

A Feminist Economics Perspective on Recent Trends in Inequality in Canada

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ABSTRACT

This paper evaluates, from a feminist economics perspective, the widely discussed trend of increased inequality in Canada. The paper highlights the neoclassical economic concepts underlying the measurement of inequality trends, and it examines how these concepts fail to fully reflect women's contributions to welfare and their welfare positions relative to those of men.

RÉSUMÉ

Cet article évalue, à partir de la perspective économique féministe, la tendance grandement discutée de l'inégalité croissante au Canada. Cet article souligne les concepts économiques néoclassiques qui sont à la base de la mesure de la tendance vers l'inégalité, et il étudie comment ces concepts ne reflètent pas totalement les contributions que les femmes ont faites au bien-être social et leurs positions de bien-être social en comparaison à celles des hommes.

INTRODUCTION

An increase in inequality of welfare in Canada, as well as in other industrialized countries, during the 1980s and 1990s, has been widely reported in the economics literature (Anton Allahar and James Côté 1998; Charles Beach and George Slotsve 1996; Garnett Picot 1997; Peter Gottschalk and Timothy Smeeding 1997) and more popular media. Increased inequality has implications for government social policy and, as Gottschalk and Smeeding (1997, 675) state, "[c]oncerns about earnings inequality and joblessness have moved to the top of the social agenda in many OECD countries."

This paper confirms the finding of an increase in inequality, as measured by neoclassical economic concepts, and fully agrees that it is an important trend reflecting one outcome of economic restructuring and globalization with serious social and economic implications. I argue, however, that conventional assumptions underlying inequality estimates are flawed ideologically. As a result, first, once the assumptions are rejected, the estimates of increased welfare inequality cannot be easily interpreted, and second, they fail to capture gender

dimensions of the changing distribution of welfare.

In the following section, trends in Canadian inequality during the 1980s and early 1990s are documented using data from the Survey of Consumer Finances (1981, 1989, and 1994) and published Statistics Canada sources. Each of the next three sections addresses a separate assumption implicit in concepts underlying the conventional inequality estimates. These assumptions are (i) income is a suitable measure for welfare, (ii) the household is a cooperative and sharing unit, and (iii) work is compensated by the wage. Each section outlines the assumption, provides a critique of the assumption, examines the implications for estimates of inequality at a point in time and changes over time, and explores the gender dimension of these inequality trends. The critique of neoclassical economic assumptions draws upon the feminist economics literature and selected insights from Michèle Pujol's (1992) book, *Feminism and Anti-Feminism in Early Economic Thought*. Pujol's work is particularly illuminating because the concepts of early influential economists continue to be pervasive today, and they are so widely applied that many economists fail to even recognize that conceptual choices are

being made. A conclusion is offered in the final section.

TRENDS IN INEQUALITY OF INCOME

Economists typically measure welfare by money income, and consequently, the distribution of welfare is measured by the distribution of income where income is defined either as household income or individual employment earnings. Estimates of both types of inequality are presented in Table 1, using a conventional statistical summary indicator of inequality, the Gini Coefficient.¹ Among households, annual market income inequality decreased in the 1970s and then increased 13 percent between 1981 and 1994, based upon the percentage change in the Gini Coefficient estimates, as shown in Table 1 (Column 1). Here, household market income is defined as labour market earnings, self-employment earnings, private pension benefits, and investment dividends, accruing to all household members combined. Notice that the increase in household market income inequality is greater than the increase in household post-tax and transfer income, which increased only 1 percent between 1981 and 1994 (see Table 1, Column 2). Therefore, the government tax and transfer system redistributed income in Canada in a manner which dampened the effects of increased inequality arising from market-oriented forces, such as changes within the labour market. The increase in household market income inequality has received so much attention from policy-makers, academics, and the popular press in major part because the increase in the 1980s contrasted so sharply with the trends in the 1970s, during which time inequality actually declined.

