

Older Canadians are leading the part-time job shift

By Rachele Younglai

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When Rick Baker was turning 65, he did not want to retire.

Mr. Baker had worked for more than four decades as a manager and instructor, including as a municipal parks director, sports consultant, golf-and-country club general manager and college and university professor.

“I wanted to keep working,” he says. He had always loved teaching. So he tapped his college connections, quit his full-time job as the chief executive officer of a large Ottawa-based recreation facility and took a part-time position as a professor at Algonquin College.

What are the best professions for working past age 65? (*The Globe and Mail*)

“I am fortunate to have good pensions from where I have worked. It is always nice to make a few extra bucks, but it’s certainly not a necessity,” says Mr. Baker, who is now 67 years old.

Mr. Baker is one of a growing number of older workers who are working part-time instead of retiring. Last year, this helped lead to the quickest growth in part-time work since 2010, when Canada’s economy was starting to recover from the Great Recession.

The surge in part-time hours helped offset slow growth in full-time positions, when employment increased by a meagre 0.7 per cent. That marked the third consecutive year labour growth increased less than 1 per cent amid the rout in oil prices and ensuing energy downturn.

Only 53,000 full-time jobs were created last year, compared with 80,000 new part-time positions. Among the part-time spots, workers over the age of 55 accounted for 74,400 of the jobs.

And with a rapidly aging population, the shift to part-time work is expected to persist.

“I would expect the trend to more part-time work in general, especially for the group over 55, to continue in the coming year,” said Douglas Porter, chief economist with Bank of Montreal. “I would suggest that this does not necessarily reflect weak demand for labour but more a choice both by workers and employers.”

The plus-55-year-old cohort now accounts for a quarter of all part-time workers compared with 17 per cent a decade ago, according to Statistics Canada data, and its labour participation rate is on the rise.

About two-thirds of the plus-55 cohort said it was a personal preference to work part-time, a level that has remained steady over the past decade. For many, however, working longer is a necessity.

“What kind of money do you need for 30 years?” said Adina Lebo, who after a career in the Canadian film and theatre industry had to look for another job.

Ms. Lebo, who is in her 60s, cannot afford to retire and now works part-time as a project manager.

“I did put money away but not enough, not nearly enough,” she said. “If I don’t work, then my rent doesn’t get paid. I am still too young to use the money that I have saved.”

Ms. Lebo is not alone. The majority of Canadians do not feel that they have saved enough to retire, according to a Conference Board of Canada study that analyzed people’s views on retirement savings.

But it wasn’t just the older cohort that took part-time jobs last year. There was also an increase among the critical prime age group, or those

between the age of 25 and 54. Part-time employment for this core group rose the most in six years, an increase that was exacerbated by the sharp decline in full-time work in Alberta.

The oil-producing province has suffered from the energy slump and was responsible for eliminating scores of full-time jobs, particularly for men between the age of 25 and 54.

Many of the core-age workers who had a part-time job in Alberta said they could not find full-time positions or because of business conditions.

“Although aging of the work force is boosting part-time positions, it’s also full-time losses that are affecting the composition of growth,” said Andrew Fields, an analyst with StatsCan. “Alberta saw large full-time losses.”

It is unknown whether part-time hours will become more prevalent for the core-age

workers. But at least one youth employment agency has noticed that employers have become more reluctant to hire full-time.

“It seems employers are more cautious,” said Tim Lang, chief executive with Youth Employment Services, which helps young workers secure full-time jobs.

And as older people remain in the labour force, this could create fewer openings for younger Canadians, according to one economist.

“There might be less opportunity for young people,” said Benjamin Tal, chief economist with Canadian Imperial Bank of Commerce. “If you are in your 20s, there are many things working against you. ... They are in a transition period where they don’t have the skill set they need to succeed,” he said.

Statscan is to issue its January jobs report this Friday. Analysts polled by Bloomberg forecast a loss of 10,000 positions and an unemployment rate of 6.9 per cent.