

THE STORY SO FAR: COVID-19, THE CANADIAN LABOUR MARKET, AND INTERSECTIONALITY

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The “viral inequality” of the COVID-19 pandemic and resulting recession has exposed the deepening and precise segmentation of the Canadian labour market. Our examination of labour market outcomes in the previous four research briefs¹ highlighted the importance of examining a wide range of social and economic factors and their influence on the profoundly uneven experiences of the “pandem-ecession.” In this brief, we use regression modeling of Statistics Canada’s public-use Labour Force Survey (LFS)² data to continue our investigation of labour market impacts of COVID-19. With an eye to detail and precision, we look for the story beneath the story.

In our first research brief ([June 2020](#)), our analyses showed that the immediate adverse labour market impacts of COVID-19 were disproportionately experienced by **immigrants**, regardless of their time since landing or their pre-COVID employment status on the same measures. The terms by which work and workers are valued and devalued were laid bare, as employment losses for non-unionized workers in temporary jobs that pay by the hour were much more rapid and dramatic than for salaried, unionized professional workers with permanent employment. Furthermore, immigrants are overly represented in these devalued and precarious job sectors – the very same work that was suddenly recognized to be “essential” for our families and communities to carry on in the pandemic.

Our examination of labour market impacts for **women** ([Brief #2, September 2020](#)) in the first five months of the pandemic revealed:

- about two-thirds of the decline in total employment between February and July 2020 occurred among women;
- women experienced COVID-19 related layoffs, both permanent and temporary, at rates that greatly exceeded those of men;
- women’s rates of underutilization rose from being comparable to men, to exceeding male levels; and more women remained underutilized as the first signs of economic recovery (summer 2020) started earlier and proceeded more rapidly for men than for women; and
- women with young children were hit especially hard with lost hours of work.

¹ We gratefully acknowledge funding support of the Social Sciences and Research Council (SSHRC) of Canada through the Insight Grant *Tracing and Addressing Social exclusion in Canada* (TASC), PI Luann Good Gingrich.

² See Statistics Canada, [Labour Force Survey \(LFS\)](#).

In [Brief #3 \(December 2020\)](#), we explored labour market impacts of COVID-19 on **youth**. Workers aged 15 to 24 were among those hit the hardest by the shutdown of the spring of 2020 measured by a range of employment indicators, and remained further from full recovery than all other major demographic groups by mid-October 2020. Young women continued to experience slower recovery than young men through to the end of the year, a pattern that was contrary to core-aged women and men in the fall of 2020. Although longer-term immigrant youth experienced better employment outcomes than their Canadian-born or recent immigrant counter-parts prior to the pandemic, they suffered the most severe losses at the peak of the economic downturn in the spring of 2020. Furthermore, indicators of employment recovery for immigrant youth who have been in Canada over 10 years were still lagging well behind Canadian-born youth as well as recent immigrant youth in October 2020.

In our fourth brief ([July 2021](#)), we compared the ‘Great Recession’ of 2008-09 with the ‘pandem-ecession’ of 2020-21 in terms of the impacts by gender (women versus men), age, immigration status, wage level, industry, unionization, and firm size. While our analyses show important differences, the impacts of both recessions are clearly most severe for people working low-wage, non-unionized jobs. Yet in 2020-21, the concentration of job losses among non-unionized, younger, and lower wage workers was much more pronounced than in the recession of 2008-09, revealing an increasingly [fractured labour market](#) that works to systematically devalue young, female, non-unionized, new immigrant and racialized workers and their labour.

In each of our analyses to date, we have seen that while the effects of the pandemic have been more severe for immigrants, women, and youth, our results have uncovered varying impacts across these groups. Not all immigrants, or all women, or all youth have suffered equally. In this brief, we employ multivariate regression techniques to better isolate how labour market impacts of the pandemic may differ between and within sociodemographic groups once we control for factors such as province, age, education, family type, and immigrant status. Our focus is on the intersecting power dynamics defined by gender, nationality/race/ethnicity, and age that result in compounding vulnerabilities and economic exclusion.

Regression Results – Hours Worked

We begin by examining hours worked, creating a statistical model for each month beginning in February 2020—the month prior to the onset of the pandemic and related job losses—and ending in June 2021.³ We know that in addition to working reduced hours many people have become completely unemployed or forced out of the labour market due to the unusual conditions of the pandemic. As the LFS does not report hours worked for those who are either unemployed or not in the labour force, we include them in the model and set their hours to zero. We created separate models for each month to show month-to-month changes in hours worked. The full set of control variables included gender, age, province, highest level of education, immigrant status (immigrant < 10 years, immigrant 10 years or more, and non-immigrant), and family type (couple with youngest child under 18, 18-24, or none under 25; single parent with youngest child under 18, or 18-24⁴; and unattached individual). In essence, the results show the impact of the covariates of interest, with the other variables or characteristics taken into account.

To explore intersecting social relations of power and their precise effects, we also included interaction terms for gender with age, gender with family type, and gender with immigrant status. The purpose of the interaction terms is to reveal if females in certain sociodemographic groups were disadvantaged relative to females in other groups, or to males in the same group.

As there are 17 different models for the period under examination—one for each month from February 2020 to June 2021—we omit the detailed regression results in this report, and move directly to presenting the results of the interaction terms, which are the focus of this brief.

Gender/Age

In an earlier brief we explored the impact of pandemic labour market conditions on different age groups. In our models with gender/age interactions and controlling for other factors, we found that in each group there were statistically significant differences in the hours worked per week between males and females for most age groups in every month. Figure 1 shows the gender gap in hours worked for each age group, and a positive gap indicates men worked more hours on average than women. The largest gaps appear to coincide with each wave of the pandemic: spring 2020, fall 2020/winter 2021, and spring 2021. By the end of the period, the gender gap in hours worked was slightly lower than the pre-pandemic level for those aged 15-24, 35-44, and 45-54, but higher for those 25-34 and 55-64 years of age. In most months the male/female

³ SAS version 9.4 PROC GLM was used to create these Ordinary Least Squares (OLS) models for actual hours worked. Each month was run as a separate model. The monthly models had N's of approximately 60,000 – 75,000 and adjusted R² values ranging from 0.42 to 0.52.

