incentive measures. In 2000, the Charter of Fundamental Rights of the EU was passed as a legally non-binding declaration. This Charter is likely to be included in the Constitutional Treaty that will replace all of the old treaties if and when it is signed. Once signed, the Charter will become the enforceable law of the EU. Within the Charter, there is a specific chapter on fundamental social rights, which include such rights as freedom of association, the right to working conditions which respect health and dignity, the right to collective bargaining and collective action, and the right of workers or their representatives to information and consultation in a timely way.

The EU approach has proven to have several strengths with respect to the enforcement of labour and social standards. This is an important issue because many fear that wealthier states manipulate such standards for protectionist purposes to maintain an economic advantage over poorer states within the Union. The approach emphasizes compliance (but offers poorer countries considerable financial and technical support to help them achieve the required standards). The same emphasis on compliance rather than punishment has diminished the concerns of newer, poorer members.61 As the authorities responsible for monitoring and adjudication, the European Commission and the European Court of Justice are truly supra-national bodies. As a result, they have considerable distance from narrow national or political interests, and hence they are not bound by the concerns of individual member countries.
The EU has also been particularly active in defending women’s rights. As noted above, the EU has issued numerous directives on equal pay for equal work, equality for women in employment and training, equal treatment in social security and protection for women during pregnancy and after childbirth. In the labour area, the EU still places great reliance on non-binding declarations and directions as opposed to binding regulations. It gives the responsibility to the member states to properly integrate the goal of the directive into their respective institutional and legal framework.

The level of sophistication and development found in the EU system, which has evolved over almost 50 years, far outstrips any other transnational regime of this kind. The question that must be asked, however, is whether this model can be applied to other parts of the world. However, the EU regime is clearly superior to any labour provisions found in any trade agreement in the Americas. This superiority extends not just to enforcement but also to the establishment of transnational institutions that are able to insure compliance.

Most importantly, the EU has an enviable record with respect to the level of support given to nations to build their capacity to meet EU standards. This model of institution building and capacity support is one that should be supported in other parts of the world. As we stated in the introduction, building national institutions that are capable of enforcing core labour standards is an important mechanism for helping poorer countries overcome their desire to maintain perceived comparative economic advantage. However, building such capacity can occur only if substantial amounts of financial resources and technical support are provided to developing countries. In this respect, the EU experience represents a useful model.

Mercosur

The second trading block of significance is the Common Market of the South (Mercosur), which took shape in 1991 with the signing of the Treaty of Asuncion by Argentina, Brazil Paraguay and Uruguay. Mercosur is a relatively young common market arrangement, so the level of institutional development is substantially less sophisticated than in the EU.

However, Mercosur does provide some very useful elements. First, the Social Labour Declaration of Mercosur invokes ILO core labour standards in addition to other more specific labour rights. As such, the Declaration requires that member states commit themselves to internationally recognized ILO standards and to promote conformity with such standards in each country’s domestic law. Furthermore, Mercosur provides for a significant role for labour in the tripartite structure of its institutions. There has been a broadening and deepening of social dialogue, which may be viewed as progress in a long march toward an effective social dimension in trade.

Perhaps most importantly, Mercosur provides a valuable model of openness to civil society and social actors. The fact that Mercosur provides an institutional role for NGOs is a useful component that potentially provides opportunities for the development of a true policy-making role for NGOs in the future.
III Linkages Between Precarious Employment in Canada and in the Global South: A Case Study

Neoliberal economics is a global phenomenon, which has placed nations, communities and workers in competition with each other. ILO labour standards are being violated in both the north and south. In Canada, the right to join unions, the right to strike and other fundamental rights are under attack. “Back to work” legislation in the public sector and contracting out work from the public to the private sector are examples of how legislation is eroding workers’ rights. Workfare policies and cutbacks to social services, programs and assistance is creating an environment where the working poor are grateful for having jobs, despite the conditions and poor compensation.

Similar conditions are found in the global south, as workers continue to stress that they do not want consumers to boycott products produced by workers in precarious conditions — that they need the employment and do not want companies to close down or move their operations to other locations — even though they are paid significantly less than workers in the global north.

Examining the burden on women from a gendered perspective, it is evident that there are similarities between women in Canada and women in the global south. Women in the global south continue to be burdened with child care responsibilities, home maintenance and caring for family members, in addition to working for wages outside the home. They are also offered lower wages than their male counterparts, similar to what Canadian women workers face.

