9-4-2008

Demographic Change, the Labour Force and Work-family Conflicts: The Challenge of Public Policy Adaptation

Roderic Beaujot

University of Western Ontario, rbeaujot@uwo.ca

Follow this and additional works at: http://ir.lib.uwo.ca/pscpapers

Recommended Citation

Available at: http://ir.lib.uwo.ca/pscpapers/vol22/iss3/1
Demographic change, the labour force and work-family conflicts: The challenge of public policy adaptation

Discussion Paper No. 08-03

Roderic Beaujot
Department of Sociology
University of Western Ontario
London, ON N6A 5C2
rbeaujot@uwo.ca

September 4, 2008

On the web in PDF format: http://sociology.uwo.ca/popstudies/dp/do08-03.pdf


Populations Studies Centre
University of Western Ontario
London Ontario CANADA N6A 5C2
Demographic change, the labour force and work-family conflicts: The challenge of public policy adaptation

Sommaire:

Les changements démographiques (vieillissement, faible natalité et leurs conséquences) ainsi que l’évolution de la main d’oeuvre (féminisation, secteur service, phénomène 24/7) apportent des nouveaux conflits travail-famille. Dans un monde où on cherche à maximiser la participation à la main d’oeuvre et à assurer la reproduction de la population, ces conflits portent divers défis d’adaptation des politiques publiques. Nous considérons les changements dans les modèles de couples et les intérêts variés par rapport aux types de support de la société. Nous considérons les politiques par rapport à divers types de familles.

Slower population growth and aging brings three over-riding concerns: (1) caring for larger numbers of frail elderly, (2) supporting families in their desires to have children, and (3) maximizing the labour force participation. That is, public policy needs to both accommodate the demographic change and seek to alleviate the aging trend by supporting reproduction. We accommodate the aging trend, in part, by working longer and by maximizing the labour market potential of all segments of the population. But these efforts on the production side can be at the expense of reproduction, and thus the need to address issues of work-life balance.

After a brief overview of demographic and economic change, the paper will consider family change and the evolution of the labour market, to then address policy challenges as they relate especially to young families.

Demographic change: Population aging

The 20th century was an era of sustained population growth; the 21st century will be an era of aging. In the previous century, the world population increased fourfold, and the Canadian population increased sixfold (Beaujot et al., 2007). In the period 1956-2006, the population doubled in total size (factor of 203.0), and the projections for 2006-2056 are for increases of 9.9, 30.2, or 52.1 percent according to the low, medium and high projections. Aging is nothing new but the significant “aging at the top” is a characteristic of the present century. In the coming decades, the aging will go much beyond any previous experience, a phenomenon the United Nations (2007) views as profound, enduring and irreversible.

While aging has been happening for over 120 years, it is useful to distinguish phases in this process. The first phase saw reductions in births, but also reductions in deaths of infants and young children. These compensating factors produced a slow change in the age structure. The second phase was essentially “aging at the bottom” with a marked reduction in births, interrupted with a baby-boom period. This phase increased the numbers of adults in the labour market, and thus has often been viewed positively. The third phase, say since 1970, was due to continued low fertility and reductions in death
rates at adult and older ages, resulting in aging at the bottom and aging at the top, but also aging in the middle as baby boomers got older. Although fertility was below replacement, births were sustained because of the large size of the population at the reproductive ages.

Canada now enters a fourth stage as the baby-boom cohort moves beyond childbearing and on to retirement, resulting in particularly pronounced aging at the top. The different phases of aging have different implications on factors ranging from human resources to the costs of health and pensions. With baby boomers still in the labour force, we have yet to experience some of the important consequences of low fertility.

The differential growth rates by age groups show high growth at ages 55 to 64 through to 2017 as more baby boomers move into these ages. The population aged 65+ increased by 58 percent in the period 1986 to 2006, while the overall population increased by 27 percent (see Figure 1). Over the period 2006 to 2026 the population aged 65+ will increase by 87 percent, while the overall population increases by 16 percent.