⁴ The LFS does not include a family type variable for single parents with no children under 25.

difference in hours worked was statistically significant, with the exception of those aged 15-24.

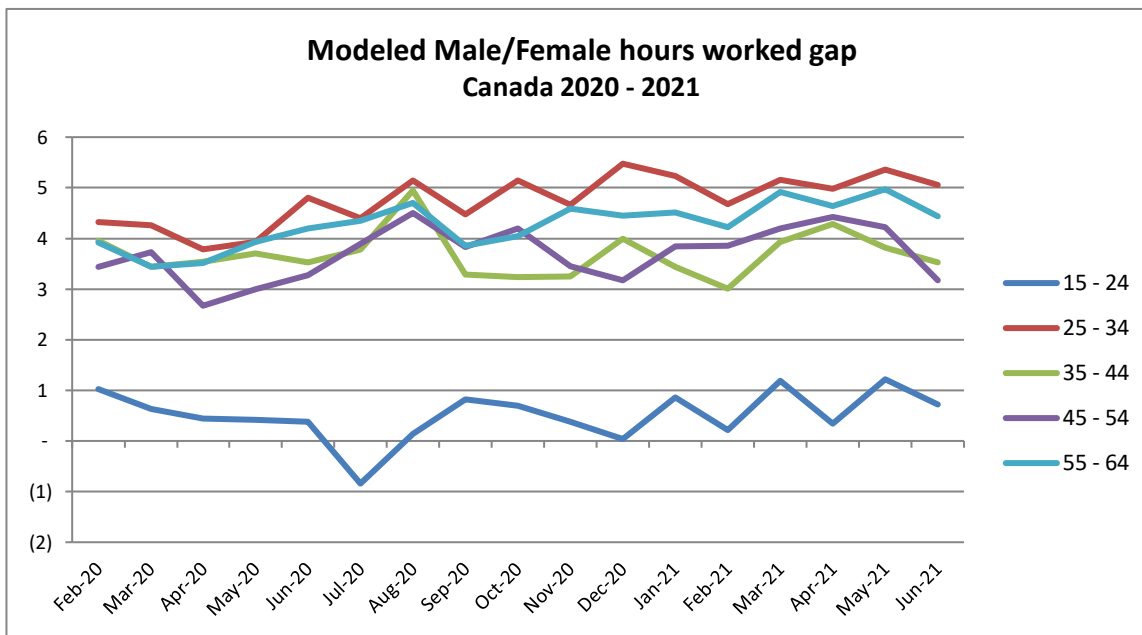


Figure 1

It is critical to point out that these results control for the industry in which a person worked, and the segregation of women into certain industries that were most profoundly affected by the pandemic recession is, in some ways, precisely the point. Omitting industry from the model causes the gender gaps to be 1 to 4 hours larger across all age groups.

The smallest gaps in hours worked existed for those aged 15- 24, where the difference between males and females ranged from around plus one hour to almost negative one hour (July 2020). The next largest gap alternated between women 35- 44 and 45-54 years of age. The size of gap for women aged 45-54 shrank during the first wave, apart from an early jump following the initial job losses in March 2020, but then rose through the summer, declined again in the fall as the economy re-opened, but began climbing again as additional waves of the pandemic took hold. As of June 2021, the gap between men and women in this age group dropped below pre-pandemic levels for the first time since December 2020. The gender gap was statistically significant in every month.

Women aged 35-44 experienced a more stable difference in hours worked, generally around 3.5 hours per week less than men in the same age group, increasing to five hours during the summer of 2020. Like women 45-54 years of age, they ended the period with a slightly smaller gap than the pre-pandemic level (3.5 versus 4.0 hours).

The largest gender gap was consistently among women aged 25-34, who pre-pandemic experienced a gap of about 4.3 hours. Their gap appeared to grow with each wave of

the pandemic, during the summer months, and peaked in December 2020 at nearly 5.5 hours and ended the period at 5.1 hours.

Gender/Family type

Next, we turn to the interaction of gender and family type, which tells us if women compared with men in certain family types experienced greater or lesser divides in actual hours worked. There appears to be a clear pattern in which women with children faced larger and growing gender gaps (see Figure 2).

Females in couple families with young children (under 18 years of age) began the pandemic with a gap of around 6.25 hours per week. After declining initially, the gender gap in hours worked grew over the course of the first wave before declining again in the fall of 2020. The differentiation increased again over the winter of 2020-2021 and peaked at or slightly above 7 hours in April-June 2021.