Among all workers (men and women combined), earnings inequality increased about 6 percent between 1981 and 1994 (see Table 1, Column 3). Earnings are defined as annual gross, cash wages and salaries from a paid job, before any deductions, such as pension plan contributions and income tax; and the population of all workers is defined as individuals, aged 17 to 64 years, with a paid job and excludes individuals who are exclusively self-employed. As shown in Table 2,

however, there are substantial differences in inequality once the workforce is broken down by gender and work status. For example, over the period 1981 to 1994, for all women workers, earnings inequality remained quite stable, whereas for all men workers, earnings inequality increased by 14 percent (see Table 2, Panel A, Columns 3 and 4, respectively). The relative stability of earnings inequality among all women workers is due in large part to the increase in hours worked by women working part-time which helps to offset the increase in hourly wage inequality (see, for example, René Morissette, John Myles, and Garnett Picot 1994). Notice, however, that earnings inequality increased by a greater extent among women working full-time/full-year compared to all women workers, indicating increased divisions among full-time/full-year women workers (see Table 2, Panel A, Column 3 compared to Panel B, Column 3). While the gender earnings gap for both all workers and full-time/full-year workers has declined between 1981 and 1994², notice that i) the gap is still large even after almost four decades of continued increases in female labour force participation, and ii) the gap has declined in part because male median earnings did not increase over this period.

Having briefly documented the rise in inequality, both in terms of household income and individual earnings, we turn now to examine whether this conventional, neoclassical economic approach to measuring inequality fully captures trends in inequality.

INCOME IS A SUITABLE MEASURE FOR WELFARE?

As noted above, trends in the distribution of welfare are measured by the distribution of income because of the assumption that income reflects access to goods and services in the marketplace and these in turn generate welfare. However, in the feminist economics literature, it has been recognized, at least since the domestic labour debates in the 1960s, that goods and services produced and consumed within the household also contribute to welfare.³

Equating income with welfare is so prevalent in neoclassical economics today, that many economists would not even realize that this reflects a conceptual choice and a choice which is ideologically biased against women. Pujol's (1992) analysis is useful because it demonstrates that early influential economists recognized the inconsistency (which is not discussed today) of only including as economic those activities which receive direct monetary payment, although they chose to resolve the inconsistency by ignoring the work of women. For example, Adam Smith (writing in the late 1700s), notes the value of women's reproductive work of bearing and rearing children and future workers to the "wealth of nations;" however, as Pujol (1992, 21) writes, women's economic contributions were then "relegated to a trivial status, if not made altogether non-existent in the minds of the theoreticians of capitalism." Marshall, writing one hundred and fifty years after Adam Smith in the 1930s, similarly recognizes the value of women's work to capitalist society as mothers and housewives, but then defines productive labour only as any activities which contribute to "income" (Pujol 1992, 132). Similarly, for Pigou (in the 1920s and 1930s), non-market reproductive work is not conceptualized as contributing to the nation's economic welfare since economic welfare is defined as "that part of social welfare that *can* be brought directly *or indirectly* into relation with the measuring rod of money" (Pigou 1960, 11; quoted in Pujol 1992, 169, emphasis added by Pujol). Despite the flexibility of this definition to cover activities which potentially could have a monetary outcome, Pigou "chooses to restrict his attention to economic activity which directly generates a monetary outcome" and thus, "... excludes women's non-market work from inclusion in the National Dividend" (Pujol 1992, 169).

Several recent studies demonstrate that the amount of unpaid work in Canadian society is enormous; and here, unpaid work is defined as work householders do by and for themselves, including domestic chores, looking after children, shopping, volunteer work, and helping friends, relatives, and others (Statistics Canada 1995). For example, in 1992, on average, females and males (aged 15 years

and older) contributed, respectively, 1,482 and 832 hours of unpaid work annually. For comparison, note that a job involving a full-time/full-year commitment requires about 1,920 hours of work (40 hours/week x 48 weeks/year). The amount of unpaid work performed is even larger for some groups such as women and men with children, who provide, on average, respectively, 2,024 and 1,090 hours annually (Statistics Canada 1995, Table 4.1); and so women with children provide more hours of unpaid work than the hours required in a full-time job.