**Figure 1. Increase in total population and in population at ages 65+, Canada, 1986-2006 and 2006-2026.**

![Figure 1](image)

Source: Beaujot et al., 2007:6-7

**Economic and employment change**

Discussions of economic change since the mid-1970s have focussed on the impact of globalization and technology, including the 24/7 economy, deregulation and the growth of non-standard work (Rinehart, 1996; Krahn et al., 2007; Presser, 2003). This has meant more reliance on the “self” rather than the organization, along with more flexible and less secure employment. Thus the two-career family is seen as a means to handle the risks, to
avoid poverty, or establish secure middle class levels of consumption (Oppenheimer, 1997; Coltrane, 1998).

There have been important shifts in the nature of work and education, with a substantial climb in the proportion of young adults continuing with post secondary education, a growth in the proportion involved in non-standard work, part-time employment, contract work, among other changes. With these changes, the manner in which men and women use their time has been fundamentally altered. Families have become accustomed to the economic contributions of both spouses to the household, as the dual income household has become the norm. In short, families are now committing more time to the labour market in order to maintain or improve upon their purchasing power.

The employment ratio (employed in relation to the population aged 15 and over), has increased from 52.8 per 100 in 1967 to 63.0 in 2006 (see Figure 2). This employment change is probably a function both of greater demand for workers in a service economy, and a greater supply of workers that include persons seeking flexibility to accommodate their family responsibilities. The structural changes in the economy are important in explaining these trends in the world of work, but cultural/ideological questions are not irrelevant, including the value placed on self-reliance, on the two-income family, and on paid work for both women and men.

**Figure 2. Employment ratio per population aged 15+, Canada, 1901, 1951, 1967, 2006**

<table>
<thead>
<tr>
<th>Year</th>
<th>Employment Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>1901</td>
<td>50.6</td>
</tr>
<tr>
<td>1951</td>
<td>52.2</td>
</tr>
<tr>
<td>1967</td>
<td>52.8</td>
</tr>
<tr>
<td>2006</td>
<td>63.0</td>
</tr>
</tbody>
</table>

Source: Beaujot et al., 2007:9
Human resources

Future demographic changes will not carry some of the positive implications for human resources that occurred in the 20th century (Livi-Bacci, 2000). The huge reductions in mortality in the 20th century benefited children, and then younger adults, thus increasing the working-age population. However, future gains in mortality will mostly benefit the older population, who are often beyond ages for the labour force. Similarly, the past reductions in fertility have permitted the greater labour force activity of adults; now this low fertility is reducing the number of young adults entering the labour market. The benefits from internal migration are less likely to be repeated in the future, as the population is already living in concentrated areas, and as we experience some of the costs of large urbanized areas. International migration has contributed in the past to the settlement of Western Canada, to industrialization, and to postwar economic growth. While there will be benefits from international migration in the future, the Canadian labour force is well educated, implying fewer gains from importing skilled labour.

After a half century of growth, participation in the labour force declined in the 1990s, at least for older men, and for young men and women (Sunter, 2001). However, data from the current decade indicate reversals of some of these trends, especially a higher participation at older ages. With the increases in participation rates between 1996 and 2005, Martel and his colleagues (2007) used two scenarios for the future: rates that remain constant at 2005 levels and rates that continue the trend by age, sex, and province. Combining these participation rates with the various population growth scenarios drawn by Statistics Canada produces growth in the total labour force until 2017 in all scenarios, and until 2031 in all but the scenario with low population growth and constant participation rates. Compared to its size in 2006, the total labour force in 2031 will be basically the same size, with an increase of 7%, 14% and 21% in Scenarios 2, 3 and 4 (see Figure 5). However, at the provincial level, these projections imply that only Ontario, Alberta, and British Columbia will have larger labour force sizes in 2031 than in 2006 in the medium Scenario 3.
With a different approach that builds into the model the impact of higher levels of education on working hours over the life course, Hunsley (2006: 8) also projects that the total labour supply relative to the size of the population would decline after reaching a peak in 2013.

