

EMERGENT EMPLOYMENT:

**CANADIAN FINDINGS ON
THE FUTURE
OF WORK**



Research by



The Information and
Communications Technology Council

This project is funded in part by the
Government of Canada's Sectoral
Initiatives Program.

Canada 

Preface:

The Information and Communications Technology Council (ICTC) is a not-for-profit, national centre of expertise for strengthening Canada's digital advantage in a global economy. Through trusted research, practical policy advice, and creative capacity-building programs, ICTC fosters globally competitive Canadian industries enabled by innovative and diverse digital talent. In partnership with an expansive network of industry leaders, academic partners, and policy makers from across Canada, ICTC has empowered a robust and inclusive digital economy for over 25 years.

To cite this report:

Leblanc, S., Mary, E., O'Neill, K., Quan, T. July 2021. Emergent Employment: Canadian Findings on the Future of Work. Information and Communications Technology Council (ICTC). Ottawa, Canada.

Researched and written by Trevor Quan (Senior Research & Policy Analyst), Khiran O'Neill (Research & Policy Analyst), Emerick Mary (Junior Research Analyst), and Sylvie Leblanc (Junior Research Coordinator) with generous support from Alexandra Cutean (Senior Director, Research and Policy), Mairead Matthews (Research & Policy Analyst), Arun Sharvirala (Data Analyst), and the ICTC Research & Policy team.

The opinions and interpretations in this publication are those of the authors and do not necessarily reflect those of the Government of Canada.

Abstract:

Working patterns, relationships, and norms are changing. Recently, gig work and remote work have been at the heart of these changes, yet their implications for the world of work remain uncertain. This report investigates these two phenomena and their roles in the future of work (particularly in the Canadian context) using a review of existing data and literature, web scraping of job postings, interviews with 19 subject matter experts, and a survey of 1507 individuals—two-thirds of whom were remote or gig workers. Combined, these methods outline key characteristics and challenges of evolving forms of work in Canada, how they have been influenced by the COVID-19 pandemic, and what might be expected for gig and remote work in the coming years. Namely, the report highlights how demand for flexibility has influenced gig and remote work, how technological development is only one factor driving changes to work, and how precarity and inequality are likely to be significant challenges for the future of work. Finally, a set of recommendations are provided to navigate gig and remote work in future years.

Key Words:

future of work, remote work, gig work, gig economy, COVID-19, labour, technology, flexibility

ACKNOWLEDGEMENTS

The contributions made to this report by our key informant interviewees and advisory committee are greatly appreciated. We would like to acknowledge all the contributors to this report, along with the following specific individuals:

Aidan Manktelow

Project Lead, Future of Work,
World Economic Forum

Bama Athreya

Economic Inequality Fellow,
Open Society Foundations

Carl Benedikt Frey

Oxford Martin School, University of Oxford

Emily Norgang

Senior Researcher, Canadian Labour Congress

Gorick Ng

Harvard career adviser and author
of The Unspoken Rules

Joel Blit

Associate Professor of Economics, University
of Waterloo, and Senior Fellow at the Centre for
International Governance Innovation

Kai-Hsin Hung

Ph.D. Candidate, HEC Montréal

Matthew Spoke

CEO and Founder, Moves

Mimi Nguyen

Mimi Nguyen, Project & Operations Manager
at Bảo Vệ Collective

Paul Glavin

Associate Professor of Sociology,
McMaster University

Dr. Rémi Quirion

Chief Scientist of Quebec, Ministry of Economy,
Science and Innovation of the Government
of Quebec

Robin Shaban

Senior Economist and Co-Founder, Vivic Research

Simon Chan

VP, Talent, Academy & Future of Work,
Communitech

Srujana Katta

Researcher, Fairwork Project, University of Oxford

Stefan Palios

Entrepreneur

Stephanie Hollingshead

CEO, HR Tech Group

Valerio De Stefano

Assistant Professor, Institute for Labour Law,
KU Leuven

TABLE OF CONTENTS

GLOSSARY	2	Remote Work in 2021 and Beyond	32
EXECUTIVE SUMMARY	3	SECTION II: PLATFORM WORK AND THE GIG ECONOMY	33
INTRODUCTION	6	Overview: Recent Developments in Gig Work . .	34
SECTION I: REMOTE WORK	7	COVID-19 and the Global Gig Economy	34
Background and Recent Developments	8	The Canadian Context	35
The Canadian Context	8	Attitudes About Gig Work	37
A Game of Trade-Offs	9	Workers and the Gig Economy	40
Remote Work: What it Means for Workers	12	Diversity Among Gig Workers	40
Flexibility and Work-Life Balance: Cornerstones of Remote Work Pre-Pandemic.	12	COVID-19, Health, and Productivity.	41
Mixed Reviews of Remote Work	13	Labour and Industrial Relations	42
More Productive Work, or Just More Hours? . . .	15	Income, and Gig Work as Non-Standard	43
Employee Health and Safety	16	The Role of Gig Platforms	44
Home Offices, Housing, and Geographic Impacts of Remote Work	16	Regulating the Gig Economy: A Policy Vacuum . . .	46
Skills for the Future of Work	18	Tracking and Taxing Gig Work	46
Remote Work: What it Means for Employers . . .	20	Social Security and Benefits	47
Remote Work By Industry And Role	21	Worker Classification and Platform Regulation . .	49
Managing the Remote Transition	22	The Future of Gig Work	50
Disrupted Organizational Culture and Natural Collisions: Downsides of Remote Work	23	SECTION III: PREPARING FOR A DYNAMIC WORLD OF WORK	51
Tools for Remote Work	24	Conclusion	54
Will Innovation Suffer?	25	APPENDICES	56
The Future is Hybrid	27	I. Research Methodology	56
Remote Work: The Role of the Government . . .	29	II. Limitations of Research	57
How Broadband Infrastructure Influences Remote Work	29		
Taxing Remote Work	30		

GLOSSARY

This glossary presents an overview of terminology used but not fully expanded upon in the text.

Freelancer: Typically denotes an independently employed professional, often in a creative or technical field. In contrast to “gig employees,” freelancers typically work on longer contracts and are more likely to be independently managed.

Future of Work: A catch-all term evoking the transformation of the labour market as a function of technological and social trends. It often refers to continuing developments in the nature of work and employment.

Gig Economy: Used in the 21st century context, a proliferation of the “informal paid work” enabled by online platforms and spurred by rapidly evolving economic conditions. This is often contrasted to highly structured, formal work arrangements.

Gig Platform: Sometimes referred to as digital platform companies or gig apps, digital platforms facilitate interaction and relationship building (for some dating applications, such as Tinder, the relationship is itself the value), but most platforms match providers of services with potential buyers (such as Uber or Airbnb).

Gig Worker: All workers, regardless of sector, that work on short-term contracts. A gig worker can either be independent, such as a musician or freelancer, or can work as an independent contractor for a gig or sharing economy platform (such as Uber), though the latter is becoming increasingly common.

Hybrid Office: A work arrangement in which employees may work both at an office and remotely.

Independent Contractor: In contrast to a “traditional employee,” an independent contractor is not employed in the name of a particular organization; independent workers are a heterogeneous mix of consultants, freelancers, gig workers, and contract employees. Independent contractors are one type of self-employed worker.

Permanent Employee: Full and part-time employees of an organization who work for that organization indefinitely, provided they fulfill their performance obligations. To terminate such an employee, employers often have to demonstrate that the employee has failed to deliver on their obligations of performance or be given severance pay.

Remote Work: A working style whereby employees use remote technologies and telecommunications to work outside of the traditional office setting. This decentralized working style allows for more flexible work schedules.

Self-Employment: All forms of employment in which a person pays one’s own wages and is not technically an employee of another organization. This could encompass a range of situations such as sole proprietorship, consulting, freelancing or gig work.

EXECUTIVE SUMMARY

The “future of work” has transformed from a series of relatively hypothetical debates about the impact of digital transformation on work into very concrete and immediately relevant issues. There are two reasons for this. First, a slow and steady collection of changes have gained momentum, including expanding digitalization, precarity, flexibility, short term and task-based work, weakened unions, and economic concentration. Second, these changes were accelerated by the sudden shock of the COVID-19 pandemic.

Three assumptions underlie this report: the future of work is not a distant but a current phenomenon; the future of work is inextricably linked to digitalization; and the pandemic has irreversibly impacted the future of work. Given these assumptions, this report focuses on two core aspects of the future of work: remote work and the gig economy. Neither encompass the entire discussion on the future of work, but both are emblematic of it in many ways.

Remote Work

COVID-19 has necessitated a large-scale shift to remote work. Although there are questions about how exactly remote work will exist in the future, a hybrid work solution seems likely.¹ Remote work can save costs and time, but may also lead to over-work, isolation, and other unseen costs for workers. ICTC surveyed people who worked remotely before the pandemic began to understand perceptions of remote work under “normal” circumstances. They reported high levels of job satisfaction, positive work-life balance, and feeling safe during the pandemic (more so than workers who did not work remotely prior to the pandemic). Survey results indicated that people tend to work remotely either because they appreciate the flexibility or

because their job requires it. Expert interviewees noted employers will be more likely to succeed in transitioning to remote work if they can maintain company culture, effectively use remote work tools, and foster innovation remotely. Government considerations for remote work, meanwhile, may entail the development of infrastructure and employment standards and regulations specifically for remote work as well as adjustments to taxation for employers and employees.

The Gig Economy

While the pandemic’s acceleration of remote work is obvious, its effects on the gig economy are less clear. The gig economy remains difficult to measure, and few official indexes that strive to do so exist. Despite this, the gig economy is a growing area of discussion in Canada and internationally. In ICTC’s survey of gig workers, there was a clear division between workers who source all their income from the gig economy versus those who earn only a portion of their income from it. Although flexibility was seen as a benefit by both groups, almost one-third of gig workers said they that they need gig economy income to pay bills or because they lost a job. In the ICTC survey, gig workers were likely to identify as male, Black, Indigenous, a person of colour, or a person with a disability. Gig workers (more so than those not in the gig economy) noted the following: they prioritize flexibility in managing their work schedules; there are “not enough hours in the day” to complete their work; and they are earning more, working more, and being more productive now than before the onset of the pandemic. Many survey respondents expressed positive feelings of agency and fairness regarding their work, yet experts expressed concerns about power

¹ “Canadian workforce of the future survey,” PwC, 2020: <https://www.pwc.com/ca/en/today-s-issues/upskilling/canadian-pulse-survey.html>

EXECUTIVE SUMMARY

imbalances and worker manipulation. Additionally, experts noted that while government has not been heavily involved in the gig economy thus far, there are opportunities for it to respond with improved data tracking and careful consideration of how social security, worker classification, and gig platform regulation may impact workers and companies in Canada.

Key Findings

This research into remote work and the gig economy highlights three key findings. First, flexibility will be a key component of the future of work—in part because of its importance to remote and gig workers. Allowing for enhanced flexibility will require good policy and practices. Second, the future of work is not solely the result of technological development. For gig work especially, technological development is a single component of multiple converging forces that are influencing work. Third, navigating precarity and inequality will be essential if future working environments and professional relationships are to succeed.

The Future is Flexible: Gig and remote workers alike value flexibility highly. Flexibility and work-life balance are the top reasons for people to work remotely,² and gig platforms advertise flexibility as a core benefit of performing gig work.³ Desire for flexibility and the growing acknowledgement of the benefits of remote work have driven support for a “hybrid office” model to harness the advantages of both remote and office environments. Hybrid models are intended to give employees the freedom and flexibility to work from home while

still maintaining connections with their colleagues and providing the collaborative opportunities and physical amenities associated with office work. Despite optimism about how digital technology can enhance flexibility, there are reasons to remain cautious. Changes that allow this flexibility will continue to impact geography, work relationships, and government policy.

Technology as a Core Driver or Simply “Along for the Ride?”: Many interviewees emphasized a belief that the future of work is not solely the result of technological development. Rather, technological development is occurring within a broader social context. Other forces are just as—if not more—influential in terms of impacting how work is evolving. Similarly, Jim Stanford writes that the “gig economy” is not a new technologically generated development but a relabelling of long-standing precarious employment relationships,⁴ while some interviewees noted that labour market polarization has been increasing in many places since the 1980’s. This idea stands in contrast to the belief that emerging technology has fundamentally changed the nature of employment relationships.⁵ At the same time, in terms of remote work, technological change may be the most critical component. While the pandemic prompted widespread transition to remote work, developments in information communications technologies (ICT) have allowed somewhere between a third and half of all Canadian workers to do so, and for many, have simultaneously enhanced productivity. Still, the subtext behind commentary that technological development is occurring within a broader social context remains important:

² ICTC survey results

³ Uber, <https://www.uber.com/ca/en/u/flexibility/>

⁴ “Thinking Twice About Technology and the Future of Work”, Future Skills Centre, Jan 20, 2020: <https://fsc-ccf.ca/research/thinking-twice-about-technology-and-the-future-of-work/>

⁵ “The changing nature of work and skills in the digital age,” European Commission, 2021: <https://ec.europa.eu/jrc/en/facts4eufuture/changing-nature-work-skills-digital-age>

EXECUTIVE SUMMARY

responses to technological development should also occur within that broader context. As such, attention to labour rights, business and innovation supports, social security, and technology policy are all necessary for a prosperous and healthy future of work.

Precarity and Inequality will be Key Challenges:

The pandemic exacerbated inequalities in classes of work, with white collar workers often working at home and low-paid (and newly deemed “essential”) workers responsible for taking on risk outside the home. While remote work may make things easier for many, some suggest that it could also worsen the gender pay gap.⁶ Further, the likelihood of working remotely is directly correlated with income.⁷ While some suggest that gig work may act as a sort of social safety net⁸ because it allows nearly barrier-free access to employment, a lack of benefits and social protections means that gig workers are often considered “precarious workers.”⁹ Remaining attuned to increasing demand for flexibility, the public and private sector will have to find ways to ensure that “low-income, lack of security, and lack of opportunity”¹⁰ (characteristics of precarious work) are limited as much as possible.

Steps Forward

To support increased flexibility in work, the dialogue on improving non-standard working arrangements must continue between workers, employers, and government. Additionally, these groups must work to establish common definitions and continuous measurements of non-standard work, and in particular gig work. Considering that changes in work are not driven solely by technology, it will be necessary to ensure that tax codes and collection systems function properly amid changing trends in work. Business and the public sector should also standardize and communicate remote work standards and expectations, consider providing mental health supports, and encourage work-life balance. To successfully navigate precarity and inequality, attention must be paid not only to improving internet access, but also affordability, so that remote and gig work opportunities are equitable. Further, existing employment supports, as well as access to benefits, must be made more accessible for gig and non-standard workers.

The future of work—in particular, gig and remote work—would benefit immensely from careful efforts on the part of government, industry, and worker representatives to react to both the pandemic shock and to the longer-term trends highlighted in this report. Doing so can shape a future world of work that is both equitable and prosperous.