An alternative way to assess the magnitude of unpaid work is to examine the value of goods and services provided by unpaid labour relative to a well-known economic aggregate, such as the Gross Domestic Product (GDP).⁴ In 1992, for example, the value of goods and services produced by unpaid labour ranged from 32 to 54 percent of GDP, where the range depends upon the valuation method (Statistics Canada 1995, Table 1.1).

Regardless of whether unpaid labour is measured in terms of hours or value, the contribution of unpaid labour to welfare is large, and consequently, estimates of average income understate average welfare in society. Further, using average income to measure welfare understates women's contribution to welfare. For example, in 1992 women provided between 58 and 65 percent of the value of unpaid work and 65 percent of all the unpaid hours of work (Statistics Canada 1995, Table 4.6 and p. 44, respectively). While the estimates of hours and value of unpaid work are important in making women's welfare contributions visible, some feminist economists have recognized that these estimates fail to capture the caring aspects of much of women's work, both paid and unpaid, which cannot be purchased (see, for example, Himmelweit 1995 and Nancy Folbre 1995). Caring labour can be both paid and unpaid labour and refers to, as Nancy Folbre (1995, 75) writes, "labour undertaken out of affection or a sense of responsibility for other people, with no expectation of immediate pecuniary reward."

What has not been well studied is the impact of unpaid labour on the distribution of

welfare. To estimate the distribution of welfare from both income and the value of unpaid work would ideally require observations of income and unpaid labour for the same individual or household. While we know how unpaid work varies among certain groups - for example, by employment status, and family composition - we do not have information on the amount of unpaid labour based on income level.

Despite the lack of ideal data, some studies have estimated a variable referred to as "extended income" for each household. Two studies conclude that, at a given point in time, extended income is distributed more equally than monetary income alone. For example, in the UK, including the imputed value of government non-cash benefits (such as health and education) and unpaid time available for the home production of goods and services results in substantially lower estimates of inequality, compared to the usual income inequality estimates, at a given point in time (Stephen Jenkins and Nigel O'Leary 1994). This result occurs because the percentage of extended income in low-income households due to unpaid labour is greater than for high-income households. The same conclusion is reached by Iulie Aslaksen and Charlotte Koren (1996) who report, for Norway, that the inclusion of the value of unpaid domestic labour with income results in reducing the estimates of inequality of household welfare.

The conclusion that welfare is actually distributed more equally than income should, however, be treated with some caution. First, unpaid labour time may be less valuable to households with low income since, as even Becker recognized, unpaid labour needs to be combined with purchased goods and services in order to produce welfare generating goods and services. Second, even if an increase in unpaid labour dampens inequality, we must remember other factors, such as the benefits arising from wealth, which if included would lead to even greater estimates of inequality.⁵ Although there are no such relative estimates, it is unlikely that the equalizing effects of unpaid labour would outweigh the unequalizing effects of wealth. Third, estimates of extended income consider only the benefits of the unpaid labour which accrue to

household members and do not consider the costs to the individuals, primarily women, who provide the unpaid labour. The loss of a job and that income allows or forces people to provide more unpaid labour which generates welfare, and this serves to dampen the rise in inequality of welfare. We cannot conclude, however, given the three statements above, that the loss of the job therefore imposes a smaller cost and is not a policy concern.

On average, there has been little change in the total work burdens (paid plus unpaid work) of men and women (Status of Women Canada 1997, 26). We know that, on average, women have increased their amount of paid work, both in terms of actually participating in paid work and the hours of paid work (see, respectively, Statistics Canada 1994, Table 1.1 and Morissette et al. 1994) and decreased the amount of unpaid work, from 1,520 to 1,482 annual hours between 1981 and 1992 (Statistics Canada 1995, Table 4.11). For men, on average, the amount of paid work has declined due to early retirement and increased school enrolment and the amount of unpaid work has increased from 797 to 831 annual hours.

