

## Data Guide for constructing the PEP SO Employment Precarity Index (May 2016)

This is the data guide for using the PEP SO Employment Precarity Index that was developed for and used data from two major surveys of workers in the Greater Toronto Area and Hamilton in Ontario, Canada. These two surveys were published in the reports [It's More than Poverty](#) in 2013 and [The Precarity Penalty](#) in 2015. The purpose of this guide is to provide instructions for using the Employment Precarity Index so that other researchers may replicate it for their own purposes. This guide is for the use of researchers who already have the PEP SO data set.

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If using either the questions below or the index please acknowledge that they were produced by the United Way Toronto & York Region - McMaster University SSHRC CURA project on Poverty and Employment Precarity in Southern Ontario (PEP SO).

### PART ONE: CONSTRUCTING THE INDEX

Each of the 10 components of the Index (listed below) has a potential value of 10. Three of the components (emptytype; sernew; benefits\_new) are calculated from several questions as described in Part Two below. The remaining 7 questions are taken directly from the survey and are listed below. The Index is calculated by summing the values of the 10 components for a score between 0 and 100. If no score is listed below, this means the score was 0.

1) emptytype (see how this is calculated in Part Two):

- 10 if emptytype ≤ 2 (casual/temp/short term)
- 7.5 if emptytype = 4 (own account self-employed)
- 5 if emptytype = 3 (fixed term)
- 2.5 if emptytype = 6 or 7 (permanent part-time or permanent hours vary <30)

2) sernew (see how this is calculated in Part Two):

- 10 if not in a standard employment relationship (sernew)

3) benefits\_new (see how this is calculated in Part Two):

- 10 if benefits\_new = 3 (no pension/no benefits)
- 5 if benefits\_new = 2 (one of pension/benefits)
- 0 if benefits\_new = 1 (pension and benefits)

4) miss (Question 6):

- 10 if miss = 2 (Not paid if miss work)

## 5) vary (Question 7):

- 10 if vary=1 (Income varies a great deal)
- 7.5 if vary=2 (income varies a lot)
- 5 if vary=3 (income varies some)
- 2.5 if vary=4 (income varies a little)

## 6) hoursred (Question 8):

- 10 if hoursred=1 (paid hours very likely reduced)
- 7.5 if hoursred=2 (paid hours likely reduced)
- 5 if hoursred=3 (paid hours somewhat likely reduced)

## 7) oncall (Question 9):

- 10 if oncall=1 (on call all the time)
- 7.5 if oncall=2 (on call most of the time)
- 5 if oncall=3 (on call half the time)
- 2.5 if oncall=4 (on call some of the time)

## 8) kschedule (Question 10):

- 10 if kschedule=5 (never know schedule one week in advance)
- 7.5 if kschedule=4 (some of the time know schedule one week in advance)
- 5 if kschedule=3 (half the time know schedule one week in advance)
- 2.5 if kschedule=2 (most of the time know schedule one week in advance)

## 9) cash: (Question 11)

- 10 if cash=1 (paid in cash most of the time)
- 7.5 if cash=2 (paid in cash about half)
- 5 if cash=3 (paid in cash less than half)

## 10) hsrighs: (Question 12)

- 10 if hsrighs=1 (Raising H&S or emp. standards very likely affect employment)
- 7.5 if hsrighs=2 (Likely affect employment)
- 5 if hsrighs=3 (somewhat likely)

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## PART TWO: BUILDING THE NEEDED VARIABLES

Three of the questions in the index were composite questions whose value depended on responses to more than one question.

### A. emptype: employment type

This uses two questions. The first is the general question that asks respondent to define their employment type (Question 1 below). We supplemented this with a second question (Question 2) that asked how much of their employment came through a temporary employment agency. If they indicated on question 2 that at least half (half, most or all) their work came from a temp agency they were classified as employed on a "temporary/short term contract (less than one year)" regardless of how they responded to question 1.

### B. sernew: standard employment relationship

To determine if someone was in a standard employment relationship they had to:

- a) Indicated in question 1 they were employed full-time and worked 30 or more hours per week (choice 8)
- b) Reply yes to question 3
- c) Received benefits (question 4)

### C. benefits\_new: Do they receive benefits regardless of their form of employment

benefits\_new = 1 (Full benefits): Report yes to both question 4 and question 5.  
benefits\_new = 2 (Part benefits): Report yes to either question 4 or question 5.  
benefits\_new = 3 (No benefits): Report no to both question 4 and question 5.