⁶ Partridge, Joanna, “Switch to more home working after Covid ‘will make gender inequality worse’”, *The Guardian*, June 19, 2021: <https://www.theguardian.com/business/2021/jun/19/switch-to-more-home-working-after-covid-will-make-gender-inequality-worse>

⁷ Tanguay, George and Ugo Lachapelle, “Remote work worsens inequality by mostly helping high-income earners”, *The Conversation*, May 10, 2020: <https://theconversation.com/remote-work-worsens-inequality-by-mostly-helping-high-income-earners-136160>

⁸ “MIT Sloan study finds gig economy serves as a safety net for unemployed”, MIT Sloan Office of Media Relations, Oct 8, 2020: <https://mitsloan.mit.edu/press/mit-sloan-study-finds-gig-economy-serves-a-safety-net-unemployed>

⁹ Padin, Laura, “Precarious at Work, Precarious in Health”, National Employment Law Project, March 13, 2020: <https://www.nelp.org/blog/precarious-work-precarious-health/>

¹⁰ May, Brian, “Precarious Work: Understanding the Changing Nature of Work in Canada: Report of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities”, House of Commons, June 2019: <https://www.ourcommons.ca/Content/Committee/421/HUMA/Reports/RP10553151/humarp19/humarp19-e.pdf>

INTRODUCTION

The nature of work is changing. Increasingly, people are moving away from long-term work relationships in offices to short-term, flexible work¹¹ that takes place outside the traditional workplace.¹² The future of work has become a catch-all term for these (and other) forward-looking labour market topics.

ICTC first investigated the future of work in this context in its 2020 paper, *Loading: The Future of Work: Worldwide Remote Work Experimentation and the Evolution of the Platform Economy*,¹³ which explored the evolution of these trends and noted that there are different opportunities and challenges for both low-paying gig work and more high-skilled, freelance work. As the pandemic continued, ICTC continued to monitor these and other shifts in the labour market with the intention of better understanding the future of work in Canada.

This report focuses on current and near-term changes to the nature of work as it is impacted by continued digitalization and the COVID-19 pandemic. Remote work and gig work form the crux of this analysis, though this report also touches on elements of labour relations, public policy, demographics, and globalization. Three guiding principles underpin this report, and drive its focus:

- Disruptive technologies, remote work, and changing labour models are becoming progressively prevalent. This demands attention

to the current world of work and its short-term future. An increasingly common phrase captures this: “the future of work is now.”

- The future of work is inextricably linked to digitalization, regardless of whether or not technological change is considered a driving force in changing work.
- The pandemic has irreversibly impacted the future of work. Current research on the world of work must acknowledge this reality, while understanding that the permanence of these impacts may be difficult to predict.

A combination of primary and secondary research methods was used in this report. Secondary research entailed a review of existing data and literature on the future of work, while primary research entailed web scraping of key jobs, interviews with 19 subject matter experts, and a survey of 1507 individuals—one-third gig workers, one-third remote workers, and one-third weighted to the general Canadian working population.

This report features three primary sections. Section I investigates the evolution of remote work, while Section II uncovers the multi-faceted and diverse world of gig work. Section III leverages insights gained throughout this research to propose a call to action: policy considerations are proposed that can help employers and workers navigate the increasingly digital, remote, and complex nature of work.

¹¹Messenger, Jon, “ILO Future of Work Research paper Series: Working time and the future of work,” International Labour Organization, 2018: https://www.ilo.org/wcmsp5/groups/public/---dgreports/---cabinet/documents/publication/wcms_649131.pdf

¹²Schwartz, Jeff et al., “What is the future of work? Redefining work, workforces, and workplaces,” Deloitte, Apr 1, 2019: <https://www2.deloitte.com/us/en/insights/focus/technology-and-the-future-of-work/defining-work-workforces-workplaces.html>

¹³Cutean, A., Herron, C., Quan, T. (July 2020). *Loading: The Future of Work: Worldwide Remote Work Experimentation and the Evolution of the Platform Economy*. Information and Communications Technology Council (ICTC). Ottawa, Canada https://www.ictc-ctic.ca/wp-content/uploads/2020/07/ICTC_Future-of-Work-FINAL-ENG-7.14.20.pdf

SECTION I: REMOTE WORK

This section examines remote work from the perspective of workers¹⁴ and employers, while shining a light on key considerations for the public sector to navigate the recent shift to remote work. This section has four subsections. The first provides background information, noting the impacts of the pandemic on remote work in Canada and the trade-offs of remote work. The second discusses workers and their perceptions and experiences of remote work, part-time work, productivity, health and safety, home offices, and skills. The third discusses employer considerations related to transitioning to remote work, the impacts of remote work on organizational culture, tools for remote work, innovating remotely, and hybrid workplaces. The final subsection highlights public sector considerations for remote work related to digital infrastructure and taxation.

¹⁴ The survey of remote workers primarily focuses on those who are currently working remotely and also worked remotely before the pandemic began (n=500)—an estimated 6% of the working population (<https://bit.ly/3teweKb>). See the appendix for more details.

Background and Recent Developments

THE CANADIAN CONTEXT

As in much of the rest of the world, the pandemic has drastically accelerated the remote work transition in Canada.¹⁵ A Statistics Canada article investigating the feasibility of remote work found that employees doing “scheduled hours from home changed very little from 2000 to 2018.”¹⁶ Fast forward to 2020, and Statistics Canada estimated that the percentage of employees working exclusively on site on February 1st was 64.9%; by March 31st, this number dropped to 40.5%.¹⁷

These values, as depicted below (figure 1), are slightly lower. Yet overall, approximately one in three Canadians were working from home in April 2020. Statistics Canada estimates that 40% of workers can work from home effectively during normal circumstances,¹⁸ though this number may increase if technologies continue to adapt to demand for remote work.

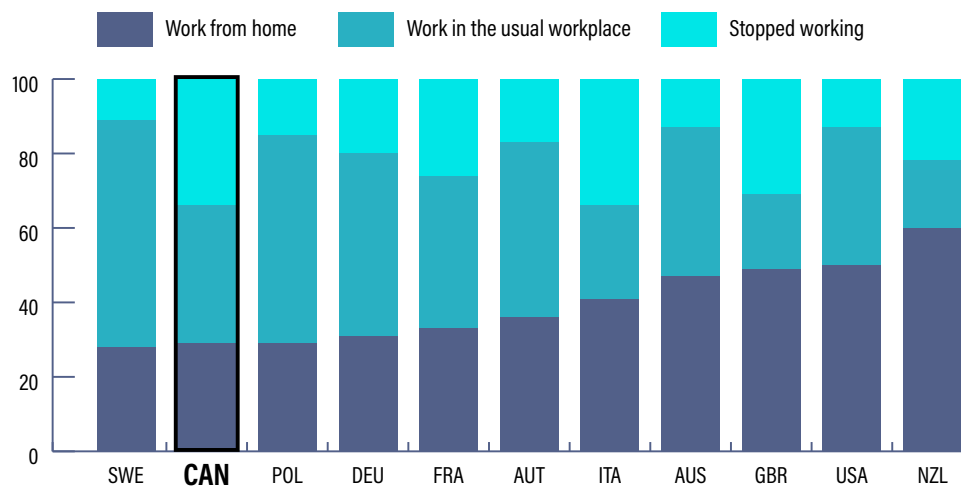


Figure 1. Share of workers by home working status and country in April 2020. Source: Foucault and Galasso in OECD¹⁹

¹⁵ Armstrong, Peter, “COVID-19 changed how we work. Will it stick?” CBC News, Jan 16, 2021: <https://www.cbc.ca/news/business/work-changes-covid-1.5873751>

¹⁶ Deng, Zechuan, René Morissette and Derek Messacar, “Running the economy remotely: Potential for working from home during and after COVID-19,” Statistics Canada, May 28, 2020: <https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00026-eng.htm?HPA=1>

¹⁷ Statistics Canada, “Table 33-10-0228-01 Percentage of workforce teleworking or working remotely, and percentage of workforce able to carry out a majority of duties during the COVID-19 pandemic, by business characteristics,” DOI: <https://doi.org/10.25318/3310022801-eng>, accessed June 2021: <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3310022801>

¹⁸ Deng, Zechuan, René Morissette and Derek Messacar, “Running the economy remotely: Potential for working from home during and after COVID-19”

¹⁹ “OECD Employment Outlook 2020 : Worker Security and the COVID-19 Crisis,” OECD, July 7, 2020: https://www.oecd-ilibrary.org/sites/1686c758-en/1/3/1/index.html?itemId=/content/publication/1686c758-en&_csp_=fc80786ea6a3a7b4628d3f05b1e2e5d7&itemIGO=oecd&itemContentType=book

SECTION I: REMOTE WORK

A GAME OF TRADE-OFFS

The pandemic has triggered a sudden and unprecedented shift to remote work. Some suggest that the high levels of remote work seen around the world today are not temporary in nature; rather, this acceleration marks the start of a permanent shift.²⁰ Employers and employees have seen benefits from remote work, which has been described as productivity and performance-enhancing.²¹ Remote work also allows employees to live in places with lower costs of living and save on commuting expenses while simultaneously enabling employers to save on office rent and associated expenses.²² Figure 2 outlines key advantages and disadvantages of remote work.

WORKER PERSPECTIVES: TRADE-OFFS FOR REMOTE WORK	
Advantages	Disadvantages
No commuting (saving time and expenses)	Lack of separation between work and home life
Flexibility to schedule workday and personal appointments	Difficult to "disconnect" and set clearly defined working hours
Enhanced ability to set working hours	Asynchronous communications and scheduling can challenge coordination among teams
More time spent at home with family	Fewer social interactions and less connection with co-workers
Possible to relocate to regions with lower cost of living	Increased burden on employees to cover remote office expenses

Figure 2. Trade-offs of remote work

²⁰ Marsh, Steve, "Why Remote Work Is Here To Stay," Forbes, Feb 5, 2021: <https://www.forbes.com/sites/forbestechcouncil/2021/02/05/why-remote-work-is-here-to-stay/?sh=3ff74c9d1ec2>

²¹ Bloom, Nicholas et al. "Does Working from Home Work? New Evidence from a Chinese Experiment," The Quarterly Journal of Economics (2015), 165–218. doi:10.1093/qje/qju032, Feb 2015: <https://nblloom.people.stanford.edu/sites/g/files/sbiybj4746/f/wfh.pdf>

²² Silverman, Baruch "Does Working from Home Save Companies Money?" business.com, June 16, 2020: <https://www.business.com/articles/working-from-home-save-money/>

Although many appreciate the opportunity to work remotely, not everyone is able to. McKinsey suggests that “hybrid models of remote work are likely to persist in the wake of the pandemic, *mostly for a highly educated, well-paid minority*.”²³ In advanced economies, more than half of workers

are unlikely to continue working remotely after the pandemic. Moreover, many essential work roles pay lower wages and are unsuitable for remote work, while knowledge-based workers can often work remotely, potentially exacerbating pre-existing **class distinctions** between types of work.^{24 25}

INEQUALITY CONSIDERATIONS

Worldwide, growing economic inequality (including issues like income and wealth disparities or job precarity) has led to social unrest and instability. This frustration crosses generations and countries.²⁶ While Canada has been spared much of the unrest that has occurred globally,²⁷ concerns remain over the darker elements of populist uprisings that can result from a “reality of income inequality and a disappearing middle class.”²⁸ While Canada has a more equal distribution of income than the US, for example, it remains one of the OECD peer countries with the greatest income inequality.²⁹

This has been exacerbated by the pandemic: in Canada, “the fortunes of the country’s 44 billionaires have increased by almost \$63.5 billion (CAD) since March 2020.”³⁰ The pandemic has led to very uneven outcomes, with many people facing financial ruin while others save more money for lack of discretionary spending and rising property

values. Unfortunately, these growing distinctions and unequal impacts, particularly on highly compensated knowledge work compared to service jobs, threatens to grow existing class divisions. Evidence of this “K-shaped recovery” (or diverging financial outcomes) is that nearly half of Canadian households stated they were \$200 or less away from insolvency in the third quarter of 2020.³¹ This vulnerability is even more pronounced for younger Gen-Z workers.³² In contrast, Canadians who were able to work from home cut expenses on travel, commuting and child care, by one account, saving a total of more than \$170 billion.³³ An estimated one in five Canadians are financially better off during the pandemic while the finances of two in five Canadians deteriorated.³⁴ These distinctions are best exemplified by the visible contrast of essential (and often gig) workers who must regularly interact with strangers and the office workers who are fortunate enough to be able to work remotely from home.

²³ Lund, Susan et al. “What’s next for remote work: An analysis of 2,000 tasks, 800 jobs, and nine countries,” McKinsey Global Institute, Nov 23, 2020: <https://www.mckinsey.com/featured-insights/future-of-work/whats-next-for-remote-work-an-analysis-of-2000-tasks-800-jobs-and-nine-countries>

²⁴ Madgavkar, Anu and Susan Lund, “Remote working is here to stay. But who will be doing it?” World Economic Forum, Dec 2020: <https://www.weforum.org/agenda/2020/12/remote-working-who-will-be-doing-it/>

²⁵ Lund, Susan et al. “What’s next for remote work: An analysis of 2,000 tasks, 800 jobs, and nine countries”

²⁶ “World Social Report: Inequality in a Rapidly Changing World,” United Nations, 2020: <https://www.un.org/development/desa/dspd/wp-content/uploads/sites/22/2020/01/World-Social-Report-2020-FullReport.pdf>

²⁷ Harbage, Claire, and Hannah Bloch, “The 2010s: A Decade Of Protests Around The World,” NPR, Dec 31, 2019: <https://www.npr.org/sections/pictureshow/2019/12/31/790256816/the-2010s-a-decade-of-protests-around-the-world>

²⁸ Eisler, Dale, “Income inequality and the rise of U.S. populism: A cautionary tale for Canada,” Johnson Shoyama Graduate School of Public Policy, March 18, 2016: <https://www.schoolofpublicpolicy.sk.ca/research/publications/policy-brief/income-inequality-and-the-rise-of-us-populism.php>

²⁹ Eisler, Dale, “Income inequality and the rise of U.S. populism: A cautionary tale for Canada”

³⁰ “Mega-rich recoup COVID-losses in record-time yet billions will live in poverty for at least a decade,” OXFAM Canada, Jan 24, 2021: <https://www.oxfam.ca/news/mega-rich-recoup-covid-losses-in-record-time-yet-billions-will-live-in-poverty-for-at-least-a-decade/>

³¹ Tencer, Daniel, “Canadian Economy’s ‘K-Shaped Recovery’: Lower Earners Face Insolvency While Homeowners’ Wealth Soars,” Huffington Post, Oct 14, 2020: https://www.huffingtonpost.ca/entry/debt-insolvency-canada-wealth_ca_5f870abec5b6c4bb5471e28c

³² Tencer, Daniel, “Canadian Economy’s ‘K-Shaped Recovery’: Lower Earners Face Insolvency While Homeowners’ Wealth Soars”

³³ Armstrong, Peter, “Where the lopsided economic impact of COVID-19 in Canada goes from here,” CBC News, Jan 26, 2021: <https://www.cbc.ca/news/business/covid-coronavirus-economic-recovery-inequality-1.5886384>

³⁴ Morissette, René, “Why certain Canadians were much more financially vulnerable to COVID-19,” Policy Options, Sept 2, 2020: <https://policyoptions.irpp.org/magazines/september-2020/why-certain-canadians-were-much-more-financially-vulnerable-to-covid-19/>