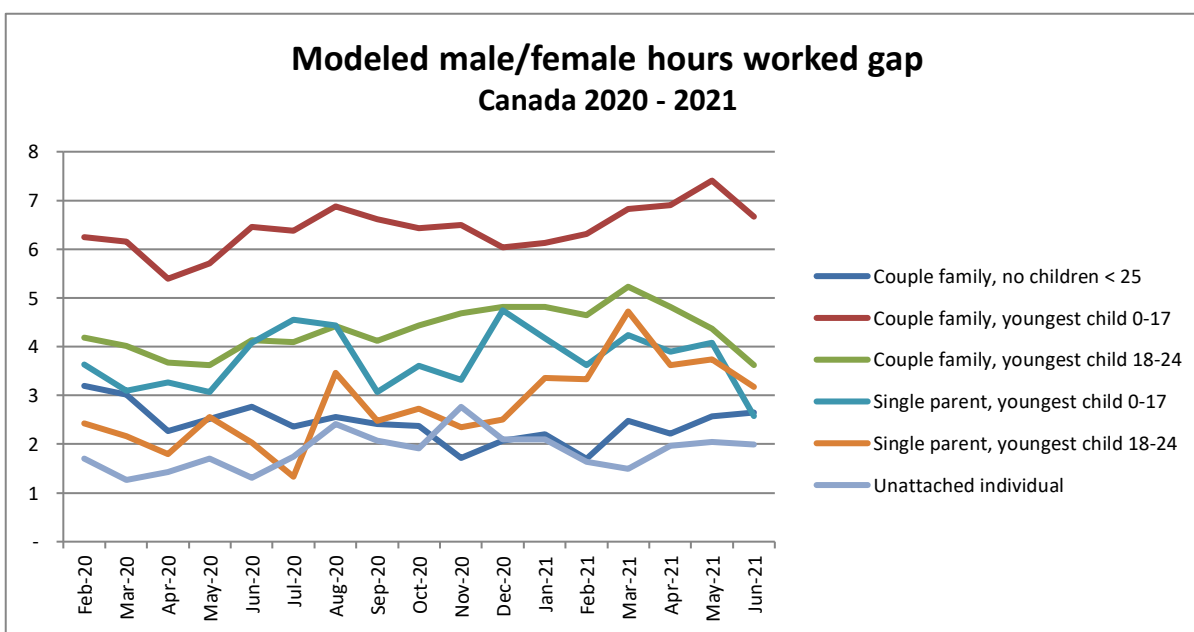


Figure 2

The next largest gender gap in hours worked was observed for parents in families with the youngest child aged 18-24, which also grew over the period from slightly over five hours per week in March 2021 before declining below pre-pandemic levels in June 2021. The next group to experience a large split was single parents of children less than 18 years of age, followed by single parents of children aged 18-24. Single parents of young children faced a gender gap which grew over the period and only fell below pre-pandemic levels at the very end of the period. Parents of young children in couple families saw their gender divide declining at the end of the period, but still remained higher than February 2020.

This contrasts with females in families *without* children, who experienced a gap in hours that was both smaller than those of females in families with children, and either declined over the period (couples with no children under 25) or did not increase (unattached individuals).

These results are consistent with the argument that women shouldered a greater burden of child care responsibilities through the pandemic as schools shifted to online learning and other options for care were not available.

Gender/Immigrant status

Yet another cleavage in the labour market explored in an earlier brief was between immigrants to Canada and Canadian-born workers. Here we examine gender by immigrant status. First, in Figure 3, we present actual modeled hours of work which shows females with consistently lower hours of work, rising and falling with waves of COVID-19 infections and opening and closing of the economy. Although there are months in which certain groups of women appear more or less disadvantaged, only in May and June of 2021 were any of these differences statistically significant, when long-term immigrant women had significantly more hours of work than recent immigrant women (but not significantly different from Canadian-born women).

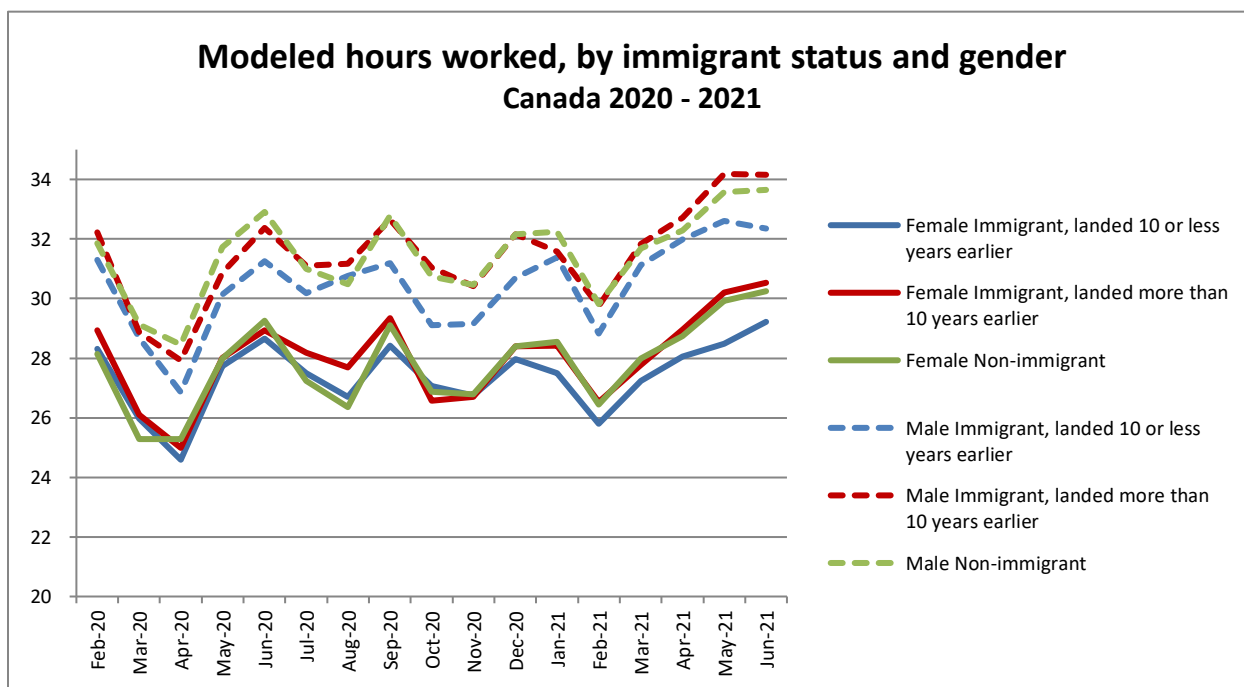


Figure 3

All three groups of males began the period working close to the same number of hours. Over the pandemic, long-term immigrant and Canadian-born men appear to have smaller declines in hours and recovered further and faster, creating a larger gap over more recent immigrants. However, apart from the fall of 2020 and the spring of 2021

most of these differences were not statistically significant. Males, regardless of immigrant status, ended the period working more hours on average than in February 2020, with long-term immigrant and Canadian-born men working over 1.5 hours per week more than recent immigrant men.

Regression Results: Labour Force Underutilization

In this section we explore ‘Labour Force Underutilization’, a concept that includes the officially unemployed; those who are working, but at less than half of their usual hours; and those who are not in the labour force but who want to work.⁵ This measure then, captures a broader range of possible labour market impacts of the pandemic in a single measure. In this framework a person can be ‘Not underutilized’ (working at least 50% of their normal hours), ‘Underutilized’ (unemployed, working at less than 50% of their usual hours, or out of the labour force but wanted to work), or ‘Not in the labour force’ (and did not want to work). Underutilization is thus a broader and potentially more useful concept than the narrow and more common unemployment measure.

All of our briefs to date have explored descriptive statistics for underutilization in a bivariate manner (i.e., underutilized vs. not underutilized) as it relates to the sub-populations of interest (women, immigrants, and youth). To perform the analysis for this brief, we employ multivariate logistic regression to predict the *probability* that a person was underutilized versus not underutilized in each given month.⁶ Our covariates (or control variables) are the same as for the OLS model for hours worked: province, age, highest level of education, family type, and immigrant status. We also used interaction terms for gender with age, gender by family type, and gender with immigrant status. To simplify the presentation of results, we report the *probabilities* of underutilization for the interaction terms, while controlling for our covariates.