The estimates of average work burdens of men and women, however, mask considerable diversity among households. For example, women with children who work full-time in the labour market still perform the majority of household tasks, so their total work burdens will be greater than their partners' (Katherine Marshall 1993, Table 1). Also, women in single-parent households will have particularly high work burdens since there is no opportunity to share the work. Thus, for some groups of women, the amount of work undertaken will be relatively greater than that undertaken by men. It is likely that the work burden for many women has increased, given the increase in full-time/full-year work among women and the rise in female-headed households.

Assessing the impact of including unpaid labour on trends in household inequality remains difficult. The recent data on unpaid work provided in the above-mentioned Statistics Canada publication, along with estimates provided by the Status of Women Canada's *Economic Gender Equality Indicators*, reflect an improvement in our

conceptual understanding of the types of data needed to assess welfare and the relative contributions of men and women. Although both publications provide considerable disaggregation of the amounts of unpaid work by type of household and employment status, further detail particularly by income level is required in order to assess how changes in unpaid work affect the distribution of welfare. We turn now to consider sharing within household.

THE HOUSEHOLD IS A COOPERATIVE AND SHARING UNIT?

Discussions of trends in household income inequality tend to assume that goods and services purchased with income are shared equally among household members and, consequently, relative welfare within the household, for example, between men and women, is ignored. The failure to examine intra-household distribution arises from an assumption about the household that has three main elements. First, the household is viewed as a cooperative unit in which members care about each other's welfare (i.e. in the language of neoclassical economists, the household is assumed to maximize a joint utility function). Second, resources are allocated among household members according to the decisions taken by a "benevolent dictator" - the head of the household. "He" is assumed to allocate resources in an altruistic manner taking into account the different preferences, interests, and needs of household members. Third, it is assumed that household members' preferences are unchanging and determined from outside the economic system (i.e. in the language of neoclassical economics, the household's joint utility function is stable and exogenous).

The assumption that goods and services are shared equally within the household is questionable given feminist critiques of the "joint utility" household view, evidence of unequal sharing, and alternative household theories. With respect to the view of the household as a cooperative unit, as Nancy Folbre (1986, 247) argues, "it is somewhat inconsistent to suggest that individuals who are entirely selfish in the market (where there are no

interdependent utilities) are entirely 'selfless' within the family, where they pursue the interests of the collectivity."⁶ Evidence also indicates that resources are distributed unequally between males and females within the household. For example, in Asia, the ultimate indicator of unequal sharing within the household, namely, higher death rates among women compared to men, has resulted in millions of missing women (Jocelyn Kynch and Amartya Sen 1983).

Second, the notion of a benevolent dictator allocating resources within the household is ideologically flawed and ignores the material basis of power which can affect allocations. Pujol's (1992) work on early influential economists highlights ideological biases in the benevolent dictator view of the household (a view which continues to be pervasive). Pujol (1992, 104) writes, for example, that Edgeworth in the 1920s assumed that men's income goes to support the family, while women derive no utility from paid work and their incomes are not used to support dependants. With respect to Marshall, Pujol (1992, 139) argues that he subscribes to a Victorian ideology of women as wives and mothers where women are not economic actors, but parameters of the economic system. Pujol (1992, 190) further argues that Pigou's analysis is based upon an ideology in which women are "not seen as independent self-contained and self-determined human beings, but as entirely subsumed in the family unit, with indirect claims to economic support from a husband or the state, contingent on the performance of reproductive work."

In contrast to the neoclassical, joint utility model of the household, alternative models of the household recognize the possibility of conflict, along with cooperation, as well as the existence of power relations within the household and the material basis of power which can affect welfare distribution within the household.⁷ In bargaining models, for example, the intra-household allocation of resources is determined by relative male and female threat points or economic power which is determined by wage-earning opportunities and social institutions, such as marriage laws, divorce settlements, social

assistance, and norms. Econometric studies in both developing and developed countries have failed to support the joint utility implications, such as income pooling and patterns of consumption independent of who actually has access to incomes (Duncan Thomas 1990 and Shelley Phipps and Peter Burton 1992). It is important, however, to caution against postulating an overly simple relationship between economic power and women's relative well-being within the household, given the continued existence of phenomena such as the high degree of violence against women and the inability of women to negotiate a more equitable share of domestic labour when working full-time in the paid labour market.