In Canada, the economic policies that underlie the emergence of precarious employment for women have also burdened women with more responsibilities and work within their families. In total, the demands of child care, elder care and general family well-being are arguably greater for women now than 20 years ago, given the erosion of state support for social programs in these areas. This has happened despite the fact that the Canadian economy has grown on average by 3.2 percent annually over this period, suggesting that more social spending could have been afforded.62

Although there are differences between the experiences of women in Canada and the global south, it is evident that, globally, neoliberal economics have affected women negatively. An increased burden of work for women with a decrease in compensation for labour, in addition to the health risks associated with poor working conditions and stress, has had a negative impact on women everywhere.
A. A Closer Look at Call Centres and the Garment Industry

An examination of two industries — call centres (otherwise called the teleservice industry) and the garment industry — serves to illustrate the extent to which precarious employment is a global issue, affecting both workers in Canada and in the global south, especially women.

Some similarities …
Both the call centre industry and the garment industry are international in structure and characterized by large corporations that operate transnationally. Both are affected by trade agreements and both have an over-reliance on women workers. In both, large U.S. companies can be found outsourcing to smaller companies that use unregulated work and home workers. Governments offer incentives to entice firms to set up in their jurisdictions. Moreover, there is evidence that there is inter- and intranational competition that drives labour standards down. In each industry, there is competition to attract companies, and the industries are highly volatile and mobile. In both, workers labour under the fear that their employer will relocate to a place where workers will accept fewer benefits.

Employee demographics are similar across the two industries. The majority of workers are women, and there is a disproportionate representation of women of colour and new immigrants to Canada. Workers operate out of work centres, or are home-based. The work tends to attract underemployed women, and home-based work is particularly attractive to women who are either struggling to carry out their caring responsibilities or those seeking alternatives to child care costs.

There are similar precarious working conditions in that workers are paid under minimum wage salaries, the work is often non-standard employment and largely includes non-unionized work environments. Working at a call centre is more focused on high technology than labour intensity, yet is also monotonous and repetitive work that fits the definition of precarious employment.

Some differences …
There are also notable differences between the two industries. While one produces a service, the other’s output is a commodity. Although regulation is not always enforced in the garment industry, labour violations have become exposed and more visible in the community as a result of research, advocacy work and lobbying for changes in legislation and labour practices by workers, advocates and organizations such as Maquila Solidarity Network (MSN) and Oxfam. There has been a history of activism regarding the garment industry, promoting fair labour practices. Branded campaigns promoting corporate social responsibility have raised consciousness in the public regarding violations of labour rights for garment workers. Global networks and collaborations have been formed, so information sharing, strategizing and pressure for change have taken place.

The teleservice industry has not benefited from the same visibility and it lacks labour regulation. In fact, there is a shortage of global information and research on the labour conditions for call centre employees around the world. There is no history of activism associated with call centres, as it is an emerging industry that is growing rapidly with technological advances.
B. The Garment Industry

The garment industry has been exposed as an area of employment with a long-standing history of exploitation of women — it clearly fits the description of precarious employment. In Canada:

- There are approximately 60,000 workers in the garment industry.  
- Women immigrants of colour make up 77 percent of garment workers.  
- Many women working in the garment industry under the contract system of piece-rate work have little job security and must supply their own machines, electricity and repairs.  
- Often, subcontractors pay workers by the piece, regardless of the number of hours worked and with little concern for current minimum wage legislation.  
- Unionization rates declined from 80 percent to 20 percent throughout the 1980s and 1990s.  
- The work is “relatively low-skilled and repetitive, does not require extensive training, and does not provide significant opportunities for promotion and advancement.”  
- Workers face “low wages, lack of benefits and amenities, insecurity (short-term and seasonal employment, outsourcing), and compulsory overtime to meet increased demand and short delivery deadlines.”

The conditions facing Canadian garment workers mirror those that women face in the global south. The production of garments includes work at factories in EPZs with “maquila” modalities in different areas of the global south. Mostly women perform the work, in precarious conditions, with little regulation of their labour, no independent unions to represent them in interacting with the employer, no benefits, and with fluctuating and extended working hours. However, there is a tendency to employ more men when more sophisticated technology is introduced at these factories. As is the case in the north, subcontracting to neighborhood workshops or women’s own homes (home-based work) is a frequent occurrence.

Although much effort is made between north–south partners to expose and overcome precarious employment, a lack of public disclosure of information about Canadian retailers’ offshore production facilities has made access to information difficult. Increased competition has led to a shift of production to other countries either through direct investment or contracting out to offshore production. There is also an increasing trend of sub-contracting in Canada, with an estimated 60,000 apparel industry employees in Canada now contracted to sub-industry.