Age|Gender

We first explore the interaction of age and gender. Figure 4 shows the predicted probability of underutilization by age group among females. We note that the same general pattern appears for all ages, with a dramatic rise in underutilization resulting from the initial closing of the economy in the spring of 2020, and a decline as the first wave was brought under control. Subsequent waves in the fall of 2020 and the winter/spring of 2021 resulted in smaller increases, followed by declines as public health restrictions eased and the economy opened.

⁵ To be officially unemployed a person must be in the labour force, i.e., actively looking for work. Traditionally, those who are not looking for work are considered ‘Not in the Labour Force’.

⁶ We omitted those not in the labour force and not wanting to work from the model because, apart from a brief drop in the spring and summer of 2020, the numbers of people in this category were relatively stable, as was the gap between men and women. In addition, this simplifies the model to a standard binary logit model and renders the results more easily interpretable.

The second key observation is that women aged 25-34, followed by those 15-24, had the largest increases in their chances of being underutilized, and remained above other age groups for almost all months.⁷ The exception appears to be women aged 15-24 in the spring of 2021 when their chances of underutilization fell below women 55-64. This may be a consequence of the move of younger women out of the labour market and into post-secondary education as a response to pandemic job losses (*The Daily, May 25, 2021*).

Prior to the pandemic, in February 2020, women aged 25-34 were about 9% more likely to be underutilized than women aged 45-54, who had the lowest probability of underutilization. This gap widened considerably to around 14% in April 2020, and remained wider than pre-pandemic levels until the spring of 2021. It was not until April 2021 that the chances of underutilization for women aged 25-34 returned to pre-pandemic levels.

In general, older women had less dramatic increases in their chances of underutilization. However, by June 2021 the two youngest cohorts were at or below their pre-pandemic rates, while older women remained slightly above. Women aged 25-34 continued to have the highest probability of underutilization and were not experiencing the downward trend in their rates of underutilization as were other age groups.

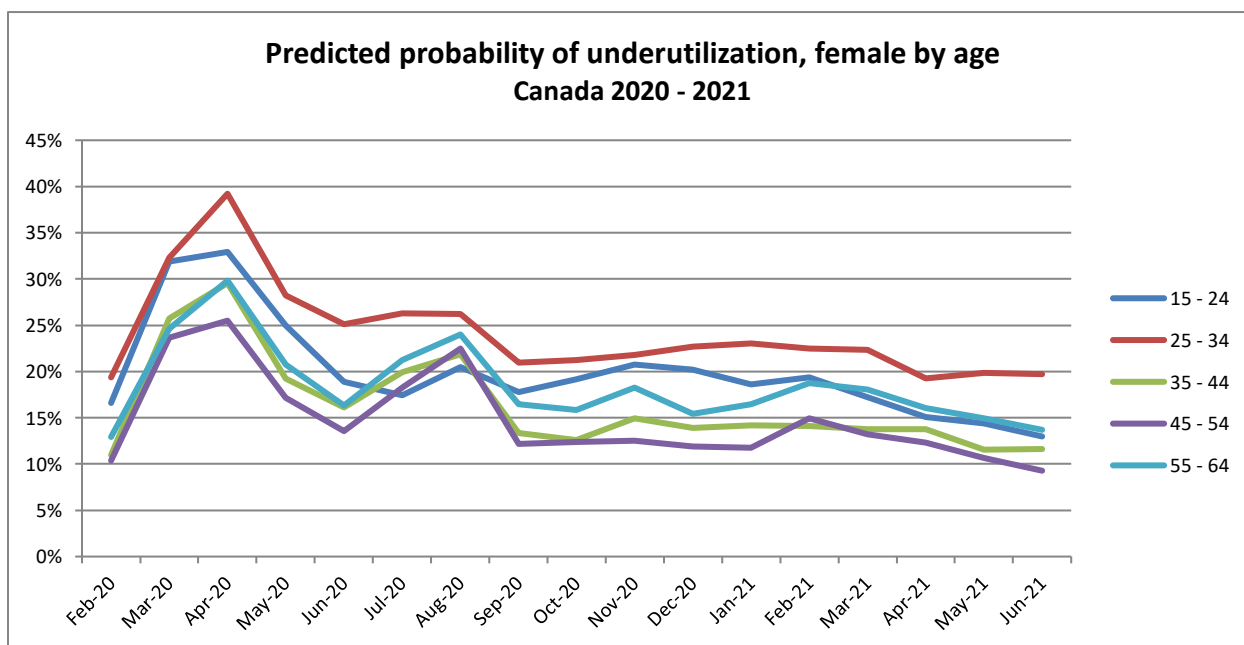


Figure 4

⁷ The uptick in underutilization in the summer months is likely due to vacation periods when actual hours worked fall for most workers.

The next set of observations compares the probability of underutilization between women and men—that is the male rate minus the female rate (Figure 5). Negative values indicate that women were more likely to be underutilized while positive values indicate the opposite. Declines signal an increase in the gap, or female underutilization increasing more rapidly than among similarly aged males, while upward movements indicate a growing advantage among women (if positive) or a narrowing of the gap (if negative), while a movement from negative to positive indicates a reversal of positions—women moving from a higher to lower probability of underutilization. Although both genders experienced a rapid increase in underutilization in the first wave, female underutilization increased more rapidly leading to the increasingly negative values.