Third, in contrast to the notion that preferences are stable over time and determined outside of the economic system, feminist economists, such as Elaine McCrate (1988, 237), postulate that individuals are "produced by social activity" and "can change their own preferences." Therefore, individuals' experiences resulting from the sexual division of labour and socialization processes may influence their preferences. Once preferences are viewed as being influenced by the economic system, changes in, for example, the sexual division of labour and socialization, can generate changes in preferences.⁸

Rejecting the assumption of a cooperative household in which a benevolent dictator shares out resources equitably implies that trends in household income inequality cannot be easily interpreted. First, at a given point in time, if economic and social factors affect the distribution of resources within the household, as in a bargaining model, then households will exhibit different amounts of sharing. Thus, while it is possible to assess differences in real household incomes between households, it is not possible to indirectly make inferences about the relative position of women within households.

Second, if resources are not shared equally within the household, then interpreting changes in household inequality over time is difficult because it is conceivable that a decline in real household income may have no adverse consequences for some household members, if resources are transferred from one member to another, for

example, from women to men. The decline in real income of low-income households, as has occurred in Canada during the 1980s and early 1990s, may mean that women in these households are experiencing further declines in economic welfare beyond that anticipated by the decline in real household income, and therefore, the increase in inequality is greater than measured. However, if women's economic power increases relative to men's due to, for example, increased labour force participation, then it possible that greater sharing of resources within households may occur.

Since trends in household inequality cannot be unambiguously interpreted due to lack of information about changes in the distribution of welfare within the household, we turn now to examine an alternative estimate of inequality, that of the distribution of employment earnings among individuals.

WORK IS COMPENSATED BY THE WAGE?

The distribution of individual employment earnings has received considerable attention, in part because the rise in earnings inequality has been a major contributor to the rise in household income inequality. The focus on individual earnings also has an advantage over household income because it does not require the simplifying assumption that resources are equally shared within the household, or that the relative welfare within the household remains constant over time. However, conventional interpretations of trends in earnings inequality implicitly make two assumptions that are questioned here.

The first assumption is that earnings or the wage associated with a job compensates the individual for sacrificing leisure and the value of home production. However, compensation for a job includes not only earnings, but also fringe benefits such as pensions, health and dental benefits, and holidays and increasingly, other forms of monetary compensation such as stock options, bonuses, and performance pay.

Recognizing that compensation for work is greater than earnings indicates that, at a given

point in time, estimates of earnings inequality underestimate the degree of inequality derived from work. This conclusion is based on evidence that fringe benefits are more likely to accrue to workers with higher earnings (Lee Grenon and Barbara Chun 1997, Tables 3 and 4). Further, the increase in earnings inequality underestimates the increase in inequality of full compensation derived from work because there has been an increase in the proportion of non-standard jobs (including part-time work, limited-term contracts, hourly-based contracts, self-employment and homework) which tend to have lower hourly wages and no fringe benefits. For example, part-time work increased from about 11 to 17 percent of total employment between 1975 and 1993 (Natalie Noreau 1994, 25).⁹ The percentage of part-time work, however, is underestimated because individuals holding more than one job with cumulative hours greater than 30 per week are classified as full-time workers; notice also that multiple job holding has doubled between 1977 and 1993, from 2.4 to 5.1 percent (Gary Cohen 1994, 33).

The second assumption is that earnings compensate workers for any unpleasant aspects of the job, such as onerous work conditions, high health risks, and/or insecure job duration. The notion that higher wages are paid to compensate those jobs with "extra" unpleasant aspects, however, is questionable, particularly when applied to many jobs undertaken by women. For example, are the work conditions of CEO's so onerous that these jobs require compensating differentials of millions of dollars? Or, as Pat Armstrong (1993, 42) asks, is the work of collecting garbage in neat plastic bags more unpleasant than the work of nurses in hospitals who are exposed to communicable diseases, clean up blood and vomit, and lift heavy weights, as well as using their intelligence and judgment?¹⁰