SECTION I: REMOTE WORK

For those able to work remotely, there can also be financial and health-related costs. For example, remote work accommodations (e.g. an extra room for a home office) may shift expenses from employers (who may rent fewer or smaller offices) to employees.³⁵ In Europe, the significant number of people working from home outside normal working hours (27%) during the pandemic highlighted the need to address the risks of physical and emotional harm that can occur when workers are unable to rest or are constantly connected to the workplace.³⁶ Working remotely has been shown to contribute to overworking and mental health issues; recent research by the European Parliament found that people regularly working from home are “more than twice as likely to surpass the maximum of 48 working hours per week, compared to those working on their employer’s premises.”³⁷ Almost 30% of those working from home report working in their free time every day or several times a week, compared to less than 5% of office workers.”³⁸

These challenges are occurring against a backdrop of what has been described as “millennial burnout”³⁹ and “workism”⁴⁰ (cultural values toward employment that encourage the merging of work and life in unhealthy ways). A recent study on working long hours (55 or more in a week) by the World Health Organization noted that “between 2000 and 2016, the number of deaths from heart disease due to working long hours increased by 42% and from stroke by 19%,” and that it is the occupational risk factor with the greatest disease burden.⁴¹ Even more troubling, 9% of the global workforce is subject to overworking and the pandemic could further accelerate this trend.⁴²

³⁵ Stanton, Christopher T. and Pratyush Tiwari, “Housing Consumption and the Cost of Remote Work,” National Bureau of Economic Research, Feb 2021: https://www.nber.org/system/files/working_papers/w28483/w28483.pdf

³⁶ “Parliament wants to ensure the right to disconnect from work,” European Parliament, Jan 1, 2021: <https://www.europarl.europa.eu/news/en/headlines/society/20210121ST096103/parliament-wants-to-ensure-the-right-to-disconnect-from-work>

³⁷ “Parliament wants to ensure the right to disconnect from work,” European Parliament

³⁸ “Right to ‘disconnect’ should be an EU-wide fundamental right, MEPs say,” European Parliament, Jan 21, 2021: <https://www.europarl.europa.eu/news/en/press-room/20210114IPR95618/right-to-disconnect-should-be-an-eu-wide-fundamental-right-meps-say>

³⁹ Petersen, Anne Helen, “How Millennials Became The Burnout Generation,” BuzzFeed News, Jan 5, 2019: <https://www.buzzfeednews.com/article/annehelenpetersen/millennials-burnout-generation-debt-work>

⁴⁰ Thompson, Derek, “Workism is Making Americans Miserable,” The Atlantic, February 24, 2019: <https://www.theatlantic.com/ideas/archive/2019/02/religion-workism-making-americans-miserable/583441/>

⁴¹ “Long working hours increasing deaths from heart disease and stroke: WHO, ILO,” World Health Organization, May 17, 2021: <https://www.who.int/news/item/17-05-2021-long-working-hours-increasing-deaths-from-heart-disease-and-stroke-who-ilo>

⁴² “Long working hours increasing deaths from heart disease and stroke: WHO, ILO,” World Health Organization

Remote Work: What it Means for Workers

FLEXIBILITY AND WORK-LIFE BALANCE: CORNERSTONES OF REMOTE WORK PRE-PANDEMIC

ICTC's survey of remote workers in the Canadian economy found that those working remotely tended to feel more positively about their situations than the broader workforce did (figure 3). These workers noted feeling satisfied and safe in their roles and believed they have a good balance between their work and home life. One interviewee suggested that the pandemic has damaged this balance:

Now there's an expectation that people are always available, and they're supposed to answer rapidly... It's got even worse in the past year with COVID. I think everyone forgot about the importance of making this distinction [between work and life].

Interestingly, attitudes among those working remotely due to the pandemic (not depicted in figure 3) were similar to the attitudes of their pre-pandemic remote working counterparts. This could suggest that those who found themselves unexpectedly working remotely ended up appreciating remote work more than they would have expected.

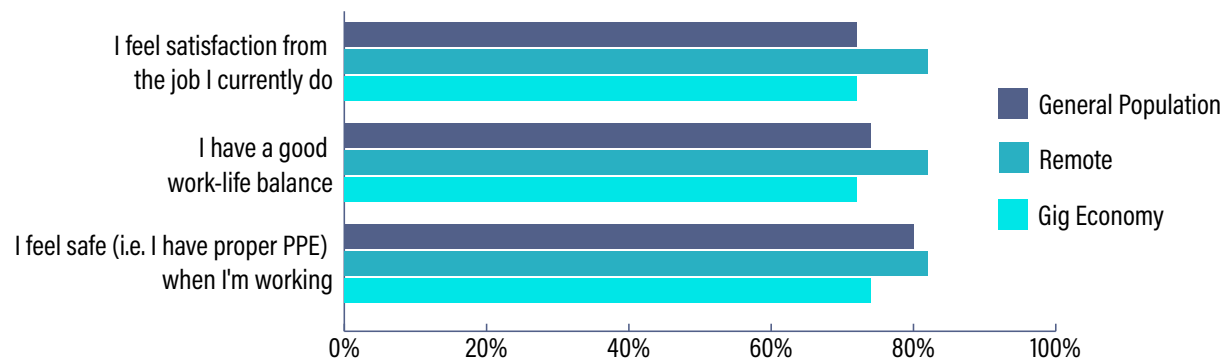


Figure 3. Commonly shared attitudes about work among remote workers (ICTC survey)⁴³

Although people who worked remotely before the pandemic may have chosen to do so for a variety of other reasons than those who currently work remotely (see figure 4), flexibility was the most cited motivation for doing so, followed by a desire for a better work-life balance. This is further evidenced by the fact that only two-thirds of remote workers reported permanent roles, compared to three-quarters of the general population holding permanent jobs. Other studies of remote workers have found similar results, often stating “flexible scheduling” as a major benefit.⁴⁴ Other reasons for working remotely varied depending on demographic factors. For example, one-quarter of people with disabilities cited health issues as a reason to work remotely, compared to just 5% of those without a disability, and 37% of remote workers were 55 or older, compared to just 21% among the general population

FLEXIBILITY MATTERS, BUT FOR WHOM?

While flexibility and work-life balance were an often-cited reason for remote work, ICTC’s survey found a correlation between these values and higher incomes. These findings may point to a class divide between those who can afford to prioritize flexibility and those who work remotely because it is a job requirement. They may also signal an evolution of the idea that “elite status is signalled by long hours of high-intensity work.”⁴⁵ This is further evidenced by research that suggests younger workers might also value flexibility more, which is supported by PwC research findings that suggest they are more likely to trade raises for “non-monetary benefits,”⁴⁶ many of which are related to flexibility.

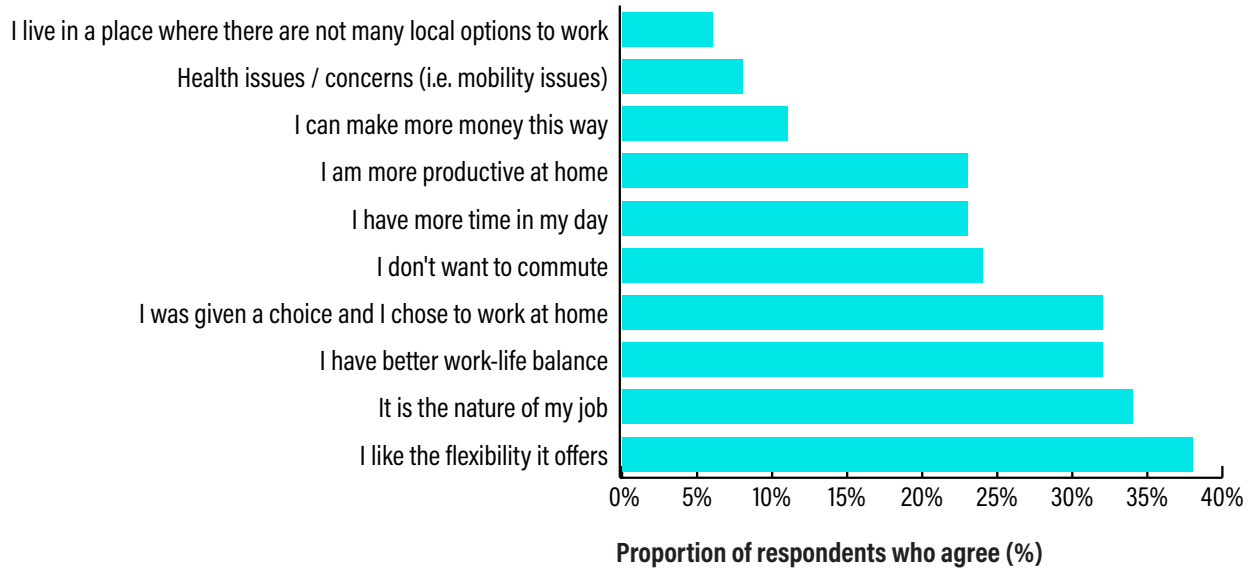


Figure 4. Reasons for working remotely (ICTC survey)

⁴³ “General Population” refers to a survey sample of people, broadly representative of the working Canadian population, who did not identify as gig workers or (pre-pandemic) remote workers.
⁴⁴ “The Remote Work Report by Gitlab: The Future of Work is Remote,” Gitlab, March 2020: <https://page.gitlab.com/rs/194-VVC-221/images/the-remote-work-report-by-gitlab.pdf>
⁴⁵ Williams, Joan C., Mary Blaire-Loy, and Jennifer “Cultural Schemas, Social Class, and the Flexibility Stigma,” *Journal of Social Issues*, Vol. 69, No. 2, 2013, pp. 209–234: https://socioLogy.ucsd.edu/_files/people/blair-loy/WilliamsB-LBerdahlCulturalSchemasClassStigmaJSl2013.pdf
⁴⁶ “What’s next for America’s workforce post-COVID-19? PwC’s Workforce Pulse Survey findings for March 24, 2021,” PwC, accessed June 2021: <https://www.pwc.com/us/en/services/consulting/workforce-of-the-future/library/workforce-pulse-survey.html>

SECTION I: REMOTE WORK

MIXED REVIEWS OF REMOTE WORK

Sentiments about remote work, especially during the pandemic, were not straightforward. Figure 5 demonstrates this complexity: while four out of five respondents agreed that they would work from home forever and that working from home makes things easier for their family, more than a third of respondents noted feeling isolated, four in ten noted never being able to completely sign off for the day, and more than half said they were

expected to always be available when working from home. ICTC's survey findings suggest that those who began working from home as a result of the pandemic were more likely to report feeling isolated and lonely than those who had always worked from home (48% vs 32%), however, nearly half (46%) said they wish to continue to work from home after the pandemic.

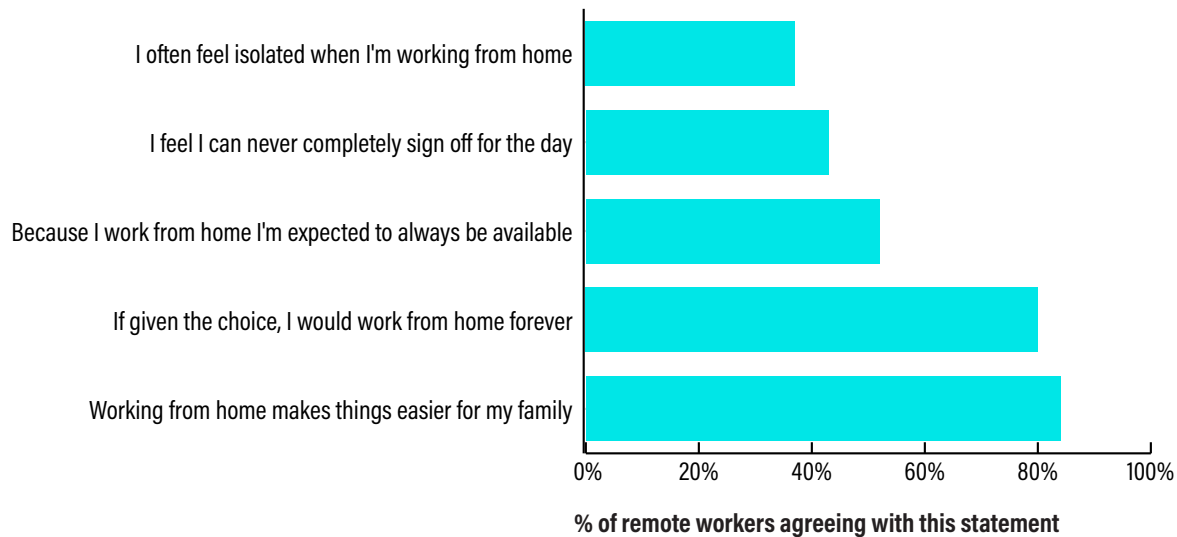


Figure 5. Attitudes about remote work (ICTC survey)

Sentiments of apprehension or displeasure with remote working were more pronounced among young remote workers; more than half felt they could never completely sign off for the day (54% of those 34 and under), and that they feel isolated (57%).⁴⁷ For remote workers, isolation and inability to separate work from home appear to be significant issues. Given this, it is unsurprising that roughly on in three workers eventually want to go back to an office if given the choice. As one ICTC interviewee noted:

"I personally miss it just because I do like the office vibes. I do like flexibility. And I do like choice. I don't want to be forced to work from home. I want to be able to work from home if I want to."

MORE PRODUCTIVE WORK, OR JUST MORE HOURS?

One of the biggest concerns from employers in the transition to remote work is whether their teams can accomplish their tasks productively when separated from the office and their co-workers. Accordingly, ICTC (and others) investigated perceptions about productivity and remote work. ICTC's survey of remote workers found that just under a quarter (23%) chose to work from home because they believed they were more productive⁴⁸ when working from home. Still, the majority of respondents (53%) felt that they were less productive than they were before the pandemic. For those forced to work remotely because of

the pandemic, these numbers were higher (62%). Productivity impacts were not felt equally by everyone, however, younger workers were more likely to relay feelings of improved productivity. Over half of remote workers under 34 felt more productive, compared to less than one-quarter of those aged 55 and over.

The discussion of remote productivity remains somewhat conflicted. Other 2020 studies have suggested that workers are more productive when granted the ability to work from anywhere⁴⁹ and that 35% of Canadians consider their productivity to have increased during the pandemic (versus 25% that feel it has decreased).⁵⁰ At the same time, a Statistics Canada study noted that 90% of all new teleworkers reported being at least as productive working from home as from their usual place of work.⁵¹ Similarly, a large-scale study of 9,000 managers and employees in Europe by Boston Consulting Group and KRC Research found that only 18% of companies believed they were less productive.⁵² Remote work could lead to rising productivity due to flexible working schedules, reduced commute time, and fewer co-worker distractions, while countervailing forces include distractions at home and difficulty connecting with customers and co-workers.⁵³ Finally, increased remote work productivity could be attributed, at least in part, to employees working longer hours.⁵⁴ Whether remote or not, about a third (30%) of workers in ICTC's survey said that the pandemic led them to work more hours.