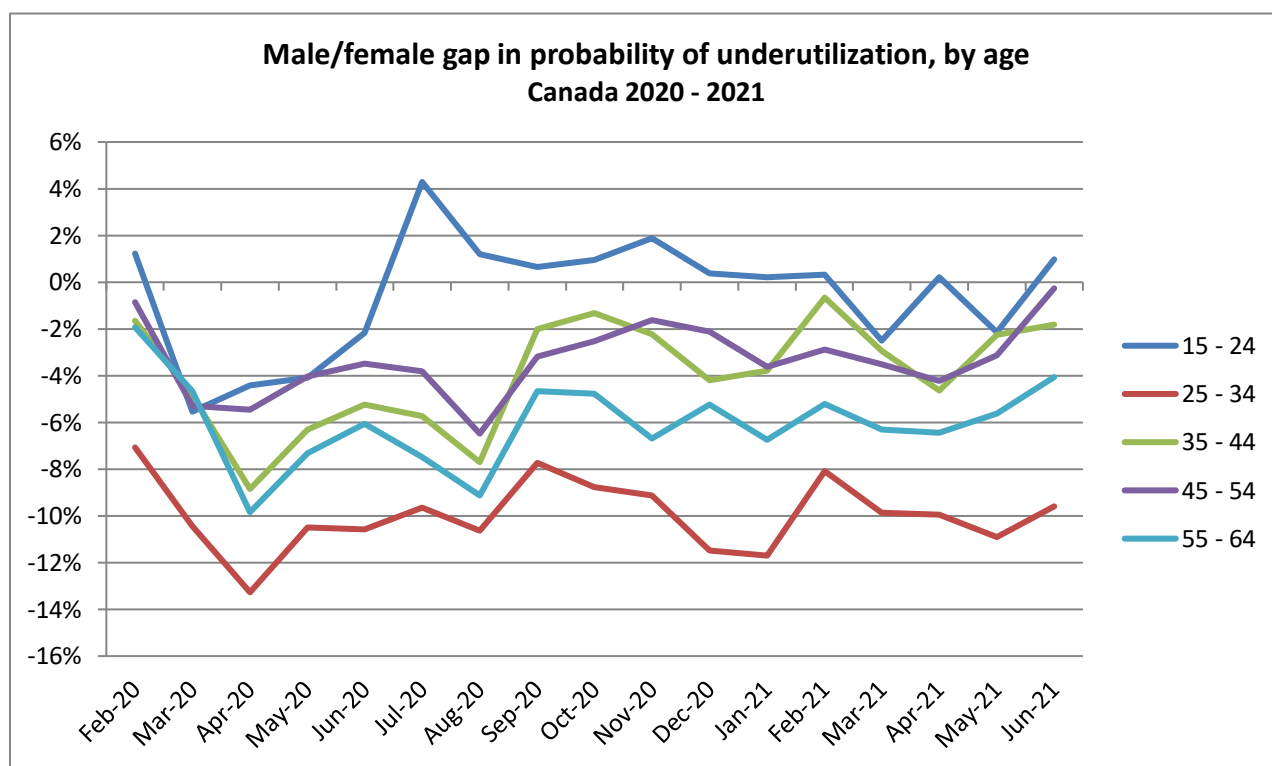


Figure 5

Females 15-24 quickly went from having a slight advantage over males in the same age group in February 2020 to almost 6% more likely to be underutilized in March. They returned to a favourable position compared with similarly aged males in the summer months but fell back in the fall and winter. They ended the period slightly less likely to be underutilized than males. Females in this age group were the only ones to experience any consistent advantage over males.

Women 25-34 had the largest gap with comparable males at the start of the pandemic, a situation that worsened with the onset of the first wave. Each successive wave saw this group worsen their position. They only briefly approached their pre-pandemic rates

during the fall of 2020 and the early part of 2021, but fell back again as the third wave hit. They ended the period with about a 10% disadvantage compared with males and still behind where they were pre-pandemic. All other age groups (women aged 15-24, 35-44, and 45-54) followed a broadly similar pattern: an initial deterioration with each easing of restrictions improving their relative position and each wave leading to another further deterioration. Older women (55-64) and women aged 25-34 did not recover to pre-pandemic levels, and remain in a worse position vis a vis males in the same age group.

Gender/Family type

Next, we turn to the interaction of gender and family type. One of the most widely commented-upon features of the pandemic recession has been the trend towards women leaving employment in order to take on caregiving responsibilities. We explore this idea by interacting gender and family type in our model.

The first chart explores differences among couple families, with and without children (Figure 6). The first noteworthy feature is that all groups had relatively close levels of underutilization pre-pandemic, ranging from 10% to 17%. However, women in families with young children, who began with a somewhat higher probability of underutilization, saw the gap with males in such families increase quite dramatically in the first wave, and remained elevated relative to comparable males and females in other family types. Women with no children under 25 also saw their probability rise relative to others during the second wave in the fall of 2020, and climb again in the third wave.