Further, the notion of the wage compensating individuals for unpleasant job characteristics is of limited value when job quality is deteriorating (and wages are not increasing). There is qualitative evidence of a decline in job quality arising from changes in the organization of work related to government cutbacks, firms' competitiveness strategies, and technological

change. For example, government cutbacks, particularly in health and social services, have resulted in the deinstitutionalization of services and loss of government jobs and concomitant rise in service provision in the community and patients' homes by workers employed by private sector firms. In Nova Scotia, M. Patricia Connelly and Martha MacDonald's (1996) analysis shows that new homecare jobs, compared to the old ones, are more likely to be part-time jobs with variable hours of work, require unpaid travel time, and are more likely to be associated with fewer benefits and lower hourly wage rates. The homecare workers reported an increase in isolation, a decrease in autonomy over their work arising from being given a list of tasks to complete, rather than being able to use their own discretion about which tasks to undertake, and higher stress. The nature of jobs which are retained in the institution are also changed as a result of privatization and cutbacks. Pat Armstrong (1993, 45-6) reports that, for Canadian hospitals, there has been an increase in the use of part-time nurses, a greater fragmentation of tasks, with nurses having less time for caring for patients, a general intensification of work, and greater monitoring and surveillance of nurses' tasks.

In the context of trade liberalization and facilitated by technological change, firms attempt to increase competitiveness by lowering labour costs and increasing the flexibility of their workforces. The competitiveness strategies have led to changes in the nature of work, such as the use of homeworkers, particularly in the labour-intensive segments of manufacturing sector (e.g. garments) and service sector (e.g. data processing, telephone answering). Leach (1996) describes the costs of homework as isolation due to no or little contact with other workers and raised intensity of work due to increased (and unrealistic) quotas which require the use of other family members' labour in order to meet the quotas.

Technological change, particularly computer-based automation, has had varied effects on the quality of jobs. While some jobs have become more interesting as a result of computer automation, others have become more routine and

tedious, and computer technology permits greater personnel surveillance. In terms of job security, the introduction of computers is increasingly perceived by workers as negatively affecting their job security. For example, of those workers who think that computers have affected their jobs, in 1989, 11 percent of workers reported that their job insecurity had increased as a result of the introduction of computers, and this percentage increased to 19 percent in 1994 (Graham Lowe 1997, 32).

Therefore, the rise in earnings inequality understates the increase in inequality among workers because these estimates have not accounted for the increased inequality in distribution of fringe benefits and deterioration in job quality. The rise in inequality is likely to be particularly pronounced for male workers who have experienced an increase in unemployment and part-time work, and declines in unionization. While men continue to have higher wages than women, and are more likely to be compensated for unpleasant working conditions, their employment outcomes have been deteriorating and are moving in the direction of women's lower standard of employment.

CONCLUSION

The idea that welfare in Canadian society has become more unequal in recent decades has been widely discussed in the economics literature and popular media. This paper contributes to the literature on inequality by highlighting the less frequently discussed gender dimensions of welfare. It is argued that the conventional estimates of trends in inequality are based upon simplifying assumptions resulting in the neglect of unpaid work and intra-household welfare which are of particular concern to women. Once these assumptions are

rejected, interpreting trends in income inequality becomes much more difficult. For example, at a given point in time, inequality may be underestimated due to the neglect of inequality within a household; however, inequality may be overestimated due to the exclusion of unpaid labour. Changes in inequality over time are even more complex to interpret.

Further, these trends in income inequality mask substantial changes in the patterns of work of men and women and their relative welfare positions, which are only starting to be understood. In the workplace, for example, there are increasing divisions among women who work full-time/full-year. At the same time, the average positions of men and women have become more similar, in major part, because male workers have experienced a deterioration in employment opportunities, reflected in increases in unemployment and part-time work, and declining average real earnings. In terms of household welfare, we know that, on average, men have increased their amount of unpaid work and decreased the amount of paid work, and women adjusted their labour in the opposite fashion. However, the average estimates of hours worked mask considerable differences in total work burdens among groups. The work burdens of single women with children and full-time/full-year female workers with children remain very high relative to men's. While the recent data on unpaid labour is useful for assessing how households are adjusting to changing economic conditions, greater detail is still required by income level to fully assess changes in the distribution of welfare.

