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# Inequality in the feasibility of working from home during and after COVID-19

#### by Derek Messacar, René Morissette and Zechuan Deng

The economic lockdown to stop the spread of COVID-19 has led to steep declines in employment and hours worked for many Canadians. For workers in essential services, in jobs that can be done with proper physical distancing measures or in jobs that can be done from home, the likelihood of experiencing a work interruption during the pandemic is lower than for other workers.

Approximately 40% of Canadians are in jobs that can be done from home (Deng et al. 2020) and the likelihood of holding such a job is not the same for all Canadians. For example, fewer workers in goods-producing sectors can work from home than those in service industries (Deng et al. 2020). These differences in the feasibility of working from home are important during the pandemic because holding jobs that can be done from home reduces the likelihood of work interruptions and, thus, reduces income uncertainty. After the pandemic, holding such jobs might increase the options that Canadian families face regarding work-life balance.

To shed light on these issues, this article assesses how the feasibility of working from home varies across Canadian families. It also considers the implications of these differences for family earnings inequality.

## Dual-earner families with higher earnings are more likely than lower-income families to hold jobs that can be done from home

Among dual-earner families, the feasibility of working from home varies markedly across the earnings distribution. For example, 54% of the dual-earner families who are in the top decile of the family earnings distribution hold jobs in which **both** husbands and wives can work from home (Chart 1). The corresponding percentage for dual-earner families who are the bottom decile is only 8%.





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#### percent 80 70 60 50 40 30 20 10 0 3rd 4th 5th 8th 9th All 1st (Lowest) 2nd 6th 7th 10th (Highest) Earnings decile Both Husbands □ Wives

Percentage of adults in jobs that can be done from home, by family earnings decile-dual-earner families, 2019

Sources: Statistics Canada, Labour Force Survey, 2019 and The Occupational Information Network (O\*Net).

## Primary earners with high levels of education are more likely to hold jobs that can be done from home

In all families, roughly four in ten primary income earners hold jobs that can be done from home (Table 1). The possibility of working from work from home rises sharply with the educational attainment of the primary income earner. While less than 30% of primary earners with a high school diploma can work from home, roughly 66% of their counterparts with a bachelor's degree or higher education can do so.

### Women are more likely than men to hold jobs that can be done from home

Women are more likely than men to hold jobs that can be done from home. For example, 50% of unattached women can work from home, compared with 33% of unattached men (Table 1). Similar patterns are observed among dualearner families. Sixty-two percent of women in these families hold jobs that can be done from home, compared with 38% for their male counterparts.

Since the feasibility of working from home varies substantially across industries and occupations (Deng et al. 2020), part of this gender difference is likely explained by the fact that men and women often work in different jobs. For example, male-dominant jobs such as agriculture or construction typically cannot be performed from home.



Chart 1





#### Table 1

Percentage of primary income earners holding jobs that can be done from home, by education, sex, and type of family unit, 2019

Education level of main earner	No high school diploma	High school graduate	Post-secondary (below BA)	Bachelor's degree or higher	All education levels
			percent		
Unattached individuals					
Both sexes	12.5	23.6	32.3	65.1	40.6
Men	10.4	16.4	24.2	65.7	33.4
Women	19.0	36.7	43.3	64.6	50.0
Lone parents					
Both sexes	19.8	28.1	39.9	65.7	43.4
Men	22.2	20.5	24.4	68.5	35.0
Women	18.9	30.9	44.2	64.8	46.0
Single-earner couples					
Both sexes	12.8	25.9	30.9	65.6	39.7
Men	9.4	19.0	24.2	66.1	35.4
Women	23.9	39.1	43.9	64.7	48.5
Dual-earner couples					
Both sexes	13.0	29.1	33.2	67.6	45.0
Men	11.2	23.6	26.2	66.8	38.2
Women	31.6	41.8	49.8	62.1	61.6

Sources: Statistics Canada, Labour Force Survey and The Occupational Information Network (O\*NET).

## Conclusion

On balance, households with lower levels of education and earnings are the least likely to hold jobs that can be done from home. This finding suggests that the risk of experiencing a work interruption during the pandemic might fall disproportionately on financially vulnerable families. If so, these work interruptions will likely increase family **earnings** inequality, at least during the pandemic and economic recovery.<sup>1</sup> For these reasons, the long-term impacts of the recent work interruptions on family earnings inequality will be worth monitoring after the pandemic subsides.

### References

Deng, Z., D. Messacar, and R. Morissette. 2020. "Running the economy remotely: Potential for working from home during and after COVID-19." *STATCAN COVID-19: Data to Insights for a Better Canada*, no. 00026. Statistics Canada Catalogue no. 45280001. Ottawa: Statistics Canada.

Statistics Canada. 2020. "Labour Force Survey, April 2020." The Daily. Ottawa: Statistics Canada.

## **Related article**

Running the economy remotely: Potential for working from home during and after COVID-19. https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00026-eng.htm.

<sup>1.</sup> Since many government transfers—such as the Canada Emergency Response Benefit—have been implemented since mid-March 2020—it is unclear whether such work interruptions would increase family **income** inequality.