⁴⁷ These numbers were 34% and 31% respectively for remote workers over 55.

⁴⁸ Productivity was typically described by interviewees in the sense of accomplishing work-related tasks, but it is worth noting that considerations of productivity could entail other components, such as time spent with family, or personal or professional development. In ICTC's survey, productivity was defined subjectively by respondents.

⁴⁹ Choudhury, Prithwiraj, and Cirrus Foroughi, Barbara Larson, "Work-from-anywhere: The productivity effects of geographic flexibility," *Strategic Management Journal* Volume 42, Issue 4, Pages 655-683, April 2021: <https://onlinelibrary.wiley.com/doi/10.1002/smj.3251>

⁵⁰ "Canadian workforce of the future survey," PwC, accessed June 2021: <https://www.pwc.com/ca/en/today-s-issues/upskilling/canadian-pulse-survey.html>

⁵¹ "Study: Working from home: Productivity and preferences," Statistics Canada, April 1, 2021: <https://www150.statcan.gc.ca/n1/daily-quotidien/210401/dq210401b-eng.htm>

⁵² "If pandemic productivity is up, why is innovation slowing down?" World Economic Forum, Nov 16, 2020: <https://www.weforum.org/agenda/2020/11/pandemic-productivity-innovation-remote-working/>

⁵³ Crummenerl, Claudia et al. "The Future of Work: from Remote to Hybrid," Capgemini, accessed June, 2021: <https://www.capgemini.com/wp-content/uploads/2020/12/Report-The-Future-of-Work.pdf>

⁵⁴ Nichols, Greg, "Nights and weekends: Remote work may mean longer hours, lost liberty," ZDNet, March 22, 2021: <https://www.zdnet.com/article/nights-and-weekends-remote-work-may-mean-longer-hours-lost-liberty/>

SECTION I: REMOTE WORK

EMPLOYEE HEALTH AND SAFETY

While productivity and workplace satisfaction were core topics in ICTC's survey, some experts suggested that remote work considerations related to health and safety would be critical going forward. There is some existing guidance about remote work standards in terms of health and safety (for example, the home office should be equivalent in safety, emergency plans, and ergonomics to a regular workplace), but the Canadian Centre for Occupational Health and Safety (CCOHS) notes there is a lack of pan-Canadian legislation to sustain large scale and long-term remote work.

"Occupational health and safety or compensation laws related to teleworking or working remotely may be different in each jurisdiction. In many situations, there is little or no formal guidance available."⁵⁵

CCOHS adds that formalized policy or agreements between employer and employees can be beneficial, particularly for duties not specifically outlined in legislation.⁵⁶ Safe and ergonomic work setups, work scheduling, expenses (such as equipment and utilities), and occupational health and safety concerns could all be considered in formal labour agreements,⁵⁷ or may need to be revisited in the wake of the pandemic.

HOME OFFICES, HOUSING, AND GEOGRAPHIC IMPACTS OF REMOTE WORK

Remote office expenses can be a significant cost, particularly in regions with high housing costs. Remote work can result in employees taking on such costs: the additional heating, cooling, and internet needs required by employees working from home may represent additional hidden expenses.⁵⁸ Estimates suggest that before the pandemic, remote workers spent approximately 7% more on housing costs than their non-remote peers.⁵⁹ Already, there is evidence that Canadians are demanding larger living spaces,⁶⁰ which are becoming increasingly expensive as Canada's housing market booms.⁶¹ Beyond real estate costs, there is evidence that employees are paying out of pocket for some work-related expenses, whether for furniture, office equipment, or work-related supplies.⁶² In order to limit work-from-home expenses for employees, stipends have become a focus for some employers. An Aon survey of 2,004 leaders in human resources reports that 42% of companies had already implemented, enhanced, or were actively considering enhancing allowances and reimbursement policies (such as temporarily covering cell phone, internet, and home office expenses) by August of 2020.⁶³ While the move to remote working has led to reduced real estate costs for organizations, it is not always clear where these costs have shifted.

⁵⁵ "OSH Answers Fact Sheets," Canadian Centre for Occupational Health and Safety, accessed June 2021: <https://www.ccohs.ca/oshanswers/hsprograms/telework.html>

⁵⁶ "OSH Answers Fact Sheets," Canadian Centre for Occupational Health and Safety

⁵⁷ "OSH Answers Fact Sheets," Canadian Centre for Occupational Health and Safety |

⁵⁸ Torres, Monica, "There Are Hidden Costs To Working From Home During The Pandemic," HuffPost, Sept 2, 2020: https://www.huffpost.com/entry/remote-work-costs-expenses-wfh_5f452535c5b6c00d03b462dc

⁵⁹ Stanton, Christopher T. and Pratyush Tiwari, "Housing Consumption and the Cost of Remote Work

⁶⁰ Guatieri, Sal, "Will Remote Work Change the Economy Remotely?" BMO Economics, Aug 14, 2020: <https://economics.bmo.com/en/publications/detail/e5e9ccfa-a20d-4a58-b703-9a3f5bde6d00/>

⁶¹ Markusoff, Jason, "Nowhere to Buy," Macleans, May 17, 2021: <https://www.macleans.ca/longforms/canadian-real-estate-market-housing-2021/>

⁶² "Adjusting to remote work," Nulab, July 13, 2020: <https://nulab.com/blog/collaboration/adjusting-to-remote-work/>

⁶³ "Aon Survey Highlights Steps Companies are Taking to Accelerate Workforce Agility and Resilience," Aon, Sept 10, 2020: <https://aon.mediaroom.com/2020-09-10-Aon-Survey-Highlights-Steps-Companies-are-Taking-to-Accelerate-Workforce-Agility-and-Resilience>

SECTION I: REMOTE WORK

Core urban area commercial real estate is expected to be negatively impacted by remote work, as is the spillover spending on small businesses that provided services for office workers.⁶⁴ By one estimate, retail and restaurants in Vancouver's central business district will face losses of half a billion to a billion dollars per year due to remote work.⁶⁵ At the same time, public transportation has suffered major decline in use as a result of the pandemic and the associated move to remote work⁶⁶ : regions like Metro Vancouver have seen as much as a 60% drop in ridership. This is likely to continue given that an estimated "45% of Metro [Vancouver] residents—almost 600,000 jobs—can work from home."⁶⁷ These changes are likely to have disparate impacts upon different social groups as "many information, managerial, tech, and knowledge workers can work from home, while people with jobs that demand physical presence still need to travel to work."⁶⁸

For individuals, the boom in property prices has been partially driven by these new work trends. In the words of Jason Markusoff, "Canada has become a nation of epicentres, as buyers from major cities hit smaller towns where, until recently, they could reasonably expect not to be priced out. The pandemic's transformative impact on jobs and

home lives has fuelled the trend."⁶⁹ Migration trends for workers may be welcomed in smaller towns that had previously lost people and economic activity to urban centres, but rapid growth creates other issues, potentially leading to "a period of upheaval, with difficulties in terms of housing, congestion, environmental degradation, and a general decline in quality of life,"⁷⁰ in part because "[small] towns often have an infrastructure that was simply not designed for such an influx of people, with local governments often failing to cope."⁷¹ Employers must also navigate employee relocation. One response has been to adopt location-based pay policies, whereby geographic living expenses determine salaries.⁷² For example, Facebook and Twitter have stated they will cut the pay for employees to relocate away from the expensive San Francisco Bay Area.⁷³

⁶⁴ Hertzberg, Erik, "Remote work habits are likely to outlast the pandemic in Canada," Bloomberg News, May 26, 2021: <https://www.bnnbloomberg.ca/remote-work-habits-are-likely-to-outlast-the-pandemic-in-canada-1.1608769>

⁶⁵ Hartmann, Jeff, "Remote Work, COVID-19, and Downtown Vancouver: Long-Term Impacts of Remote Working on the City of Vancouver," Vancouver Economic Commission, Dec 2020: <https://www.vancouvereconomic.com/wp-content/uploads/2021/02/Research-Brief-Remote-Work-Downtown-Vancouver-and-Property-Taxes-Final.pdf>

⁶⁶ Liu, Luyu, Harvey J. Miller, and Jonathan Scheff, "The impacts of COVID-19 pandemic on public transit demand in the United States," *PLoS ONE* 15(11): e0242476, Nov 18, 2020: <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0242476>

⁶⁷ Griffiths, Nathan, "COVID-19: How a pandemic changed transit in Metro Vancouver," Vancouver Sun, May 30, 2021: <https://vancouversun.com/news/local-news/covid-19-how-a-pandemic-changed-transit-in-metro-vancouver>

⁶⁸ Liu, Luyu, Harvey J. Miller, and Jonathan Scheff, "The impacts of COVID-19 pandemic on public transit demand in the United States "

⁶⁹ Markusoff, Jason, "Nowhere to Buy"

⁷⁰ Gaskell, Adi, "How Remote Working Can Transform Small Town Life," Forbes, Nov 6, 2020: <https://www.forbes.com/sites/adigaskell/2020/11/06/how-remote-working-can-transform-small-town-life/?sh=579f20724e27>

⁷¹ Gaskell, Adi, "How Remote Working Can Transform Small Town Life"

⁷² Ro, Christine, "Should you get paid based on where you live?" BBC, Oct 4, 2020: <https://www.bbc.com/worklife/article/20200928-should-you-get-paid-based-on-where-you-live>

⁷³ Gilchrist, Karen, "From Facebook to Reddit, how Silicon Valley salary adjustments could redefine remote worker earnings," CNBC, Nov 5, 2020: <https://www.cnbc.com/2020/11/05/how-silicon-valley-facebook-salary-cuts-are-shaping-remote-worker-pay.html>

SKILLS FOR THE FUTURE OF WORK

At the most granular level, the factor that distinguishes whether someone works remotely is more often the specific tasks they perform, and the skills necessary to do so. Changing skills needs are also central to labour transformation, influencing

compensation, organizational structures and entire labour markets. They are also the centre of discussion when it comes to the potential for automation.

AUTOMATION AND THE FUTURE OF WORK

Automation, though not initially a primary topic of this report, was highlighted as a major area of focus by interviewees, particularly during discussions about skills. The history of working practices and relationships has, in many instances, been shaped by technology. In short, AI and automation “have the potential to change the nature of production processes, raise productivity, and reshape labour markets.”⁷⁴ Yet some interviewees noted the frequently unequal effects of technological progress.

by workers⁷⁷—by one estimate, 5% of jobs worldwide could be automated today, yet 50% of tasks could be automated.⁷⁸ When jobs are increasingly unbundled into tasks, however, these lines may blur. Predictions suggest that in the next 10 years, physical, manual, and basic cognitive skills needs will decrease, while social, emotional, and technical skills needs will increase.⁷⁹ Other ICTC work emphasizes the importance of policy that enables technological developments in AI and automation to “allow workers to concentrate on higher value-added tasks and the meaningful aspects of work.”⁸⁰ At the level of individual roles, some suggest that the unbundling of work may simply be part of the process of “re-bundling” of tasks in to new, more efficient roles.⁸¹ In this scenario, it is critical that economic slack is avoided, and that the process of unbundling and re-bundling does not further inequality or harm more workers than it helps. In *Thinking Twice About Technology Skills*, Jim Stanford summarizes the challenge clearly, noting that “Technology is not replacing work, and indeed cannot replace work in a general sense. It can, however, change the quality of work, for better or worse.”⁸²

“Automation has been the key force putting pressure on people’s wages on the lower end of the income distribution over the past three decades... If history is any guide, when that happens over long periods of time, people tend to have more negative attitudes toward automation and may even resist it.” – Carl Benedikt Frey, Oxford Martin School, University of Oxford

Both remote and gig work highlight an approach toward work that is increasingly centred on measurable outputs and increasingly task-based work⁷⁵—also referred to as the “unbundling” of work. Automation and AI are unlikely to instantly replace entire roles.⁷⁶ Rather, they are likely to slowly take over certain tasks performed

⁷⁴ “Future of Work: Measurement and Policy Challenge” International Monetary Fund, July 18, 2018: <https://www.imf.org/external/np/g20/pdf/2018/071818a.pdf>

⁷⁵ Erickson, Tammy, “Think Task, Not Time,” Harvard Business Review, March 22, 2007: <https://hbr.org/2007/03/think-task-not-time>

⁷⁶ McLaughlin, Ryan; Quan, Trevor. On the Edge of Tomorrow – Canada’s AI Augmented Workforce. Information and Communications Technology Council (December 2019). Ottawa, Canada <https://www.ictc-ctic.ca/wp-content/uploads/2020/02/canadas-ai-workforce-FINAL-ENG-2.24.20.pdf?download=1>

⁷⁷ McKendrick, Joe, “Artificial Intelligence Will Replace Tasks, Not Jobs,” Forbes, Aug 14, 2018: <https://www.forbes.com/sites/joemckendrick/2018/08/14/artificial-intelligence-will-replace-tasks-not-jobs/?sh=55f733f2a7fa>

⁷⁸ Manika, James et al., “A Future that Works: Automation, Employment, and Productivity,” McKinsey Global Institute, January 2017: <https://www.mckinsey.com/~/media/mckinsey/featured%20insights/Digital%20Disruption/Harnessing%20automation%20for%20a%20future%20that%20works/MGI-A-future-that-works-Executive-summary.ashx>

⁷⁹ Bughin, Jacques et al., “Skill shift: Automation and the future of the workforce,” McKinsey Global Institute, May 23, 2018: <https://www.mckinsey.com/featured-insights/future-of-work/skill-shift-automation-and-the-future-of-the-workforce>

⁸⁰ Matthews, M., Rice, F., and Quan, T. “Responsible Innovation in Canada and Beyond: Understanding and Improving the Social Impacts of Technology,” Information and Communications Technology Council, January 2021: https://www.ictc-ctic.ca/wp-content/uploads/2021/01/ICTC_Report_SocialImpact_Print.pdf

⁸¹ Bughin, Jacques et al., “Skill shift: Automation and the future of the workforce”

⁸² Stanford, Jim, “Thinking Twice About the Future of Work,” Future Skills Centre, January 2020: <https://fsc-ccf.ca/wp-content/uploads/2020/01/ThinkingTwiceAboutTechnology-SkillsNext-JAN2020-EN.pdf>

SECTION I: REMOTE WORK

Both remote and gig work highlight an approach toward work that is increasingly centred on measurable outputs and increasingly task-based work —also referred to as the “unbundling” of work. Automation and AI are unlikely to instantly replace entire roles. Rather, they are likely to slowly take over certain tasks performed by workers —by one estimate, 5% of jobs worldwide could be automated today, yet 50% of tasks could be automated. When jobs are increasingly unbundled into tasks, however, these lines may blur. Predictions suggest that in the next 10 years, physical, manual, and basic cognitive skills needs will decrease, while social, emotional, and technical skills needs will increase. Indeed, one interviewee noted that “the nearest automation-suitable occupations right now are tending to be lower skilled, lower paid occupations.” (CH) Other ICTC work emphasizes the importance of policy that enables technological developments in AI and automation to “allow workers to concentrate on higher value-added tasks and the meaningful aspects of work.” At the level of individual roles, some suggest that the unbundling of work may simply be part of the process of “re-bundling” of tasks in to new, more efficient roles. In this scenario, it is critical that economic slack is avoided, and that the process of unbundling and re-bundling does not further inequality or harm more workers than it helps. In *Thinking Twice About Technology Skills*, Jim Stanford summarizes the challenge clearly, noting that “Technology is not replacing work, and indeed cannot replace work in a general sense. It can, however, change the quality of work, for better or worse.”