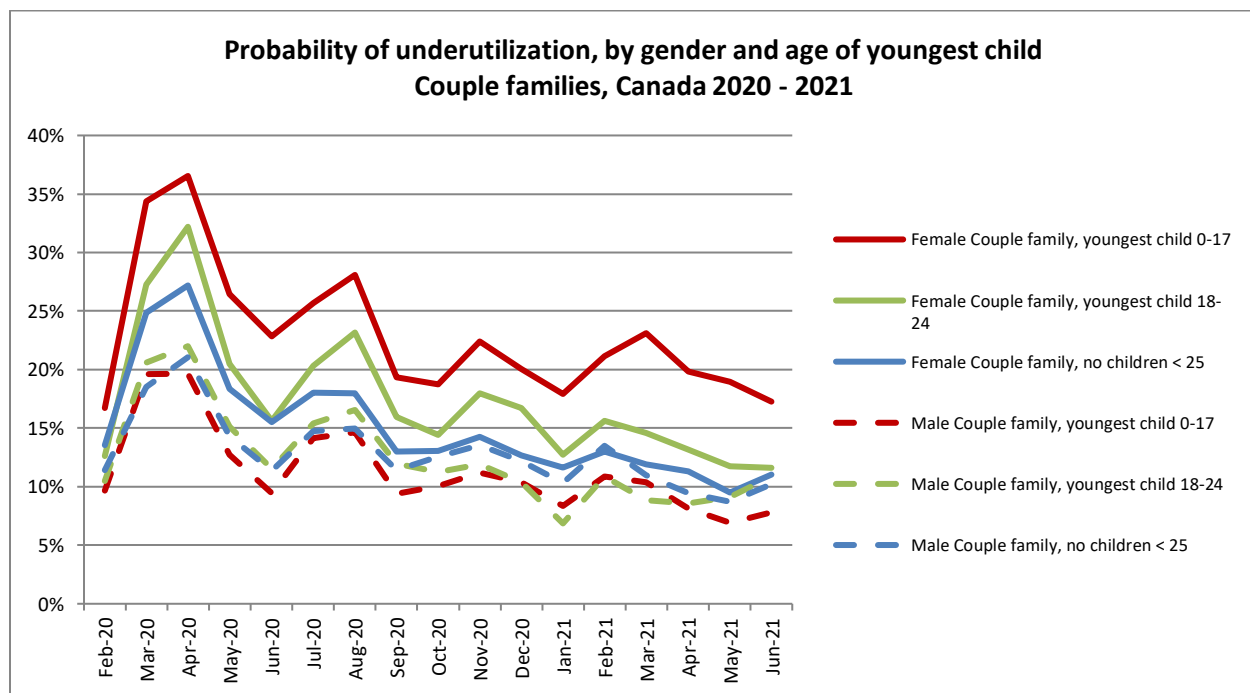


Figure 6

The group with the next highest probability was females in families with children 18-24 who started the period with a lower probability than either of the other female groups, and only slightly higher than males in comparable families. They quickly rose to have the second highest probability among all family types, female or male. Although not shown, we calculated confidence intervals for all of these estimates. The estimates for women with young children were statistically different from women with children 18-24 in almost every month. Women with children 18-24, despite having higher probabilities of underutilization were, in most months, not statistically different than women with no children, with the notable exception of the fall of 2020.

Not only were the probabilities among males uniformly lower than those of females, in most months the differences among males were not statistically significant. Moreover, from the fall of 2020 onwards the highest probabilities of underutilization were experienced by men in families with no children under the age of 25, and the lowest probabilities were among men in families with children—the exact opposite to the experience of women.

Turning next to single parent families we see a similar pattern among female single parents with young children, as their probability of underutilization rose above that of others and stayed consistently higher for most of the 17-month period, until May-June 2021. Compared to single fathers with young children, single mothers with young children were at least 5% to over 10% more likely to be underutilized throughout the course of the pandemic.

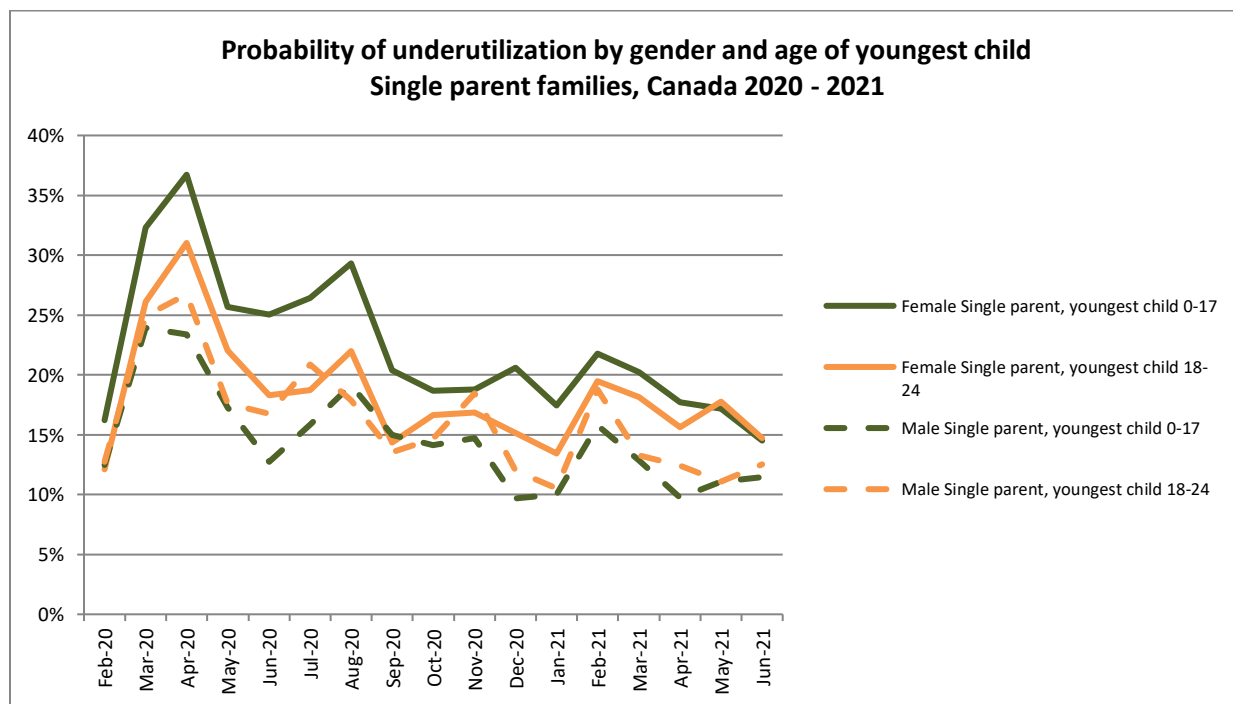


Figure 7

Interestingly, among females with older children, the probability of underutilization initially increased above male single parents but then fell and remained close to males for most of the remaining period, sometimes rising above, sometimes falling below. Only in the spring of 2021, during the third wave, did their probability again rise above that of male single parents. We note, with interest, that at the end of the period, male single parents with young children had the lowest probability of underutilization among all single parents.