Many garment workers, as well as the factories and workshops where they work, continue to be unregistered, and labour rights violations continue against home-based workers. One Toronto worker’s testimony is telling:

<table>
<thead>
<tr>
<th>Garment Workers in Canada …</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status of Women Canada has identified five main workers rights abuses for homeworkers in the garment industry in Canada:</td>
</tr>
<tr>
<td>- workers receive less than minimum wage</td>
</tr>
<tr>
<td>- piece rates are declining</td>
</tr>
<tr>
<td>- workers have excessively long hours with no overtime pay</td>
</tr>
<tr>
<td>- employers fail to pay benefits including statutory holidays and vacation pay, as well as employer contributions to EI or CPP</td>
</tr>
<tr>
<td>- workers face insecurity of employment with periods of no work and no unemployment benefits</td>
</tr>
</tbody>
</table>

The lowest salary I earned was about $3 per hour, with the same employers I’m now working with. I didn’t say anything at the beginning. I dared not. But now I start to talk to them about this. The kind of pocket-sewing I’m now doing also requires me to cut certain fabric before I can start sewing. But the employers don’t count the cutting time. I told the employers about this. But they said that almost every homeworker asks them for a raise... but that they get no raise from their contractor who gives them the fabric. I don’t know other homeworkers who also work for them. It would be better if I know. The highest salary I earned was around $8 per hour. That was the beginning when I first worked for these employers, when they let me know the piece rate before I sewed. But now they won’t tell me the piece rate before I sew. Every time I ask them for the piece rate, they always say they haven’t had time to think about it yet. At the beginning they gave me the piece-rate before I sewed. But now they don’t. They never tell me the piece rate until I finish sewing the garments.71

As precarious as the wages and working conditions are for these homeworkers, they are, in general, considerably better than for the women who work in the sweatshops of Canada’s garment industry. Located in downtown back alleys and low-rise factory districts in Toronto, Vancouver and Montreal, small-scale apparel factories employ mostly immigrant female workers in dingy, dust-infested rooms. According to a January 2004 CBC documentary, the workers are paid according to a piece rate that averages little more than $2 per hour74 — work that employers might claim is not subject to minimum wage rates. Other abuses include the use of two different time cards for each worker: one under one name for eight hours of work in a given day, and another with a different name for up to eight hours more work in the same day — enabling the employer to avoid paying overtime.75

As a result of restructuring, there has been a loss of full-time, standard jobs, a loss of unionized jobs and a growth in non-standard precarious employment. In February 2002, one firm threatened to close its garment plant and move to Central America when workers attempted to organize.76 Such a situation resulted from the flexibility and mobility the company gained from globalization.

As reported in the study by Status of Women Canada,66 many women who perform home-based work are required to do so as a result of a lack of affordable child care. The same study cites other common violations of workers’ rights including “training” without pay, falsifying hours of work records to hid unpaid overtime, demanding overtime work on evening and

Women garment workers in Canada and in the global south report that violations of workers’ rights include wages below legal minimums, failure to provide overtime, statutory holidays and vacation pay. Home workers also reported health problems, isolation and pressure from trying to balance work and family demands in the home.70

In Canada, employment in the clothing industry declined in the late 1980s and first half of the 1990s from 85,000 to just over 93,000, about 4.6 percent of total manufacturing employment by 2000. In 2003, the federal government implemented its Market Access Initiative (MAI) designed to open up the Canadian market to textile and clothing products from the less developed countries.72 The effects were immediate – for example, imports of woven apparel from Bangladesh increased by almost 200 percent in 2003 alone.73
weekends beyond hours permitted by law, locking the factory doors during forced overtime periods to prevent inspectors from entering the factory, and late payment or failure to pay wages due.\textsuperscript{66}

In response to the impact of greater imports from developing countries, the federal government established a joint \textit{Working Group on Textiles and Apparel} with industry and union representatives to monitor changes and make ongoing recommendations to improve competitiveness for Canadian manufacturers. The government’s strategy is to provide support to move the Canadian textile and clothing industries further up the value-added chain. Recommendations from the Working Group resulted in 2004 in the government announcing $60 million in measures to achieve this aim.