At the time of the 2001 Census, the ratio of the population aged 15 to 24 (the typical ages at entry into the labour force) to the population aged 55 to 64 (the typical age at exits) was 1.45. By 2006 this ratio was 1.21 and by 2017 it will be 0.85 (see Figure 6). The 2006 Census release used 2016 as the year when the number of persons reaching working ages will be smaller than those reaching retirement ages (Statistics Canada, 2007: 12). After this date, regardless of the projection scenario, there will be fewer people at ages for labour force entry compared to those at ages for labour force exit.
Figure 4. Population aged 15-24 per 100 persons aged 55-64, Canada, 1901, 1951, 1967, 2001, 2006, 2017, 2051

<table>
<thead>
<tr>
<th>Year</th>
<th>Age ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>1901</td>
<td>352.6</td>
</tr>
<tr>
<td>1951</td>
<td>199.4</td>
</tr>
<tr>
<td>1967</td>
<td>224.9</td>
</tr>
<tr>
<td>2001</td>
<td>144.9</td>
</tr>
<tr>
<td>2006</td>
<td>120.8</td>
</tr>
<tr>
<td>2017</td>
<td>85.3</td>
</tr>
<tr>
<td>2051</td>
<td>77.8</td>
</tr>
</tbody>
</table>

Source: Beaujot et al., 2007:9

Family change

In demography, family change is largely theorized in terms of two demographic transitions: a long-term change (from about 1870 to 1940), which brought smaller families; and another change (from about 1960 to the present), which especially involved increased flexibility in marital relationships and delays in youth life course transitions.

Other Western countries have undergone a similar transition (Lesthaeghe, 1995; Beaujot, 2000). Bradshaw and Hatland (2006), for example, summarized the central features of the changes in eight Northern European countries as long-term sub-replacement fertility, cohabitation instead of marriage, values and beliefs giving priority to the individual over collectivities, and the struggle of women for equality and autonomy.

The first transition involved a change in the economic costs and benefits of children, along with a cultural environment that made it more appropriate to control family size. The second demographic transition has been linked to secularization and the growing importance of individual autonomy. This includes a weakening of the norms against divorce, pre-marital sex, cohabitation and voluntary childlessness. Value change has promoted individual rights along with less regulation of the private lives of individuals by the larger community. There is a heightened sense that both women and men should make their own choices in terms of relationships and childbearing. Diversity is valued, in living arrangements and in family forms. For instance, the pressure to accept same-sex marriages came not only from those who sought the right to live in these relationships with equal status to heterosexuals, but also from the broader population who see diversity and plurality as themselves valuable.
The patterns in early life course transitions involve events that are occurring later, with more diversity and fluidity. Education is prolonged, entry into the labour force occurs later, as do home leaving, union formation and childbearing (Beaujot, 2006).

These delayed transitions are clearly related to two-income families, since the achieved characteristics of both women and men are now important to maintaining middle class status and the desired levels of consumption.

The fertility implications are also noteworthy. For instance, in the period 1985-2005, the average births per woman has changed only from 1.59 to 1.54, but the average age at first birth has changed from 24.4 to 28.0 (see Figure 3). Successive cohorts have had fewer births at ages under 30, which are only very partially compensated by increased rates at ages above 30 (Figure 4)

**Figure 5. Total Fertility Rate and Average Age at First Birth, Canada, 1985 and 2005**

![Figure 5](image)

Source: Statistics Canada, 2008:39
The increase in both lone-parent families and two-earner couples brings another kind of diversity across families. On average, lone parent families have various economic disadvantages. However, at least for lone mothers aged 25 and over, the trends of higher education, more work participation, along with fewer children and births occurring later in the lives of women, have reduced the proportions with low income status (Galarneau, 2006). In two-adult couples, the importance of homogamy along educational and occupational lines, has meant differentiation associated with couples who have two professional incomes compared to other families.

Models of earning and caring

A key aspect of family change is in the relative predominance of various models for the division of labour, ranging from complementary roles to the more equal sharing of paid and unpaid work. By comparing the hours of paid and unpaid work of husbands and wives, I have proposed that we can usefully consider five models:

### Definitions of models of the division of earning and caring activities

- **Complementary-traditional**: wife is doing more unpaid work and husband more paid work.
- **Complementary-gender-reversed**: husband is doing more unpaid work and wife more paid work.
- **Women’s double burden**: husband is doing the same amount of, or more, paid work, and more unpaid work.
- **Men’s double burden**: wife is doing the same amount of, or more, paid work, and more unpaid work.
- **Shared roles**: wife and husband doing the same amount of unpaid work.
Using the Statistics Canada time-use surveys for 1992-2005, Table 1 summarizes the trends in these five models (Beaujot et al., 2008). The complementary-traditional has declined in importance but it remains the largest category, representing a third of couples in 2005. Women’s double burden is the second most important model, representing 26.8% of couples in 2005. Men’s double burdens have increased the most, to 10.7% of couples, and the shared roles have also increased to 26.5% of couples. The complementary-gender-reversed has increased since 1992, but represents only 3.0% of cases in 2005. That is, three models dominate: complementary-traditional, women’s double burden, and shared roles. The co-existence of various models, in the division of earning and caring activities, brings diversity in families.