Certain skills and competencies are essential for employees and employers to thrive in changing working environments. As such, ICTC explored both technical skills as well as transferrable (soft)

skills that will be particularly relevant as roles and tasks continue to evolve. In terms of hard skills, ICTC performed web scraping to better understand in-demand skills for common ICT industry jobs. The table below, depicting the most-often appearing technical requirements for each role, demonstrates that skill requirements differed depending on whether the role was a short-term contract or a remote job.

ROLE	CONTRACT SKILLS (%)		REMOTE SKILLS (%)	
Software Engineer (n=2454)	SQL	52.99	Python	66.96
	Python	42.89	Kubernetes	50.73
	Java	34.43	C++	50.73
Software Developer (n=1681)	SQL	73.79	C++	63.89
	Java	35.92	SQL	59.84
	Linux	35.92	Python	56.45
Business Analyst (n=1638)	Business Analysis	30.17	SQL	37.71
	Agile	29.60	Agile	31.99
	SQL	24.71	Business Analysis	30.11
Cyber Security (n=1137)	Linux	39.16	Computer Science	37.39
	Information Security	39.16	Linux	36.42
	Computer Science	31.47	Python	31.86
Full Stack developer (n=1042)	SQL	78.69	SQL	68.18
	Java	59.02	JavaScript	55.50
	JavaScript	55.74	React	53.23

Figure 6. Skills needed for top tech jobs (contract and remote)

SECTION I: REMOTE WORK

In terms of soft skills, effective communication was identified by interviewees as critical, particularly with increasingly remote, distributed workforces. As many have discovered in 2020, communication by video chat is not a perfect replacement for face-to-face discussions. “Zoom Fatigue” —brought on through the transition to video meetings—often results from excessive eye contact, seeing one’s self-image in real time, reduced personal mobility, and increased cognitive load from trying to convey and interpret communications from others in a less natural way.⁸³ As one interviewee noted, it can be more intimidating to speak up in front of strangers compared to being physically in front of your audience, which makes it easier to “read the room.” It can also be a challenge to keep people engaged when trying to communicate by video, “on Zoom, just like in education, people can turn their cameras off or just tune out.” Multiple interviewees identified that employees would need to learn how to better communicate asynchronously. This can be a challenge in terms of productivity given time lag in messaging and organizational learning. On the positive side, one interviewee noted that additional time in between requests and feedback can make staff more disciplined in terms of scheduling, and lead staff to consider feedback more carefully.

While it may seem counterintuitive given greater independence and freedom for distributed workforces (perhaps with external contractors and freelancers), management skills will be increasingly important. Given the issues of distance and challenges in communication, managers will sometimes need to tell people exactly what is wanted from them and address ambiguity that was sometimes addressed in regular workplace conversation. This can be very different from

a startup ethos of “putting people in a room and leaving them alone.” Given challenges in coordination and greater separation of teams (that might impede organic teamwork and creativity), an effective manager will need to be able to explain the desired outcomes and communicate limitations; it is more important to manage some working processes as teams become distributed. Given newfound freedom and a mixed work environment, time management and the ability to multitask or juggle different priorities will be a crucial future skill. It is likely that employees will need to prioritize different tasks and to be able to independently manage their time. For some workers, this will be to balance competing priorities (while facing distraction from the encroachment of their personal lives at home), while for others such as freelancers or gig workers, they may increasingly be balancing different clients. This may require diligence in managing time and logging where working hours are being spent.

Remote Work: What it Means for Employers

Even before pandemic-related restrictions, remote work was growing: US estimates from January 2020 suggested that 36% of respondents worked remotely at least once per week, compared to just 9.5% a decade earlier.⁸⁴ Nonetheless, the pandemic has drastically altered the remote work landscape, for current employees and new hires alike: a survey of over 600 senior managers in Canada found that 44% had hired remote workers since the pandemic began. This has also led to companies expanding their geographic reach in terms of hiring—55% of respondents in the same survey said that have hired people from outside of their typical

⁸³ Ramachandran, Vignesh, “Stanford researchers identify four causes for ‘Zoom fatigue’ and their simple fixes,” Stanford, Feb 23, 2021: <https://news.stanford.edu/2021/02/23/four-causes-zoom-fatigue-solutions/>

⁸⁴ Capers, Zach, “Findings From a Decade in Tech [New Research],” GetApp, Jan 22, 2020: <https://www.getapp.com/resources/decade-in-tech/>

SECTION I: REMOTE WORK

region.⁸⁵ Despite multiple surveys citing increased productivity,⁸⁶ there are still questions regarding the future of remote work. By one estimate, 70% of Canadian companies are still considering their post-pandemic remote work plan.⁸⁷

REMOTE WORK BY INDUSTRY AND ROLE

The prevalence of remote work depends on the industry in which work is performed. ICTC's survey found that pre-pandemic remote work was most common among professional, scientific and technical services, and finance, insurance, and real estate (see figure 7). These were also the fields that saw the largest increases in remote work due to the pandemic, along with public administration and education. Meanwhile, business, building and

support services as well as finance, insurance and real estate saw the greatest increase in the proportion of remote workers.

Industry is only one factor to consider in terms of who works remotely; another is the particular role(s) performed. Further, some roles are more likely to involve short-term contracts. ICTC completed web scraping to understand which roles are most associated with remote and contract work (see figure 8). Compared to non-tech roles, tech roles were more likely to be remote, and less than half as likely to be on a contract rather than in a permanent role. Given the relative rarity of tech roles on short-term contracts, tech roles that are both contract-based and remote exist for less than one out of every ten job postings.

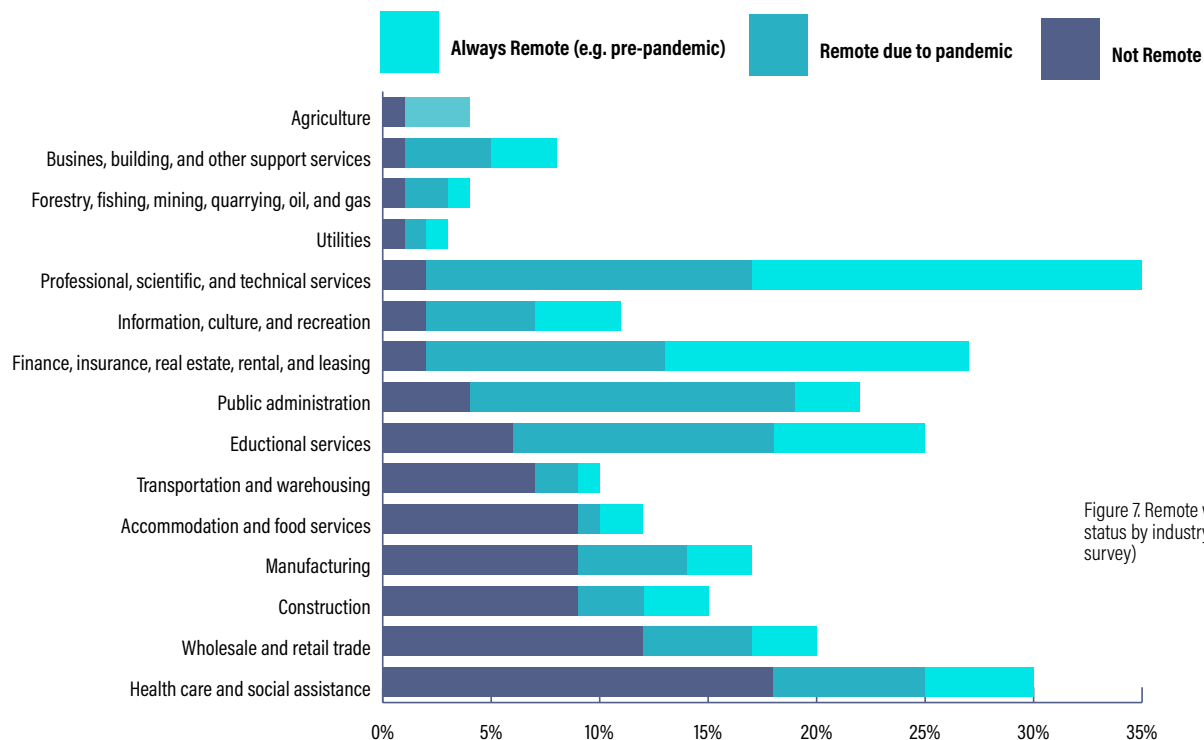


Figure 7. Remote work status by industry (ICTC survey)

⁸⁵ Farooqui, Salmaan, "Remote workers finding more employment as COVID-19 pandemic drags on," CBC, December 22, 2020 <https://www.cbc.ca/news/business/remote-work-yearender-1.5851478>

⁸⁶ Maurer, Roy, "Study Finds Productivity Not Deterred by Shift to Remote Work", Society for Human Resource Management, Sept 16, 2020: <https://www.shrm.org/hr-today/news/hr-news/pages/study-productivity-shift-remote-work-covid-coronavirus.aspx>; Crummenerl, Claudia et al. "The Future of Work: from Remote to Hybrid"

⁸⁷ "Working Through COVID-19: Remote Work Support Survey," Conference Board of Canada, June 29, 2020: <https://www.conferenceboard.ca/focus-areas/human-resources/2020/working-through-covid-19/remote-work-support>

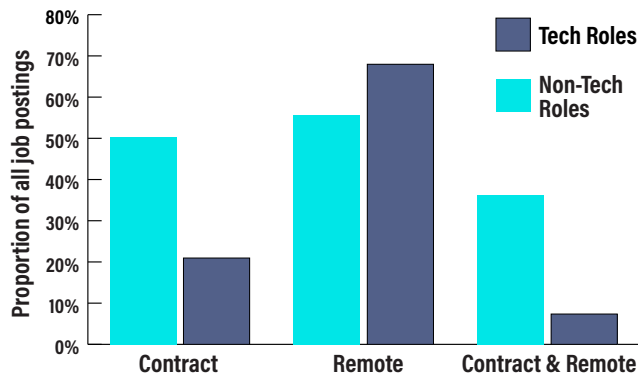


Figure 8. Job Scraping Results: Contract and Remote-Based Work

MANAGING THE REMOTE TRANSITION

In managing the transition to remote work—and eventually hybrid work—many interviews stated that the transition has been uneven: some companies already had a strong remote culture, the requisite digital infrastructure, and workplace policies that allowed for minimal disruption in the transition, while others did not. In the words of one interviewee:

For organizations that already have a strong remote work culture, [the pandemic] didn't change anything really. I think these organizations were just happy that they made the right choices because they were ready to move into this new work environment. But of course, organizations that were not fully remote-ready had to adapt.

The ease of transition to remote work may be influenced by company size. Larger organizations are more likely to have well-established workplace policies, dedicated IT departments, and experience in remote work. The ease of transition to remote work may be influenced by company size. Larger organizations are more likely to have well-established workplace policies, dedicated IT departments, and experience in remote work. With the growing expectation of

FOUNDATIONAL FUTURE SKILLS

In K-12 to post-secondary education, one positive aspect of the transition to digital and remote environments is the building of foundational skills. As ICTC heard in interviews, today's students are effectively gaining real-world training in future remote work techniques due to the adoption of remote and hybrid education setups in 2020. It was also noted that the rapidly changing economy means that training partnerships among industry, government, secondary schools, and post-secondary institutions will be important to ensuring that students are fully prepared for digital telework technologies in the future. Lastly, this rapid remote transition (and accompanying software) may be most challenging to older workers. Efforts should be made to ensure that there is appropriate training and support to manage their transition.

hybrid work environments, one study indicated small businesses are “42% more likely than [large organizations] to lose staff because of technology frustrations around remote work.”⁸⁸ Further, due to communication and technology constraints, almost 30% of these workers at small companies found it difficult to stay motivated, and 22% felt less productive. This could be related to the fact that nearly half of these employees had to rely on their own technology because their company did not provide equipment.⁸⁹ For some small businesses, remote work challenges likely reflect a lack of investment in digital software and communication tools. Another study of remote work during the pandemic noted that small businesses are slower to update their communication tools than medium-sized or large enterprises.⁹⁰ Small businesses with fewer resources may also find it more challenging to address issues such as Bring Your Own Device and cybersecurity training.

⁸⁸ O'Halloran, Joe, “Small businesses' remote working frustrations threaten exodus of best talent,” Computer Weekly, Oct 16, 2020: <https://www.computerweekly.com/news/252490636/Small-businesses-remote-working-frustrations-threaten-exodus-of-best-talent>

⁸⁹ O'Halloran, Joe, “Small businesses' remote working frustrations threaten exodus of best talent”

⁹⁰ Calabrese, Nathan, “How Small Business Employees are Adjusting to Remote Work,” G2, April 14, 2020: <https://research.g2.com/insights/small-business-employees-remote-work-experiences>

DISRUPTED ORGANIZATIONAL CULTURE AND NATURAL COLLISIONS: DOWNSIDES OF REMOTE WORK

Interviewees expressed concern about maintaining company culture in situations where employees are permanently remote. Remote work may pose challenges for onboarding and integrating new hires, as new employees don't benefit from in-person networks and relationships.⁹¹ Some have suggested that remote work also damages trust among colleagues who have less information about each other when working remotely.^{92 93} While interviewees said that their organizations were continuing to meet deadlines and maintain performance, they missed the office and had concerns about maintaining company culture:

"We thrive by seeing people in person and in meetings. I miss it just because I do like the office vibes... We need the office. And I think it's very important for culture and even for employee retention."

One of the issues related to the risks to company culture is the impact on loyalty and engagement. Notably, feelings of "family" or close relations can be valuable, and staff with a "best friend at work" are seven times more likely to be engaged in their job.⁹⁴ Culture is closely tied to relationships.