It is striking, however, that in the Canada Newswire report on the announcement of these measures, only one of the seven listed commitments the government was making concerned support to cushion the impact of changes on workers.\textsuperscript{77} The assumption seems to be that measures to aid industry will automatically benefit workers, at least those left with jobs. A worker-centred strategy is also needed. An existing example of this can be found in the practical policy recommendations made,\textsuperscript{78} ranging from the implementation of ILO labour standards to public sector procurement policies to greater public transparency with respect to working conditions to more effective enforcement of existing employment standards regulations.\textsuperscript{65}

Homeworkers and contract shop workers are generally entitled to the same rights and protections as all workers, yet provincial standards are not being enforced or, in some cases, are being changed and are not enforceable.\textsuperscript{79}

\section{The Teleservice (Call Centre) Industry}

The call centre industry is an emerging industry that includes such services as marketing, selling, technical support, customer service enquiries and reservations over the phone. It is an example of the “industrialization” of service production, and crosses a range of industries including financial services, hotels, travel and transport, and government services,\textsuperscript{80} often providing user access to services 24 hours a day.\textsuperscript{81} These centres “link service sector activities into global flows and networks and foster low wage and feminized forms of labour.”\textsuperscript{81} Cross-border call centres are examples of the relocation of intensive service sector activities and outsourcing of ‘non-core’ activities.\textsuperscript{82} In Canada, the teleservice industry:

\begin{itemize}
  \item includes approximately 13,400 call centres;
  \item employs 570,000 workers, including approximately 50 percent who work part time.\textsuperscript{83}
  \item is centralized in a few provinces — with most call centres located in Ontario (50 percent) and Quebec (18 percent). In terms of its role in the economy, teleservice plays a bigger role in the provinces of Manitoba and New Brunswick.\textsuperscript{84}
  \item is characterized by rapid growth — in New Brunswick, since 1992, over 4,000 jobs have been created by more than 30 companies.\textsuperscript{85} As recently as 1991 there were only a few centres in the province, employing no more than 100 people.\textsuperscript{86} In this case, the growth is attributable to a provincial campaign and an investment model featuring low wages and high unemployment.\textsuperscript{87}
\end{itemize}

Such growth has been enabled by both deregulation of the telecommunications industry (permitted by the services clauses of CAFTA/NAFTA) and by the growing sophistication of the telecommunications technology. There are no borders or regulations, and so voluntary regulation
is not always inclusive of unions. The trend has been for transnational call centres to encourage governments to promote policies that will attract foreign investment to peripheral resource-based economies as a new means of economic growth.⁸⁷

Changes to workers’ compensation were intended, in part, to keep employer contribution rates low — a redefinition of the term “accident” resulted in some types of injury claims becoming “all but impossible.”⁸⁸ The government also created incentives for organizations, such as “federal and provincial assistance, tax credits, R&D incentives, loan guarantees, start-up capital and free staff training and recruitment.”⁸⁸

Within Canada there has been competition between provinces for economic development. In the mid-1990s, UPS relocated from Ontario and British Columbia to New Brunswick due to incentives.⁸⁹

Manitoba has approximately 11,000 workers in the call centre industry and has also been promoted as an ideal location for call centres because of low labour costs, employer-friendly government policies, publicly funded training, and a well-educated work force. In the 1990s, the provincial government made a concerted effort to attract call centres and offered training in public colleges and high school. The province also made cuts to social welfare in order to encourage people to seek work even though it was low paying.³⁸³

Other characteristics of the industry and the way it works include:

- Firms in the industry locate in areas that are less favoured, but that provide low-quality opportunities.⁹⁰
- Firms have reduced management and supervisory costs through the use of technology and low labour costs.⁹⁰ Some outsource work to call centre specialists that operate on a global scale.⁹¹ Others subcontract through smaller operations (including those in home basements) making monitoring and regulation difficult.
- Call centres make use of part-time workers that can be called upon at short notice.⁹¹
- Some workplaces are unionized while others are not, and some companies are outsourcing to home-based workers.
- Women make up 70 percent to 80 percent of call centre employees, although managers and senior technical staff are disproportionately male.⁹²
- Call centres have a flat management structure, so there are limited prospects for promotion.⁹²

While many women have become entrenched in part-time work, temporary work (50 percent of which is part-time for women) has become institutionalized for others.⁹³ Moreover, there is much “disguised employment”⁹⁴ among contract workers who appear to be tied to a single employer. They are not ordinarily eligible for EI and employee benefits — nor are they covered by general labour standards such as termination notice and severance pay. They have to pay both employer and employee costs for the Canada Pension Plan.⁹⁵

**Call-centre based teleservice work**

It has been suggested that call centres are the “new sweatshops” of the service economy.⁹⁶,⁹⁷ This comparison is based on the intensity of the work and the controlled environment, although the physical work environment may be more desirable than those of traditionally defined sweatshops.⁹⁷

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Status of Women Canada interviewed a woman who spoke about the working conditions in call centres:

Rosa: To think of it as anything but a factory is wrong. It is a factory. I think in that way you can be duped by the technology, and the moment you see a computer, you think this is an advanced office and this is on the cutting edge of technology, or whatever … It is not that at all. It is a factory.