Table 1 Models of the division of paid and unpaid work, 1992, 1998, 2005

<table>
<thead>
<tr>
<th>Model type</th>
<th>1992</th>
<th>1998</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total respondents</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complementary-traditional</td>
<td>43.5</td>
<td>39.1</td>
<td>32.9</td>
</tr>
<tr>
<td>Complementary-gender-reversed</td>
<td>1.7</td>
<td>2.7</td>
<td>3.0</td>
</tr>
<tr>
<td>Women’s double burden</td>
<td>26.5</td>
<td>26.8</td>
<td>26.8</td>
</tr>
<tr>
<td>Men’s double burden</td>
<td>5.8</td>
<td>7.6</td>
<td>10.7</td>
</tr>
<tr>
<td>Shared roles</td>
<td>22.6</td>
<td>23.8</td>
<td>26.5</td>
</tr>
<tr>
<td>Total number of cases</td>
<td>3518</td>
<td>3595</td>
<td>8360</td>
</tr>
</tbody>
</table>


Family change, and the gender revolution, including changes in work and family patterns for women and men, have brought widespread and sustained diversity across families. This presents challenges for social policy which seeks to support various kinds of family arrangements.

Work-family conflict

In the traditional context, work-family conflict was largely alleviated through a division of roles along gender lines, especially when children were young. In a 1989-90 survey on these questions in London and the surrounding area, we asked respondents if people “should make career sacrifices to accommodate their family”? Some respondents felt that sacrifices should be made at work, such as working less overtime, or less travel. However, others found the question peculiar, observing that dedication to work was their way of benefiting the family.

With the dedication of both men and women to the labour market, work-family conflicts have taken new dimensions. Many have observed that the increased participation in production has been at the expense of reproduction. However, this inverse relation was especially applicable in the period of the 1960s to the mid-1980s. In the 1950s, women
were increasing their participation in education, in work, and also having more children. From the 1960s to the mid-1980s, labour force participation of women was rising as fast as total fertility rate was declining. Even across societies, those countries with higher labour force participation had lower fertility (Figure 7). However, since the mid-1980s, fertility is higher in countries where women’s labour force participation is higher (Never, 2008; Billari, 2008).

**Figure 7. Women’s workforce participation rate and TFR, 1970 and 1994**

Source: Coleman, 2005: 438

McDonald (2000) has theorized that fertility is particularly low when women have equal opportunities in education and work, but families remain traditional, allocating an excessive component of reproductive work to women. Bernhardt (2005) proposes that low fertility is because the second half of the gender revolution has not been completed, in the private sphere. In effect, research from Sweden shows that wives are more likely to have a second child if their husbands had taken parental leave time for a previous birth (Olah, 2003).

Thus work-family conflicts can be alleviated by family friendly measures at work, but also by higher participation of the state in child care, and higher participation of men in caring activities.

**Policy challenges**

There are clearly several inter-related questions affecting the demographics of our societies, in particular: aging, low fertility, delayed early life transitions, changing family forms, work-life balance, labour force participation, care of dependents, and inter-generational relations.
Much attention is being paid to the policy challenges of the changing demographics. This is evident in the theme used in the Association des démographes du Québec conference of 2007: “Démographie et politiques publiques”. There are special issues of both Canadian Studies in Population and Cahiers québécois de démographie on “Population change and public policy.” It can also be seen in the now annual symposium of the Population, Work and Family Policy Research Collaboration, which is organized by several federal departments and two Social Science and Humanities Research Council strategic knowledge clusters: “Population Change and Lifecourse” and “Canadian Labour Market and Skills Researcher Network”. At the UNECE level, these considerations are before the Gender and Generations Programme and the May 2008 conference on “How Generations and Gender Shape Demographic Change – Towards Policies Based on Better Knowledge” organized by the Population Activities Unit. The online journal Demographic Research, has published a large Special Collection entitled “Childbearing trends and policies in Europe”. The Federal Government’s Expert Panel on Older Workers (2008) has entitled its report “Supporting and engaging older workers in the new economy”.