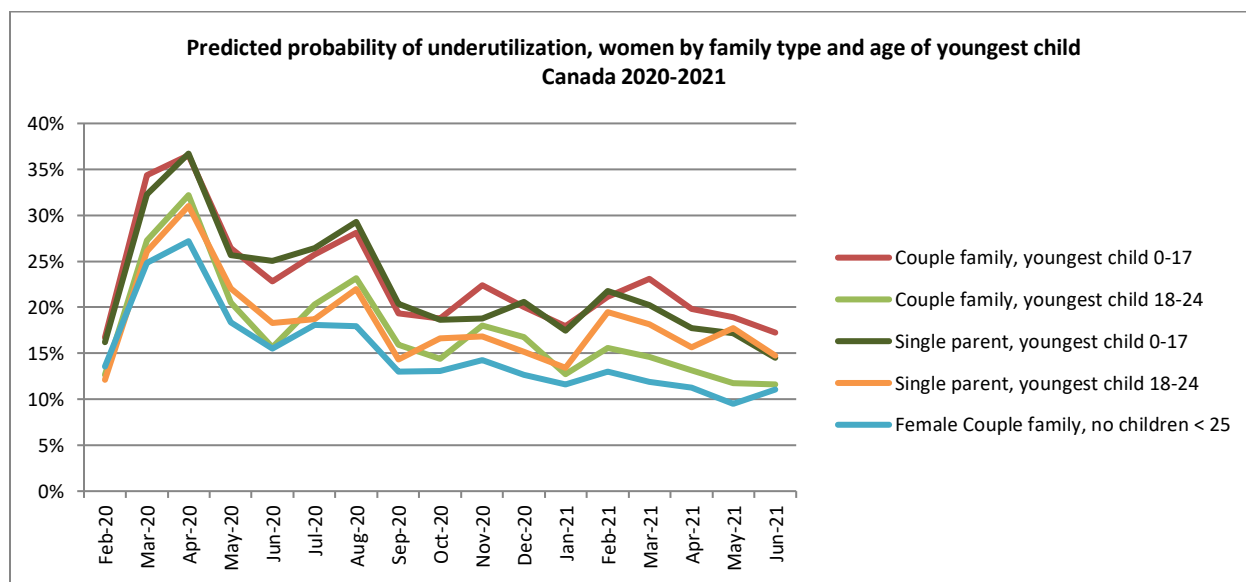


Figure 8

Gender/Immigrant status

Figure 9 shows the probability of underutilization for women by immigrant status, another important sociodemographic factor explored in an earlier brief. Here we see that in the early months of the pandemic, recent immigrant women had a higher probability of underutilization. While the differences were, for the most part, not statistically significant, it is noteworthy that there was a consistent gap between new immigrants and women who are longer-term immigrants or Canadian-born. In the winter of 2020/2021, recent immigrant women experienced another increase in their likelihood of being underutilized, which was consistently significantly different from Canadian-born women, although not from long-term immigrant women. Noteworthy also is the fact that as of April through June 2021, women who are long-term immigrants and Canadian-born were experiencing declines in their probability of underutilization, and indeed had fallen lower than their pre-pandemic levels, while recent immigrant women had stalled at around 17% probability, still higher than their pre-pandemic level.

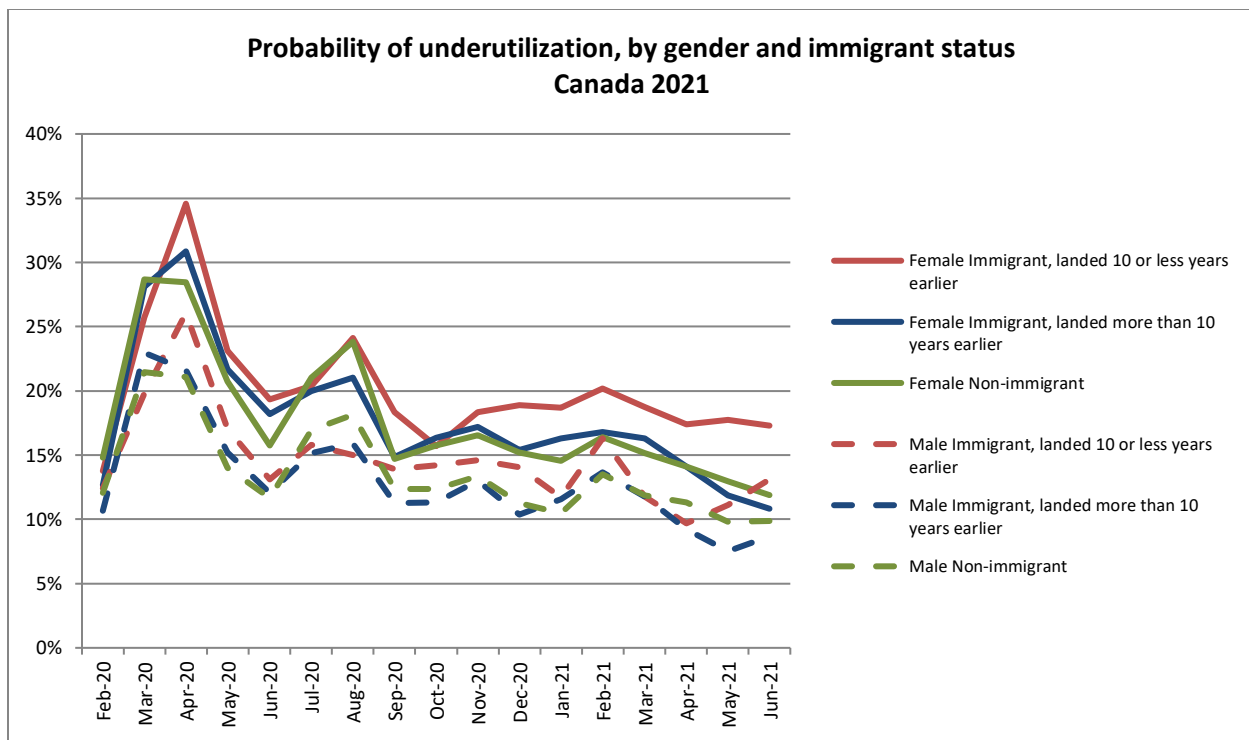


Figure 9

Canadian-born women had lower probabilities of underutilization than long-term immigrant women over most of the period. However, the differences were small and not statistically significant.

Turning to the results for males, early in the period, Canadian-born men had significantly lower probabilities of underutilization than recent immigrant men. After June 2020, the differences shrank and were mostly not statistically significant until May-June 2021. In May 2021, long-term immigrant men were significantly less likely to be underutilized compared to recent immigrant and Canadian-born men. Then in June 2021, recent immigrant men were significantly more likely to be underutilized than Canadian-born and long-term immigrant men.

In terms of direct gender comparisons, female recent immigrants had consistently higher rates of underutilization than males, differences that were statistically significant in nearly every month. Female long-term immigrants began only slightly worse than males, but immediately suffered higher probabilities of underutilization. Again, these differences were statistically significant in every month except June 2021. An identical pattern was observed among Canadian-born women, whose probability of underutilization was consistently, and significantly, higher than their male counterparts in every month.