Research from Gallup illustrates these challenges, noting that employees who do not work in the same location as their manager are "10 percentage points less likely to say someone cares about them at work, 10 points less likely to say they are recognized for their contributions, [and] five points less likely to feel like their opinions count."⁹⁵ Furthermore, for those with a preference for working in person, the disengaging effects of remote work result in 17% lower productivity and 24% higher turnover.⁹⁶ Worse, even for employees who are not forced to work remotely, Gallup found that approximately 60% of employees (virtual or not) "cannot fully agree that they know what their company stands for. Employees who work virtually are even more disconnected from core cultural components."⁹⁷

Other experts have noted the following:

"What makes office life meaningful for many, though, is that it helps sustain organizational culture—the largely taken-for-granted beliefs and practices that underpin how people work together. These are harder to feel and maintain when so many of us are crouched at a kitchen table, fending off children and pets, and growing exhausted with a constant stream of videoconference meetings."⁹⁸

⁹¹ DeLoach, Jim, "Performance Over Presence: Rethinking The Post-Pandemic Office," *Forbes*, May 26, 2021: <https://www.forbes.com/sites/jimdeloach/2021/05/26/performance-over-presence-rethinking-the-post-pandemic-office/?sh=10d880915d97>

⁹² Hickok, Hannah, "Why remote work has eroded trust among colleagues," *BBC*, March 18, 2021: <https://www.bbc.com/worklife/article/20210315-why-remote-work-has-eroded-trust-among-colleagues>

⁹³ Mortensen, Mark, and Heidi K. Gardner, "WFH Is Corroding Our Trust in Each Other," *Harvard Business Review*, Feb 10, 2021: <https://hbr.org/2021/02/wfh-is-corroding-our-trust-in-each-other>

⁹⁴ Prive, Tanya, "How Does Remote Work Impact Your Company Culture?" *Inc.*, Nov 24, 2020: <https://www.inc.com/tanya-prive/how-does-remote-work-impact-your-company-culture.html>

⁹⁵ Herway, Jake, and Adam Hickman, Ph.D, "Remote Work: Is It a Virtual Threat to Your Culture?" *Gallup*, Aug 25, 2020: <https://www.gallup.com/workplace/317753/remote-work-virtual-threat-culture.aspx>

⁹⁶ Herway, Jake, and Adam Hickman, Ph.D, "Remote Work: Is It a Virtual Threat to Your Culture?"

⁹⁷ Herway, Jake, and Adam Hickman, Ph.D, "Remote Work: Is It a Virtual Threat to Your Culture?"

⁹⁸ Howard-Grenville, Jennifer, "How to Sustain Your Organization's Culture When Everyone Is Remote," *MIT Sloan Management Review*, June 24, 2020: <https://sloanreview.mit.edu/article/how-to-sustain-your-organizations-culture-when-everyone-is-remote/>

Unfortunately, despite the prevalence of advanced digital tools, there is often no true substitute for co-presence when communication, problem-solving, and creativity are required.⁹⁹ Indeed, body language, emotions, and embodied experiences all operate differently when done virtually.¹⁰⁰

Despite concerns that the loss of face-to-face meetings, rituals, and time spent together will negatively impact organizational culture, some executives believe that this move to remote work is also an opportunity. For example, the IT consulting company Infosys emphasized dedication to employees during the pandemic by communicating to staff that there would be no workforce reductions due to company performance. Infosys also chartered flights for employees and families who were stranded outside their home country.¹⁰¹ Similarly, IBM's culture of inclusion was reflected by grassroots efforts that encouraged employees to be sensitive to their needs for family time and to assist their colleagues with dependents.¹⁰² Indeed, this is an opportunity for corporate leaders to explicitly outline what type of culture they want (or how to evolve or reset it as needed), in contrast to previous more implicit methods of transmitting culture, values, and behaviour modelling.¹⁰³

Compounding this challenge to organizational culture, evidence from the US suggests that over 25% of workers plan to search for a new employer

post-pandemic.¹⁰⁴ The potentially ensuing turnover and lack of institutional knowledge could further harm organizational culture. Physical proximity directly benefits group interactions,¹⁰⁵ and without it, companies may suffer. For example, remote work eliminates “unplanned interactions” or spontaneous encounters. These interactions can be responsible for aiding in creativity, innovation, and the larger social fabric as new ideas are generated. Whether during breaks, before or after meetings, or in areas where staff congregate,¹⁰⁶ physical proximity and workplace design can stimulate both creativity and innovation.¹⁰⁷

TOOLS FOR REMOTE WORK

The transition to large-scale remote work has led to a sharp uptake in technology use. Team chat and video applications, conferencing applications, and other productivity tools became commonplace around the world within the first months of the pandemic. Slack, Zoom, Microsoft Teams, Google Chat, and a handful of others that were already well-known saw their user base scale significantly when the pandemic struck. Microsoft Teams alone saw an uptick in use of nearly 900% between March and June of 2020.¹⁰⁸ Zoom usage went from 10 million meeting participants a day in December of 2019 to 300 million per day in April 2020.¹⁰⁹

⁹⁹ Howard-Grenville, Jennifer, “How to Sustain Your Organization’s Culture When Everyone Is Remote”

¹⁰⁰ Howard-Grenville, Jennifer, “How to Sustain Your Organization’s Culture When Everyone Is Remote”

¹⁰¹ Hinds, Pamela and Brian Elliot, “WFH Doesn’t Have to Dilute Your Corporate Culture,” Harvard Business Review, Feb 1 2021: <https://hbr.org/2021/02/wfh-doesnt-have-to-dilute-your-corporate-culture>

¹⁰² Hinds, Pamela and Brian Elliot, “WFH Doesn’t Have to Dilute Your Corporate Culture”

¹⁰³ Hinds, Pamela and Brian Elliot, “WFH Doesn’t Have to Dilute Your Corporate Culture”

¹⁰⁴ Westfall, Chris, “Survey Shows Massive Post-Pandemic Shift In Store For Workers,” Forbes, April 6, 2021: <https://www.forbes.com/sites/chriswestfall/2021/04/06/survey-shows-massive-post-pandemic-shift-in-store-for-workers/?sh=684174aa632b>

¹⁰⁵ Kiesler, S., & Cummings, J. N. (2002). What do we know about proximity and distance in work groups? A legacy of research. In P. Hinds & S. Kiesler (Eds.), *Distributed work* (pp. 57-80). Boston Review: <https://psycnet.apa.org/record/2002-17012-003>

¹⁰⁶ “The impact of working from home on collaboration,” WeWork, Sept 1, 2020: <https://www.wework.com/ideas/research-insights/research-studies/the-impact-of-working-from-home-on-collaboration>

¹⁰⁷ Wagner, Julie and Dan Watch, “Innovation Spaces: The New Design of Work,” Brookings, April 2017: https://www.brookings.edu/wp-content/uploads/2017/04/cs_20170404_innovation_spaces_pdf.pdf

¹⁰⁸ Curry, David, “Microsoft Teams Revenue and Usage Statistics (2021),” Business of Apps, May 5, 2021: <https://www.businessofapps.com/data/microsoft-teams-statistics/>

¹⁰⁹ Iqbal, Monsoor, “Zoom Revenue and Usage Statistics (2021),” Business of Apps, May 24, 2021: <https://www.businessofapps.com/data/zoom-statistics/>

SECTION I: REMOTE WORK

Along with chat and video tools, 2020 also saw increased use of productivity tools (such as Otter, Timely, and Basecamp) to help workers stay on task and on time or to collaborate. Collaboration software such as Miro and Jamboard were identified as tools that are increasingly useful for working together in decentralized teams. Project management tools can also be very useful for distributed, digital workplaces. Three such tools identified in interviewees were Monday, Jira, and Asana.

These tools are core to helping geographically dispersed companies and workers stay organized and connected. A study by Accenture found that 48% of organizations invested in cloud-based tools to support their employees during remote work throughout the pandemic, while 47% of companies invested in digital collaboration tools. Similarly, 40% of companies invested in remote monitoring technologies.¹¹⁰ Tracking software is theoretically designed to monitor productivity and has been used by some organizations, both during and before the pandemic. However, concerns over the privacy implications of this surveillance have led for calls to also consider the negative impacts on workplace trust and empathy.¹¹¹ Widespread criticism has also led to companies dialling back some aspects of workplace surveillance.¹¹² This remains a dynamic situation as legislation and social norms continue to adapt to technology that has become more prevalent and powerful

than imagined when privacy rights were originally established.¹¹³ Fortunately, privacy advocates can look to more thorough protections provided by the EU's General Data Protection Regulation (GDPR).¹¹⁴

WILL INNOVATION SUFFER?

The possible negative impact of remote work on innovation was a major concern raised by interviewees. This sentiment is shared by several prominent academics. For example, Enrico Moretti predicts that changes in workplace geography will result in "quantifiable losses in the amount of innovation these types of workers will be able to create,"¹¹⁵ while remote work researcher Nicholas Bloom is also concerned:

"A collapse in office time will also lead to a slump in innovation. In-person collaboration is necessary for creativity, and... face-to-face meetings are essential for developing new ideas and keeping staff motivated and focused. The inventions we're losing today could show up as fewer new products in 2021 and beyond, lowering long-run growth."¹¹⁶

Many argue that there are limitations to what can be accomplished via online collaborative tools compared to time spent physically together. As Tyler Cowen writes, "Virtual tools can help organize teams, but they simply can't replicate the intellectual frisson of 'gathering the smart people together,' and this could damage performance and innovation."¹¹⁷

¹¹⁰ "Leaders Wanted: Masters of Change at a Moment of Truth," Accenture, accessed June 2021: https://www.accenture.com/us-en/insights/technology/_acnmedia/Thought-Leadership-Assets/PDF-4/Accenture-Tech-Vision-2021-Full-Report.pdf

¹¹¹ Dreyfuss, Joel, "Here's how employers are using tech tools to keep a close watch on their remote workers," CNBC, June 24, 2020: <https://www.cnbc.com/2020/06/24/new-tech-tools-employers-are-using-to-keep-watch-on-remote-workers.html>

¹¹² Watson, Sarah M., "Microsoft to remove employee names from Productivity Score amid surveillance backlash," Business Insider, Dec 3, 2020: <https://www.businessinsider.com/microsoft-addresses-productivity-score-surveillance-backlash-2020-12>

¹¹³ Matthews, M., Rice, F., and Quan, T. "Responsible Innovation in Canada and Beyond: Understanding and Improving the Social Impacts of Technology."

¹¹⁴ Dreyfuss, Joel, "Here's how employers are using tech tools to keep a close watch on their remote workers"

¹¹⁵ Demas, Jerusalem, "Remote work is overrated. America's supercities are coming back," Vox, April 1, 2021: <https://www.vox.com/22352360/remote-work-cities-housing-prices-work-from-home>

¹¹⁶ <https://www.cnbc.com/2020/10/07/stanford-professor-not-optimistic-about-work-from-home-economy-ticking-time-bomb-for-inequality.html>

¹¹⁷ Bloom, Nicholas, "Stanford professor on the new remote work economy: A 'productivity disaster' and 'ticking time bomb for inequality,'" Bloomberg, Oct 7, 2020: <https://www.bloomberg.com/opinion/articles/2020-06-17/big-tech-innovation-will-hurt-if-twitter-facebook-work-from-home?sref=htOHjx5Y>

While some suggest that productivity has not suffered, others argue that this may be limited to only certain types of remote work (more routine or quantifiable tasks). Others highlight that existing metrics of “productivity” do not appropriately measure the impact on creativity, innovation, and transformation.¹¹⁸ These concerns are also becoming apparent to workers themselves. A PwC survey of executives and office workers indicated that by the end of 2020, “87% of employees [said] the office is important for collaborating with team members and building relationships.”¹¹⁹ Additionally, a study by WeWork noted that roughly one-third of respondents felt America’s long-term innovation and ingenuity would eventually suffer if many companies continued to work remotely.¹²⁰

Some experts believe that the optimism about the opportunities of remote work is unwarranted, based largely in the reality of limited experience with it on a large scale and over time. They argue that a key factor for remote work success is a pre-existing relationship and previous time spent working together with colleagues at a main worksite: “People who’ve worked together in person, have built social capital—a set of shared values that allows them to work together effectively... This leads to trust, which is the currency of **innovation**.”¹²¹ In essence, some argue that remote work is most effective when teams already trust each other and have shared

understanding, but that it will be harder to build these relationships among new employees onboarded remotely.¹²² Of course, there will also be important nuances by sector. Some—like tech—may be naturally more familiar and comfortable with remote work, while others may struggle. For example, some leaders in the financial industry have expressed concern that the social capital workers rely on currently will depreciate as remote work evolves amid ongoing employee turnover.¹²³ Microsoft researchers have noted that organizational connections and social capital have diminished after a year of full-time remote work and that this has been particularly isolating or challenging for younger workers and new hires.¹²⁴

IP DEVELOPMENT & WORKER PROXIMITY

Although it is challenging to effectively measure innovation, one widely used metric for it is the development of intellectual property. Historically, a correlation between geographic clustering and patent generation exists, potentially adding credence to the importance of bringing together likeminded people in a physical location, as opposed to distributed workplaces and employees.¹²⁵ For example, recent research by Hongyu Xiao et al. finds a negative relationship between patent development¹²⁶ and commuting distance, a factor worth considering in future hybrid work environments. Lag time in patent generation makes it unclear if dispersed networks and workers had an impact on the generation of new innovations during the pandemic.

¹¹⁸ Leprince-Ringuet, Daphne, “WFH has kept us productive. But it may have made us less creative, too,” ZD Net, October 16, 2020: <https://www.zdnet.com/article/wfh-has-kept-us-productive-but-it-may-have-made-us-less-creative-too/>

¹¹⁹ “It’s time to reimagine where and how work will get done,” PwC, January 12, 2021: <https://www.pwc.com/us/en/library/covid-19/us-remote-work-survey.html>

¹²⁰ “Reimagining work in the era of COVID-19,” WeWork, June 16, 2020: <https://www.wework.com/ideas/research-insights/research-studies/reimagining-work-in-the-era-of-covid-19>

¹²¹ “Competing in the Post-COVID Era,” Steelcase, accessed June 2021: <https://www.steelcase.com/research/articles/topics/post-covid-workplace/competing-post-covid-era/#reality-1>

¹²² Cowen, Tyler, “Big Tech Won’t Be the Same If Everyone Works From Home,” Bloomberg, June 17, 2020: <https://www.bloomberg.com/opinion/articles/2020-06-17/big-tech-innovation-will-hurt-if-twitter-facebook-work-from-home?sref=htOHjx5Y>

¹²³ Noonan, Lara, “Citi investment bank boss predicts resurgence of offices,” Financial Times, May 24, 2020: <https://www.ft.com/content/c2f25d22-67df-441f-be6e-94bc9efb211d>

¹²⁴ Baym, Nancy, Johnathan Larson, and Ronnie Martin, “What a Year of WFH Has Done to Our Relationships at Work,” Harvard Business Review, March 22, 2021: <https://hbr.org/2021/03/what-a-year-of-wfh-has-done-to-our-relationships-at-work>

¹²⁵ Demsas, Jerusalem, “Remote work is overrated. America’s supercities are coming back”

¹²⁶ Xiaoa, Hongyu, Andy Wu and Jaeho Kim, “Commuting and innovation: Are closer inventors more productive?” Journal of Urban Economics Volume 121, January 2021: <https://www.sciencedirect.com/science/article/pii/S0094119020300711>

THE FUTURE IS HYBRID

While there has been growing awareness of the challenges of remote work, it remains popular among many employees, particularly if it is mixed with office work: nearly three-quarters of respondents in a Future Skills Centre study believed that their employer should continue to allow them to work from home at least several days a week, post-pandemic.¹²⁷

However, hybrid models may be harmful if they give office regulars an edge over remote workers. The development of in-group and out-group dynamics can diminish egalitarianism and potentially magnify the gender gap.¹²⁸ As workers return to the office, men are doing so at an increased rate. A UK-based study found that more mothers than fathers want to work from home at least one day a week, leading to concerns that women could face reinforced domestic roles, stalled earning potential and limited career advancement, all of which may correlate to in-person work.¹²⁹ Unfortunately, previous research indicates that remote or flexible work has not closed the gender wage gap¹³⁰ or increased the number of women in executive positions.¹³¹

ICTC interviewees echoed these sentiments. Specifically, one expert noted that full-time remote work can have negative impacts on promotion and can worsen career outcomes for women (who tend to have greater caregiving responsibilities).