There is agreement that the diversity in families, including the diversity in models of earning and caring, bring a need for a diversity in types of family support. When the breadwinner model was dominant, the family support mostly included family allowance, along with provisions covering the disability and death of the breadwinner. In the case of two-income families with young children, besides the direct subsidies, there is need to think of parental leave, child care, and work-life balance provisions. For the more numerous lone parent families, additional support is needed either from the absent parent or from the society.

Analyses indicate that there are various trade-offs and possible fall-out associated with policy alternatives. For instance, Boling (2008: 392) concludes from an analyses of the pro-natalist policies of France and Japan, that the explanation for the lower success in Japan is considerably a function of a labour market which “exacts high opportunity costs from parents who interrupt their careers to raise children, keeps ideal workers from having much time for their families, assumes and reinforces a traditional gender ideology, and hires few young workers into good jobs”. Similarly, McDaniel (2008) places part of the responsibility for Korea’s low fertility on the increased insecurity in the labour market. The comparison of Germany and France indicates that women without children have higher labour force participation in Germany than France, but when they have one or more children it is women in France who have higher participation (Pailhé, 2008).

In Canada, fertility has increased the most in Alberta and Quebec. For Alberta, the strong economy is probably giving prospective young parents the security needed to start a family. In Quebec, the social policies, including a more generous parental leave, and child care provisions, are probably playing a role in this outcome (Roy and Bernier, 2006). Even within a country, part of the childbearing differences across women in various professions is probably due to differences in the security offered to young workers and the opportunities for leaves. For instance, Ranson (1998) finds these differences between teachers and nurses as compared persons in engineering, or business.
Figure 8. Total Fertility Rate, Quebec, Ontario, Alberta, 2002 and 2005

Source: Statistics Canada, 2008:39

Let me identify two specific questions that require more analysis in terms of trade-offs. First, what is the optimal parental leave time, and its sharing by women and men, that would maximize both childbearing and labour market contributions of a maximum number of people over the life course? Second, what are the conditions that would encourage people to have children in below replacement populations, including the policy context associated with transfers, child care, parental leave, and work-life balance?

Conclusion

The focus on earning and caring highlights both the alternative models of families, and the differential needs for services depending on family structure and life course stage. In the complementary model of division of work, families can take responsibility for children as long as breadwinners are able to supply the needed income. Families who live by this traditional model of the division of work are most interested in workplace benefits that are associated with breadwinners, including provisions covering death and disability, and in subsidies from the larger society, such as child tax benefits or direct transfers.

Women’s high rates of education and labour force participation, particularly among the young, indicate that many opt for a more symmetric division of labour. Depending on the priority attributed to work, some families have preferences for leaves associated with childbirth, and options to work part-time with good benefits when children are young. The Work Arrangement Survey indicates that women working full-time with children
under three are the most likely to prefer to work “fewer hours for less pay” (Beaujot and Ravanera, 2007). However, there is an almost equal proportion preferring to work “more hours for more pay”. The options for child care are clearly most important here, especially for couples where both partners see themselves as continuous full-time participants in the labour force. Provisions for child care, along with other supports for work-life balance would probably also increase the numbers of couples who opt for a symmetric model of the division of work (Reynolds, 2007: 356).

The situation is very different for women in lone-parent families who are doing less market work and are more likely to prefer working more hours for more pay, even when they have young children. These women have fewer options for division of paid and unpaid work, and thus are the most likely to be using child care facilities, especially daycare centres. Lone parents clearly need further support from society, and the special provisions that we have now are inadequate, especially in cases where absent parents are unwilling or unable to provide support. A case can be made for a guaranteed amount of support from the state, which could take the forms of higher replacement rates for parental leave, higher child tax benefits, greater subsidies for child care, but also advance maintenance payments that would give a guaranteed amount regardless of the contributions from absent parents.

References