Finally, in Figure 10 we show the gender gap in the predicted probability of underutilization by immigrant status, with higher figures indicating that the probability of underutilization for women was rising more than for men. We see that the gender gap rose with each wave. Further, for most (but not all) of the course of the pandemic, the gender disparity in the probability of underutilization increased most dramatically among recent immigrants, and remained higher except for brief periods during the first wave (spring 2020) and in the fall of 2020. Long term immigrants were next, with a smaller gender gap in most months. Last, Canadian-born women experienced the smallest gap, with the exception of a few isolated months.

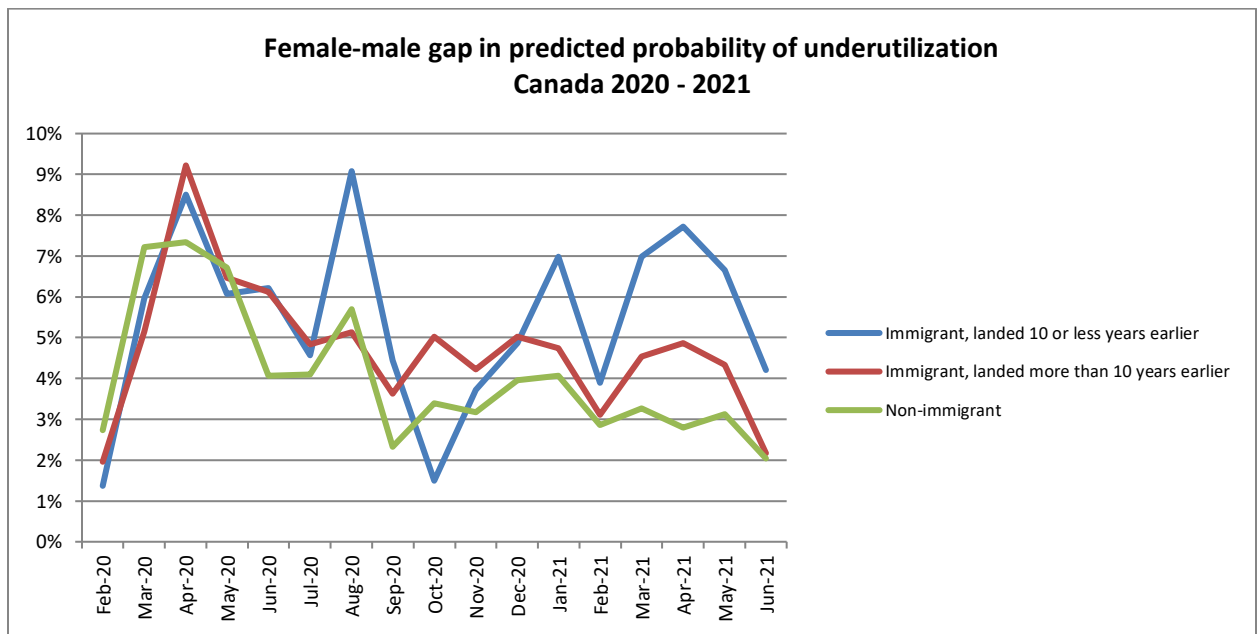


Figure 10

Recall that these results control for other factors that might explain underutilization: age, province, highest level of education, industry, and wage level, for example, are among the covariates. Taken as a whole, these results lend a great deal of support to the observation that the pandemic-induced recession has disproportionately affected women, but we note that not all women have been impacted equally.

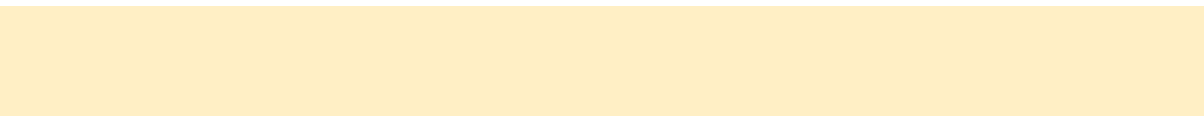
Conclusions and Policy Recommendations

Following an easing of restrictions in the summer months of 2020, optimism grew as we saw signs of economic recovery. Economists and policy-makers began to describe the recovery as K-shaped, representing a split in the economic recovery. We saw that some portions of the economy and the labour market were bouncing back and heading higher, while other areas—and workers—were continuing to suffer. As the fourth wave descends upon Canada and the rest of the world, and public health restrictions are tightening once again, it is clear that we will continue to see economic fluctuations for some time. However, we note that there have been some constants throughout this pandem-ecession: the polarized structure of Canada’s labour market has been exposed and exacerbated, as disparities or cleavages have grown, particularly for new immigrant women, mothers with young children, and younger women. This suggests that the K-shaped model for the recession as well as recovery is apt. Interventions will be necessary to curb the growth in social and economic divides. And we know that inequality is bad for everyone, not only those who are left behind. The economy suffers, the social fabric of local communities frays, and the democratic processes on which our society at large is based are undermined.⁸

We suggest an approach of targeted universalism, which involves setting *universal* goals that can be achieved only through *targeted* processes. In the context of the pandem-ecession, we argue that economic recovery must be precisely targeted toward the universal goal of closing employment, wage, and income gaps defined by gender, immigration status and race, and age.

Although the impacts of the recession have been uneven across sectors and population groups, one commonality among many of those hit hardest by the health, economic and labour crises since early 2020 is the devalued and often invisible work in which they engage—paid and unpaid **care work**. We know that this work is disproportionately assigned to women, and in the case of commodified care work, primarily to (im)migrant and racialized women. A targeted policy response that takes seriously universal goals for the benefit of all has been proposed in the six key principles of the Care Economy Initiative. These principles resituate and re-value care work as fundamental to our basic economic and social infrastructure—as truly “essential.” Leading scholars and economists Pat Armstrong, Marjorie Griffin Cohen, Laurel Ritchie, Leah Vosko, and Armine Yalnizyan state, “If COVID-19 has taught us nothing else, it is that we need a new approach to caring for each other in this country.”

⁸ See, for example, Stiglitz, J. E. (2013). *The price of inequality: How today's divided society endangers our future*. New York: W. W. Norton & Company, Inc.; Wilkinson, R. G., Pickett, K., & Chafer, C. (2011). *The spirit level*. Tantor Media, Incorporated.



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