## PART THREE: SURVEY QUESTIONS TO BUILD THE EMPLOYMENT PRECARITY INDEX WITH RESPONSE VALUES IN BRACKETS.

1. Which of the following best describes the job/contract that paid you the most in the last 3 months? Please check one only:

- (1) casual (on-call, day labour)
- (2) temporary/short term contract (less than a year)
- (3) fixed term contract, one year or more
- (4) self-employed-no employees
- (5) self-employed-others work for me
- (6) permanent part-time-less than 30 hour per week
- (7) permanent full-time- hours vary from week to week and could sometimes be less than 30
- (8) permanent full time-30 hours or more a per week

2. In the last 3 months, what portion of your paid hours came from temporary employment agencies?

(temp)

- (1) all
- (2) most
- (3) half
- (4) some
- (5) none

3. Does the following describe your current employment relationship?

(ser)

I have one employer, who I expect to be working for a year from now, who provides at least 30 hours of work a week, and who provides benefits.

- (1) yes
- (2) no

4. Do you receive any other employment benefits from your current employer(s) such as a drug plan, vision, dental, life insurance etc.?

(benefits)

- (1) yes
- (2) no
- (2) does not apply
- (2) don't know

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- 5. Does your current employer(s) provide a private retirement income plan such as a pension plan, or a contribution to an RRSP (CPP does not count)?**  
(pension)
- (1) yes
  - (2) no
  - (2) does not apply
- 6. Do you usually get paid if you miss a day's work?**  
(miss)
- (1) yes
  - (2) no
- 7. In the last 12 months, how much did your income vary from week to week?**  
(vary)
- (1) a great deal
  - (2) a lot
  - (3) some
  - (4) a little
  - (5) not at all
- 8. How likely will your total hours of paid employment be reduced in the next 6 months?**  
(hoursred)
- (1) very likely
  - (2) likely
  - (3) somewhat likely
  - (4) not likely
  - (5) not likely at all
- 9. In the last 3 months, how often did you work on an on-call basis?** (That is, you have no set schedule, and your employer calls you in only when there is work)  
(oncall)
- (1) all the time
  - (2) most of the time
  - (3) half the time
  - (4) some of the time
  - (5) never

**10. Do you know your work schedule at least one week in advance**

(kschedule)

- (1) always
- (2) most of the time
- (3) half the time
- (4) some of the time
- (5) never

**11. In the last 3 months, what portion of your employment income was received in cash?**

(cash)

- (1) most
- (2) about half
- (3) less than half
- (4) none

**12. Would your current employment be negatively affected if you raised a health and safety concern or raised an employment rights concern with your employer(s)?**

(hsrights)

- (1) very likely
- (2) likely
- (3) somewhat likely
- (4) not likely
- (5) not likely at all

## PART FOUR: CUT POINTS

Because precarity is measured along a continuum, it is unclear what percentage of the workforce should be classified as precarious. Individuals receive a score from 0 (low precarity) to 100 (high precarity). Any choice of a cut point above which an individual is precarious could be seen as arbitrary. However, the research group decided to proceed with the *Index* because it allows better insights into the realities facing workers, their families, and their communities. We decided on a cut point for the Precarious category that resulted in about 25% of the sample being precarious. This is a figure several Canadian researchers suggest are working in precarious employment.

We use the *Index* to divide the sample into four relatively equal-sized clusters. The cluster with the lowest scores is described as having *secure* employment. The next cluster, which has somewhat higher precarity scores, is described as having *stable* employment. The third cluster, with even higher precarity scores, is described as being in *vulnerable* employment. The cluster with the highest scores on the *Index* is referred to as being in *precarious* employment.

In both of our surveys, we used cut points calculated from the 2011 data reported in *It's More than Poverty*. We used the same cut points in *The Precarity Penalty* so we could get a sense of trends.

<b>Data Cut Points</b>			
<b>Precarity level</b>	<b>Cut points</b>	<b>Average within cluster</b>	<b>Number in each cluster (2011)</b>
<i>Precarious</i>	>=38	53.3	1,052
<i>Vulnerable</i>	18-37.5	28.1	977
<i>Stable</i>	3-17.5	10.3	1,097
<i>Secure</i>	<=2.5	0.6	932