“There is a real risk that remote workers will be women with small children...or people from ethnic minority groups that live further away from the office. So if those groups are less likely to come in to the office and therefore less likely to be promoted, there's a tremendous sort of diversity challenge further down the line.” – Carl Benedikt Frey, Oxford Martin School, University of Oxford

Although some interviewees noted that it is still too early to make accurate predictions about the prevalence of remote work post-pandemic,¹³² the increasing number of companies committing to flexible or hybrid work means that these terms need a clear definition going forward. Ultimately, a hybrid model will require careful planning and explicit discussions of policy and expectations between organizations and their staff. Several interviewees reiterated this point. Some also suggested that inclusive hybrid models—including focusing on what works best for individual workers—can be more effective than binary “office work” or “permanent remote” distinctions.

¹²⁷ “Work at home or live at work: The complexities of new working arrangements,” Future Skills Centre, April 2021: <https://fsc-ccf.ca/wp-content/uploads/2021/04/ENG-Wave-2-report-1-Environics-FSC-DI.pdf> p13

¹²⁸ “Ro, Christine, “Why the future of work might be ‘hybrid,’” BBC, Aug 30, 2021: <https://www.bbc.com/worklife/article/20200824-why-the-future-of-work-might-be-hybrid>

¹²⁹ Hickok, Hannah, “Are men-dominated offices the future of the workplace?” BBC, May 6, 2021: <https://www.bbc.com/worklife/article/20210503-are-men-dominated-offices-the-future-of-the-workplace>

¹³⁰ O’Donnell, Riia, “Study: Remote work has little effect on the gender pay gap,” HR Dive, April 17, 2019: <https://www.hrdiver.com/news/study-remote-work-has-little-effect-on-the-gender-pay-gap/552177/>

¹³¹ McGregor, Jena, “When ‘good’ maternity leave programs can actually hurt women,” Washington Post, Nov 6, 2014: <https://www.washingtonpost.com/news/on-leadership/wp/2014/11/06/when-good-maternity-leave-programs-can-actually-hurt-women/>

¹³² “The Ten Stages of Remote Work,” Gitlab, accessed June 2021: <https://about.gitlab.com/company/culture/all-remote/stages/>

It is also possible that the hybrid model is a response to the concern that workers will be unwilling to return to the office full-time. A US study from the global staffing firm Robert Half indicates that 34% of professionals would quit their current jobs if their employer made them return to the office full-time; this is mirrored by their Canadian study that found 33% of employees would rather quit than return to the office full-time.¹³³ This finding is even more pronounced among parents. A May 2021 survey noted that 62% of parental employees would rather quit their jobs if they could not continue working remotely (37% called for a fully hybrid model).¹³⁴ We may already be seeing this trend occur with the US Bureau of Labour Statistics data, which shows that March 2021 had the highest rate of job resignations in 20 years.¹³⁵ The hybrid model may be a way to address both the opportunities and challenges of remote work, while mitigating the risk of losing valuable talent.

GREEN TELEWORKING?

Reduced commuting as a result of remote work can also have significant environmental benefits. A Canadian analysis projected that “a transition to full telework capacity could lead to a reduction in annual GHG emissions of about 8.6 megatonnes of carbon dioxide equivalent. This represents 6.0% of the direct GHG emissions from Canadian households in 2015 and 11.0% of their emissions due to transportation that year.”¹³⁶ Environmental and financial savings are attributed to reduced commuting, although employees may bear additional utilities costs.

¹³³ Goodfield Kayla, <https://www.bnnbloomberg.ca/1-in-3-workers-would-seek-new-job-if-asked-to-return-to-office-full-time-survey-1.1586644>

¹³⁴ Emily Douglas, “Return to the office? 62% of working parents will quit,” *Human Resources Director Magazine*, May 5, 2021, <https://www.hcamag.com/ca/specialization/benefits/return-to-the-office-62-of-working-parents-will-quit/254159>

¹³⁵ Anthony Klotz, “The Covid vaccine means a return to work. And a wave of resignations,” *NBC News*, May 30, 2021, <https://www.nbcnews.com/think/opinion/covid-vaccine-means-return-work-wave-resignations-ncna1269018>

¹³⁶ René Morissette, Zechuan Deng and Derek Messacar, “Working from home: Potential implications for public transit and greenhouse gas emissions,” *Statistics Canada*, April 22, 2021, <https://www150.statcan.gc.ca/n1/pub/36-28-0001/2021004/article/00005-eng.htm>

Remote Work: The Role of the Government

The advent of large-scale remote work has forced governments around the world to consider the applicability of existing working conditions and labour agreements. For example, Russia has established new legislation that offers a framework for expectations around remote work for companies. This framework outlines overarching rules and restrictions, in addition to examples of specific situations—for example location-based pay policies—that should be discussed between employees and employers. Several countries, including France, Italy, and Slovakia, have passed legislation that gives workers the right to disconnect from work and not engage in work communications during non-work hours. There are also growing efforts to develop a new EU law to enshrine the right to disconnect.¹³⁷ Steps in this direction are being taken in Canada too, with the establishment of a federal Right to Disconnect Advisory Committee and with federal consultations aiming to better understand how to provide federally regulated workers with a right to disconnect.¹³⁸

Traditionally, provincial¹³⁹ and federal¹⁴⁰ governments in Canada have not been particularly active in legislating remote work. However, the rapid growth of remote work will necessitate

increased public policy and regulation in this area. While there is uncertainty over what exactly needs to be done, interviewees in this study were almost unanimous in their belief that remote work legislation is a growing challenge, requiring monitoring and action from several levels of government.

HOW BROADBAND INFRASTRUCTURE INFLUENCES REMOTE WORK

Interviewees noted the need for reliable highspeed internet and government support to ensure the availability of better broadband infrastructure. Other ICTC research has recognized that uneven broadband internet support is not only an issue for the most rural and remote locations but also for some metropolitan areas.¹⁴¹ Moreover, broadband infrastructure is an issue of equity: more than half of Toronto's low-income households report download speeds below the Canadian Radio-television and Telecommunications Commission's (CRTC) national target,¹⁴² while a 2018 estimate suggests that broadband internet service availability on First Nations reserves was a third of what it was in urban households.¹⁴³

Research from the Public Policy Forum notes that geography and affordability are two key factors in accessing digital infrastructure and that no matter the location, the costs of internet and

¹³⁷ "Parliament wants to ensure the right to disconnect from work," European Parliament, January 26, 2021, <https://www.europarl.europa.eu/news/en/headlines/society/20210121ST096103/parliament-wants-to-ensure-the-right-to-disconnect-from-work>

¹³⁸ "Backgrounder: The 'Right to Disconnect,'" Government of Canada, March 18, 2021, <https://www.canada.ca/en/employment-social-development/corporate/portfolio/labour/programs/labour-standards/consultation-right-to-disconnect-and-gig-work/background-right-to-disconnect.html>

¹³⁹ Arjun Dhir, "There's no place like home: Remote work in the post-pandemic era, CC Partners, October 28, 2020, <https://www.ccpartners.ca/blog/details/the-employers-edge/2020/10/28/there-s-no-place-like-home-remote-work-in-the-post-pandemic-era>

¹⁴⁰ Tara Vadani, "Legislative protection for remote workers: A Canadian proposal," *The Lawyer's Daily*, October 13, 2020, <https://www.thelawyersdaily.ca/articles/21578/legislative-protection-for-remote-workers-a-canadian-proposal-tara-vasdani>

¹⁴¹ Trevor Quan et al., "21st Century Digital Skills Competencies, Innovations and Curriculum in Canada," Information and Communications Technology Council, March 2021, <https://www.ictc-ctic.ca/wp-content/uploads/2021/04/21st-century-digital-skills.pdf>

¹⁴² Sam Andrey et al., "Mapping Toronto's Digital Divide," Ryerson Leadership Lab, January 2021, <https://www.ryersonleadlab.com/digital-divide>

¹⁴³ Katharina Koch, "The Digital Divide and the Lack of Broadband Access During COVID-19," <https://www.policyschool.ca/wp-content/uploads/2020/06/Infrastructure-Trends-Digital-Divide.pdf>

cellphones can be prohibitive.¹⁴⁴ Furthermore, “the communities that are most vulnerable to marginalization in the new digital economy— Indigenous peoples, immigrants, low-income Canadians of all ethnic backgrounds, and those who live in remote locations—are also those who have the most to gain from the greater availability of remote work options and more accessible online skills training.”¹⁴⁵ Amid calls for more investment and collaboration in Canada’s broadband infrastructure,¹⁴⁶ the federal government announced \$1.7 billion in funding, including a new Universal Broadband Fund.¹⁴⁷ While internet access resulting from the Fund will likely increase, that does not indicate lower prices: in May 2021, the CRTC announced that it had reversed plans to lower wholesale internet rates.¹⁴⁸ The Public Interest Advocacy Centre has stated that Canadian consumers “likely will lose competitive service options and pay more for internet,”¹⁴⁹ as higher wholesale internet rates could mean that “some of the smaller internet providers, who typically offer cheaper internet service, go out of business in the near future.”¹⁵⁰ Decisions about the access to and prices of broadband infrastructure will play a significant role in dictating who will benefit from remote work in the coming years.

TAXING REMOTE WORK

Another theme tied to regulation and remote work is taxation. Interviewees stated that it is paramount for taxation policy to quickly catch up and clarify the implications of remote work for both employers and employees. Key areas for consideration include treatment of workplace expenses and reimbursement, tax write-offs, changing definitions of “home offices,” and international tax policy. However, it is important that such policies remain fluid, as remote work continues to evolve. For example, there may be unintended consequences for employers regarding issues like payroll tax withholdings, depending on where workers have relocated.¹⁵¹ In Canada, tax rates can be determined by whether an employer has an “establishment” to which employees can arrive for work but home offices have not typically been recognized as establishments by the Canada Revenue Agency.¹⁵² In the words of one interviewee, “government needs to... be ahead of the curve to understand what makes an office. And those rules should be lenient these days.” Similarly, workplace health and safety laws governing remote work are set at a provincial level but can vary depending on the specific provinces and employment circumstances.¹⁵³ This complexity, combined with

¹⁴⁴ Catherine Middleton, “Digital Infrastructure for the Post-Pandemic World,” Public Policy Forum, May 5, 2021, <https://ppforum.ca/publications/digital-infrastructure-for-the-post-pandemic-world/>

¹⁴⁵ Middleton, “Digital Infrastructure for the Post-Pandemic World”

¹⁴⁶ Marlene Koffi, “Canada is lagging behind on tackling our internet-connection crisis,” The Globe and Mail, April 19, 2021, <https://www.theglobeandmail.com/opinion/article-canada-is-lagging-behind-on-tackling-our-internet-connection-crisis/>

¹⁴⁷ “High-Speed Access for All: Canada’s Connectivity Strategy,” Innovation, Science and Economic Development Canada, July 7, 2019, https://www.ic.gc.ca/eic/site/139.nsf/eng/h_00002.html#c

¹⁴⁸ David Paddon, “CRTC scraps plan to mandate lower wholesale internet rates,” CBC News, May 27, 2021, <https://www.cbc.ca/news/business/crtc-fibre-internet-1.6043109>

¹⁴⁹ Charlie Smith, “CRTC shreds Liberal promise to reduce Canadians’ cellphone bills,” Now Toronto, June 7, 2021, <https://nowtoronto.com/news/crtc-shreds-liberal-promise-to-reduce-canadians-cellphone-bills>

¹⁵⁰ John Lawford, “Canadians to pay more, have less choice, for Internet,” Public Interest Advocacy Centre, May 27, 2021, <https://www.piac.ca/2021/05/27/canadians-to-pay-more-have-less-choice-for-internet/>

¹⁵¹ Dean Xiao et al., “Tax implications for employers whose employees work remotely from a different province,” McCarthy Tetrault, September 8, 2020, <https://www.mccarthy.ca/en/insights/blogs/canadian-employer-advisor/tax-implications-employers-whose-employees-work-remotely-different-province>

¹⁵² “Working remotely from another province: What are the legal consequences?” Fillmore Riley, December 10, 2020, <https://www.fillmoreriley.com/covid-19/article/541/working-remotely-from-another-province-what-are-the-legal-consequences>

¹⁵³ Xiao et al., “Tax implications for employers whose employees work remotely from a different province”

the proliferation of interprovincial remote work, will necessitate further streamlining between provinces and clear communication with employers and employees. Companies that allow “work from anywhere” (including other countries) can be met with even more complex matters of immigration, taxes, employment standards, and healthcare.¹⁵⁴

Whether international income tax rules developed in a brick-and-mortar economic environment more than a century ago “remain fit for purpose” in the modern global economy¹⁵⁵ is being addressed by OECD work on international taxation standards. An international agreement is expected by mid-2021.¹⁵⁶

CANADA'S TAX TREATMENT OF REMOTE WORK DURING THE PANDEMIC

As the initial exodus from offices turned into long-term remote work, many questioned the tax implications of home offices. In Canada, the CRA quickly moved to provide a simplified process for claiming deductions for working from home due to the pandemic.¹⁵⁷ This allowed a shorter qualifying period to ensure that more employees would be able to claim these deductions, coupled by a simplified process for daily flat rates.¹⁵⁸

In May of 2020, the CRA provided initial guidance on income tax for individuals “who would typically not carry out their duties in Canada” but were required to do so as a result of COVID-19 travel restrictions. The CRA aligned its guidance with other tax authorities like the UK and Australia.¹⁵⁹

An individual's residence for tax purposes is typically determined by residential ties to Canada; individuals who

are present in Canada for more than half the year are considered residents.¹⁶⁰ However, the CRA provided leeway for individuals who were stuck in Canada due to travel restrictions, allowing them to file taxes as non-Canadians (contingent on individuals returning to their countries of residence as soon as possible).¹⁶¹ Furthermore, the CRA noted that this would apply until travel restrictions are lifted or December 31, 2021 (whichever comes earlier).¹⁶² This guidance also clarified questions regarding the residence for corporations based on the “central management and control” test that looks at where the board of directors meets: If company directors were stuck in Canada due to travel restrictions, this would not factor into whether or not a company is resident in Canada.¹⁶³

¹⁵⁴ Dean Xiao et al., “Tax implications for employers whose employees work remotely from a different province,” McCarthy Tetrault, September 8, 2020, <https://www.mccarthy.ca/en/insights/blogs/canadian-employer-advisor/tax-implications-employers-whose-employees-work-remotely-different-province>

¹⁵⁵ “Action 1 Tax Challenges Arising from Digitalisation,” OECD, <https://www.oecd.org/tax/beps/beps-actions/action1/>

¹⁵⁶ “Action 1 Tax Challenges Arising from Digitalisation,” OECD, <https://www.oecd.org/tax/beps/beps-actions/action1/>

¹⁵⁷ “Home Office Expenses for Employees,” Government of Canada, March 3, 2021, <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-229-other-employment-expenses/work-space-home-expenses/how-claim.html>

¹⁵⁸ “Simplifying the process for claiming a deduction for home office expenses for employees working from home due to COVID-19,” Canada Revenue Agency, December 15, 2020, <https://www.canada.ca/en/revenue-agency/news/2020/12/simplifying-the-process-for-claiming-a-deduction-for-home-office-expenses-for-employees-working-from-home-due-to-covid-19.html>

¹⁵⁹ Amanda Heale and Chris Van Loan, “CRA Provides Temporary Relief from COVID-19 Cross-Border Tax Concerns,” Blakes, May 22, 2020, <https://www.blakes.com/insights/bulletins/2020/cra-provides-temporary-relief-from-covid-19-cross>

¹⁶⁰ Amanda Heale and Chris Van Loan, “CRA Provides Temporary Relief from COVID-19 Cross-Border Tax Concerns”

¹⁶¹ Amanda Heale and Chris Van Loan, “CRA Provides Temporary Relief from COVID-19 Cross-Border Tax Concerns”

¹⁶² “2020 cross-border employment taxation due to COVID-19,” Grant Thornton, April 9, 2021 <https://www.granthornton.ca/insights/2020-cross-border-employment-taxation-due-to-covid-19/>

¹⁶³ Amanda Heale and Chris Van Loan, “CRA Provides Temporary Relief from COVID-19 Cross-Border Tax Concerns”

Remote Work in 2021 and Beyond

The forced move to remote work occurred faster than many predicted. The pandemic has now exposed many industries and work roles to the opportunities and challenges of remote work and managing distributed workforces. While this change occurred successfully for many, it has also perhaps outpaced societal expectations and the policies required to navigate the complexities of remote work. Many questions remain regarding the long-term implications for cities, governments, and employers. Meanwhile, there is also a need to ensure that employees know what the “long-term” plan is for their workplaces as this temporary, emergency situation continues well past its one-year anniversary.