Workers at call centres are under constant monitoring and the supervisor can be aware of what the agent is doing at any time throughout the workday as a result of automated call distribution systems. This technology allows the supervisor to know how many calls a worker takes and how long each call takes. Moreover:

- The supervisor can listen in on calls at any time.
- Workers in call centres have little or no control over how often they take a call, which results in intense pressure on the workers.
- Most call centres are located in new buildings, which are aesthetically pleasing, but the intensification of work is causing problems for workers. Work is boring, monotonous mundane and stressful.
- Women in the industry are subject to sexual harassment, and are differently situated than men as a result of “public consciousness by the telephone sex industry.”

Maia: … one of my coworkers was listening to my calls, and he was saying that he was getting sexually aroused from listening to my voice … It’s the most disgusting thing that anyone could say … Well, my boss was the one who told him to listen to me because he told me that I had a phone sex voice, and I should do phone sex … If I let myself think there was some sort of harassment, I would have gone off the deep end.

Tariq: The front liners are all women. A female’s voice sounds nice on the phone. I don’t know. I think there is almost like a sexual preference lying over it at some level. I think it is a fact that male consumers, when they call Sprint Canada, they like talking to women. If that weren’t true, most of my colleagues wouldn’t be hit on over the phone by customers. People get hit on, women get hit on, almost on a daily basis ...

Workers at call centres are also subjected to irate and obscene callers. They are required to politely subject themselves to harassment, as they report not being allowed to hang up.

“… Many call centres attempt to restrain labour costs by hiring part-time staff who typically work a short shift.” Call centre work is attractive for new immigrants because it is among the easiest of jobs to acquire. Suburbs with an increasing number of immigrants (e.g., Surrey, B.C.) are also seeing call centres opening up — they predominantly employ immigrant women who are desperately in need of work and are therefore working at very low wages.

McFarland found the women working in call centres described their work as “boring, monotonous, mundane, stressful …[with stress] caused by high productivity quota.” Her research reveals that most call centres opened 18 hours a day or 24 hours, 7 day a week and that the annual pay of the workers in the study ranged from $15,000 to $25,000, with those in administrative positions being paid the least. Most of the workers complained of the low pay and many felt that they were misinformed during the hiring process regarding wages.

Based on an interview with a community worker who is working with call centre workers in
Surrey, B.C., McFarland found that the biggest concern and violation of labour standards was the misinformation regarding hours and wages. He cites that work in call centres is usually based on productivity quotas that are measured by the number of calls taken, bills processed, or taxes and duties estimated. Workers who do not keep up with the quotas receive warning letters and, if no improvement takes place, they are let go. In many cases, workers work overtime to meet or exceed their quotas. 102

**Home-based teleservice work**
While home-based teleservice work has been romanticized as the “perfect job” (workers’ ability to choose their own hours, do without child care, etc.) few employees benefit from the situation, with workers paying for their equipment, office space and training. 103

In reality, home workers are paid by the minute, with no benefits. In fact, pay for “cyber agents” has been dropping, as a result of attempts to remain competitive with workers from India, who earn as little as one-fifth as North Americans. 104 IBM acquired India’s third largest call centre, Daksh e-Services in April 2004, which is evidence of actions to gain services with low costs. 105

Overall, there is a shortage of information on working conditions for teleservice employees in north or south, and it is even more difficult to access information on the labour conditions for home-based workers. It is difficult to know what labour rights and standards are being implemented in countries where there has been an influx of call centres, such as India.

What is evident is a lack of organization for the workers, as the majority of call centre and teleservice employees are not unionized. There is a need for organization in order to mobilize workers, to raise awareness of workers’ rights and to promote health and safety regulations. This is common in both Canada and the global south.

**D. What the Case Study Suggests**

Through the case study of the garment industry and call centres, it is evident that there are concerns regarding precarious employment that affect Canadians, directly and indirectly. There is a common experience in that workers are not being provided labour rights and appropriate working conditions; nor do they receive adequate compensation for work performed.

Sexual harassment, piece rates and the precariousness of home-based work are common to both the garment industry and the teleservice industry. The fact that the majority of employees are women and particularly women of colour, both in Canada and around the globe, presents a common platform upon which workers, advocates and partners around the world can work to strategize for change.

Organizations like Oxfam can continue to work with partners from the global south to develop and promote worker-centred strategies and policy proposals. The work is essential considering that existing policies are not effectively enforced or monitored, and in cases such as the call industry, there is a shortage of any regulation. The strategies that are developed must be designed to address gender inequity.
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