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ENDNOTES

1. The Gini Coefficient is an estimated number ranging from 0 (complete equality) to 1 (complete inequality).
2. For example, for full-time/full-year workers, in 1981, women earned 63 percent of men's earnings, and in 1994, women earned 70 percent, as calculated from Table 2. The gender earnings gap increases with age and decreases with education level.
3. See, for example, Jean Gardiner 1975, Susan Himmelweit and S. Mohun 1977, Lourdes Beneria and Gita Sen 1981, and more recently, Marilyn Waring 1988.

4. Gross Domestic Product is an estimate of the final value of goods and services sold in the market in a given year.
5. Wealth is distributed very unequally (Lars Osberg 1981).
6. Pujol (1992, 201) also notes that the assumption of altruistic household behaviour is inconsistent with the human capital assumption that individuals, both men and women, will invest in human capital in a self-interested way, in order to maximize their respective lifetime earnings.
7. Alternatives to the joint utility view of the intra-household allocation include neoclassical economic bargaining models (Marjorie McElroy 1990), Sen's capability model (Sen 1985), and broader Socialist-feminist explanations (Ann Whitehead 1981; Elaine McCrate 1987).
8. For example, there is evidence to suggest that social institutions, such as the availability of child support payments and social assistance (Shelley Phipps and Peter Burton 1993) and divorce rates (Elaine McCrate 1992) do influence labour force participation.
9. Between 1980 and 1993, the percentage of part-time workers who worked part-time involuntarily, that is, they would prefer full-time work but could not find it, rose from 18 to 35 percent (Noreau 1994, Table 1).
10. It is also conceivable that some types of work, where the worker has autonomy, may have positive effects on health (see, for example, Mary Clare Lennon and Sarah Rosenfield 1992). In making this point, the intention is not to set up a dichotomy between work as good or bad, but to note that it may have a positive impact on well-being, separate from income.

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TABLE 1

Trends in Economic Inequality (Gini Coefficient), Selected Income Definitions and Unit of Analyses, Canada, 1981, 1989 and 1994			
	Among Households¹		Among Individuals²
	Market Income	Income after taxes and transfers	Annual Earnings
1971	0.447	0.373	n.a.
1981	0.439	0.351	0.4059
1989	0.464	0.354	0.4148
1994	0.495	0.354	0.4283
% change 1981 - 94	13	1	6

Sources:

1. Statistics Canada, Catalogue 13-210 (1981, p. 19; 1989, p. 19; 1991, p. 36; 1994, p. 18)

2. Calculated from the SCF Public use data (Individual file), 1981, 1989, and 1994.

TABLE 2

Annual Earnings Inequality (Gini Coefficient), by Gender and Work Status, Canada, 1981, 1989 and 1994				
Panel A	All Workers²			
	Median (1992 \$)		Gini Coefficient¹	
Year	Women	Men	Women	Men
1981	15538	31014	0.4178 (0.0020)	0.3511 (0.0017)
1989	16854	29993	0.4132 (0.0019)	0.3778 (0.0022)
1994	16824	29412	0.4240 (0.0019)	0.4007 (0.0024)
% change 1981 - 94	8	-5	1	14
Panel B Full-time/full-year Workers³				
Year	Women	Men	Women	Men
1981	23484	37297	0.2626 (0.0022)	0.2483 (0.0016)
1989	23985	37191	0.2813 (0.0021)	0.2787 (0.0024)
1994	26510	37722	0.2709 (0.0019)	0.2845 (0.0028)
% change 1981 - 94	13	1	3	15

Notes:

1. Standard errors, in parentheses, are calculated following Tomson Ogwang's (1995) jackknife method.

2. All workers refers to individuals with positive wages and salaries, excluding self-employed workers, aged 17 to 64 years.

3. Full-time/full-year workers refers to all workers (as defined above) who worked mostly full-time per week for more than 48 weeks per year.

Source:

Calculated from the SCF Public-use data (Individual file), 1981, 1989, and 1994.