It is unlikely that employees will want to give up remote work altogether because of the flexibility, opportunity to combine work with caregiving responsibilities at home, and high levels of work satisfaction. Yet there are questions about whether remote work will last in perpetuity, as

some companies clamour to return to the office¹⁶⁴; a survey of 350 business leaders indicates that 70% plan to have employees returning to the office by the Fall of 2021.¹⁶⁵ While companies save on overhead costs, some employers are eager to return to the office to boost teamwork, fluid collaboration, and employee morale.¹⁶⁶ HR experts and business leaders suggest that bringing employees together will lead to better engagement, support from teams and leaders, group ideation, and social bonding that can be challenging to replicate virtually.¹⁶⁷ In the context of remote work, the pandemic has brought the future forward by many years. Remote work may require complex adaptation in the short term, but with a concerted effort this transition may become one of the few bright spots amid this global tragedy.

¹⁶⁴ Peter Young, “The bosses who want us back in the office,” BBC, March 25, 2021, <https://www.bbc.com/worklife/article/20210323-the-bosses-who-want-us-back-in-the-office>

¹⁶⁵ Jessica Dickler, “Employees could be heading back to the office sooner than they think,” CNBC, April 2, 2021, <https://www.cnbc.com/2021/04/02/why-getting-back-to-work-may-happen-quickly-with-covid-vaccines.html>

¹⁶⁶ Lin Gensing-Pophal, “Companies Eager for Staff to Return to Work IRL (In Real Life),” HR Daily Advisor, February 4, 2021, <https://hrdailyadvisor.blr.com/2021/02/04/companies-eager-for-staff-to-return-to-work-irl-in-real-life/>

¹⁶⁷ Lin Gensing-Pophal, “Companies Eager for Staff to Return to Work IRL (In Real Life)”

SECTION II: PLATFORM WORK & THE GIG ECONOMY

This section examines new insights on the gig or “platform” economy. It covers perspectives and topics relevant to gig workers, gig platform companies, and implications for the public sector. This section begins with an overview of the impact of the pandemic on the gig economy. Next, it details worker attitudes about gig work, according to an ICTC-conducted survey of 505 gig workers. It then discusses gig workers, and their demographics, health and safety, labour relations, and income. The section then turns to the role of gig platforms in the future of work and concludes with a discussion of policy responses to the gig economy, including taxation, social security, and worker classification.

SECTION II: PLATFORM WORK & THE GIG ECONOMY

Overview: Recent Developments in Gig Work

COVID-19 AND THE GLOBAL GIG ECONOMY

The global gig economy is continuing to grow rapidly: estimates suggest that the gross volume of the gig economy will grow from \$297 billion (USD) in 2020 to \$455 billion (USD) in 2023,¹⁶⁸ and that the use of gig platforms is growing by approximately 26% annually.¹⁶⁹ Despite this growth, information regarding gig workers is somewhat limited. Notably, understanding of the impacts of the pandemic on gig workers has been described as “limited, fragmented, and uneven.”¹⁷⁰ In some instances, the gig economy has seen an increase in labour supply as a result of the pandemic.¹⁷¹ For example, Upwork saw a 50% increase in the number of freelancers joining its site since the start of the pandemic. One study found that a large educational platform (with over 100,000 workers) saw its labour supply increase by 25% during the pandemic.¹⁷² At the same time, a survey of gig economy workers early in the pandemic found that 89% were seeking a new source of income due to the pandemic.¹⁷³

While such data is fragmented, the impacts of the pandemic on gig work can be attributed to the collision of two simple factors. First, demand for gig workers may have stagnated or declined as the entire economy faced the sudden shock of shutdowns. At the same time, workers who lost their job began turning toward the gig economy, which is typically easier to enter than the traditional job market. This follows a commonly presented hypothesis that non-standard work is often used as a sort of social safety net.^{174 175} The resulting collision of more gig workers and less demand for gig work has reportedly pushed down wages, and rendered gig work more precarious.¹⁷⁶ Of course, as was the case with other forms of work, the impacts of the pandemic on gig work depended on occupation and industry. For example, demand for restaurant and grocery delivery expanded quickly,¹⁷⁷ whereas ridesharing was negatively impacted.¹⁷⁸ Figure 9 depicts online labour demand in the United States (across six popular platforms) during the early months of the pandemic, where most notably, software development and tech appeared to be relatively unscathed.¹⁷⁹

¹⁶⁸ “The Global Gig Economy: Capitalizing on a ~\$500B Opportunity,” Mastercard, May 2019, <https://newsroom.mastercard.com/wp-content/uploads/2019/05/Gig-Economy-White-Paper-May-2019.pdf>

¹⁶⁹ Alex Wood et al., “Good Gig, Bad Gig: Autonomy and Algorithmic Control in the Global Gig Economy,” *Work, Employment, and Society*, August 8, 2018, <https://journals.sagepub.com/doi/10.1177/0950017018785616#>

¹⁷⁰ “The Gig Economy and Covid-19: Looking Ahead,” The Fairwork Project, September 2020, <https://fair.work/wp-content/uploads/sites/97/2020/09/COVID-19-Report-September-2020.pdf>

¹⁷¹ Alana Semuels, “It’s a Race to the Bottom: The Coronavirus is Cutting Into Gig Worker Incomes as the Newly Jobless Flood Apps,” *Time*, May 15, 2020, <https://time.com/5836868/gig-economy-coronavirus/>

¹⁷² Semuels, “It’s a Race to the Bottom: The Coronavirus is Cutting Into Gig Worker Incomes as the Newly Jobless Flood Apps”

¹⁷³ Xinyu Cao, Dennis Zhang, Lei Huang, “The Impact of COVID-19 Pandemic on Gig Economy Labor Supply” NYU Stern School of Business, August 6, 2020, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3666725

¹⁷⁴ The Global Economic Crisis in Latin America: Impacts and Responses. “Global Recession and the informal economy,” Martha Chen, pg. 115

¹⁷⁵ Vyacheslav Fos et al., “Gig-Labor: Trading Safety Nets for Steering Wheels,” July 5, 2019, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3414041

¹⁷⁶ Haanbi Kim, “The Online Gig Economy: Understanding its Labor Market during a Pandemic,” *The Economics Review NYU*, October 29, 2020, <https://theeconreview.com/2020/10/29/the-online-gig-economy-understanding-its-labor-market-during-a-pandemic/>

¹⁷⁷ Levi Sumagaysay, “The pandemic has more than doubled food-delivery apps’ business. Now what?” *Market Watch*, November 27, 2020, <https://www.marketwatch.com/story/the-pandemic-has-more-than-doubled-americans-use-of-food-delivery-apps-but-that-doesnt-mean-the-companies-are-making-money-11606340169>

¹⁷⁸ Jeff Edelstein, “It May Be Awhile Til Rideshare Usage Bounces Back,” *Civic Science*, July 6, 2020, <https://civicscience.com/it-may-be-awhile-til-rideshare-usage-bounces-back/>

¹⁷⁹ The figure does not include labour that is sourced online but performed offline, such as ridesharing and food delivery.

SECTION II: PLATFORM WORK & THE GIG ECONOMY

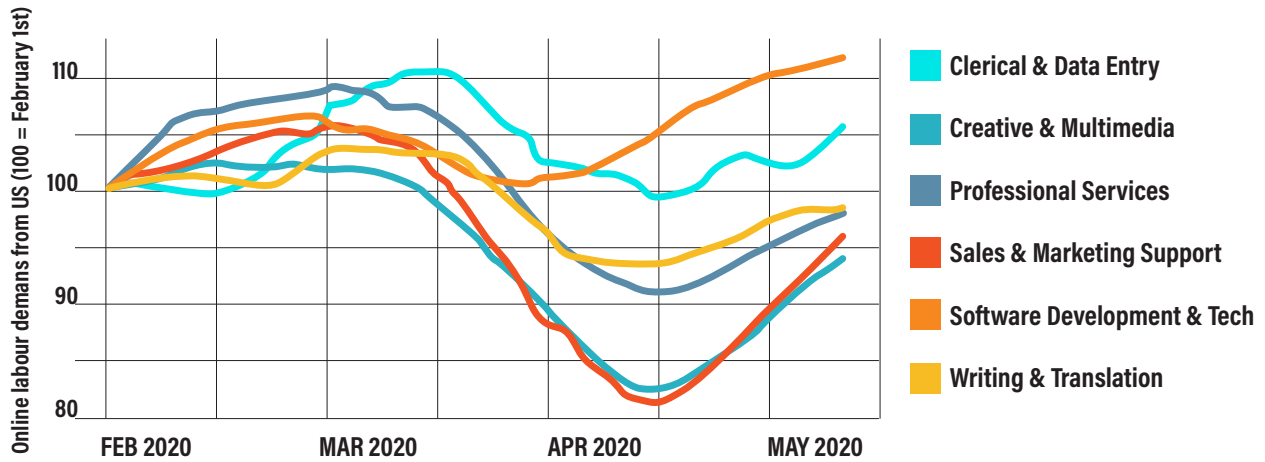


Figure 9. "Demand on leading online labour platforms from the US by occupation." Source: Online Labour Index.¹⁸⁰

THE CANADIAN CONTEXT

It is clear that the Canadian gig economy is growing, though estimates of its size vary substantially, depending on the definition of gig work: 8.2% of the working population performs gig work according to a Stats Canada report,¹⁸¹ 17% according to the Angus Reid Institute,¹⁸² and 30% according to a Bank of Canada report.¹⁸³ Lack of standard, comprehensive data about gig work also means that the effects of the pandemic on gig workers in Canada are unclear. However, ICTC's survey found that 54% of gig workers were working more hours due to the pandemic, compared to just 29% of other workers. Despite suggestions that the pandemic may have resulted in more Canadians working in the gig economy,¹⁸⁴ figure 10 suggests that gig workers lost employment relative to standard employees during the pandemic.

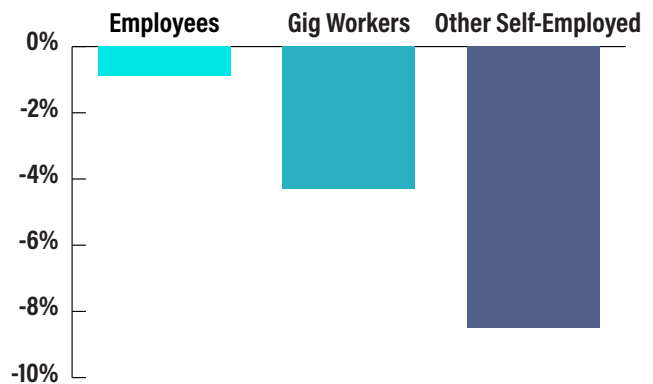


Figure 10. "[Percent] Change in Employment by Class of Worker, Feb 2020 to Mar 2021." Source: Statistics Canada; Department of Finance¹⁸⁵

¹⁸⁰ Fabian Stephany, "Pandemic-proof jobs? IT freelancers in high demand, other online workers facing cuts," Oxford Internet Institute, May 19, 2020, <https://ilabour.oii.ox.ac.uk/pandemic-proof-jobs/>

¹⁸¹ Sung-Hee Jeon, Huju Liu and Yuri Ostrovsky, "Measuring the Gig Economy in Canada Using Administrative Data," Statistics Canada, December 16, 2019, <https://www150.statcan.gc.ca/n1/pub/11f0019m/11f0019m2019025-eng.htm>

¹⁸² "Canadians unsure whether increase of gig work is a good thing or a bad thing for workers," Angus Reid Institute, November 26, 2019, <https://angusreid.org/gig-economy/#:~:text=A%20new%20study%20from%20the,%E2%80%93%20but%20aren't%20now>

¹⁸³ Olena Kostyshyna and Corinne Luu, "The Size and Characteristics of Informal ("Gig") Work in Canada, Bank of Canada, June 2019, <https://www.bankofcanada.ca/wp-content/uploads/2019/02/san2019-6.pdf>

¹⁸⁴ Elle Ziegler and Karen E. McCallum, "We'd better get to know the growing gig economy," Policy Options, October 15, 2020, <https://policyoptions.irpp.org/magazines/october-2020/wed-better-get-to-know-the-growing-gig-economy/>

¹⁸⁵ <https://www.budget.gc.ca/2021/pdf/budget-2021-en.pdf>

SECTION II: PLATFORM WORK & THE GIG ECONOMY

Discussion of the gig economy in Canada has recently taken on a broader scope, moving from questions of measurement and workforce demographics to questions about the nature and purpose of gig work. A Public Policy Forum report highlighted three broad themes in Canadian gig work: 1) increasing importance of work as a source of identity or purpose, 2) **de-centralization and**

disaggregation of work, and 3) the shifting of risk from employers to workers.¹⁸⁶ A Typology of Gig Workers in Canada, meanwhile, delineates different types of gig workers based on economic, human, and social capital requirements.¹⁸⁷

FRAGMENTATION AND DECENTRALIZATION

Remote and gig work are examples of how work is changing by becoming increasingly fragmented and decentralized. In terms of fragmentation, people have more jobs over their lifetime than they used to,¹⁸⁸ contracts are becoming more temporary,¹⁸⁹ freelancers¹⁹⁰ and consultants¹⁹¹ are becoming more common, and work is increasingly task-based.¹⁹² These trends are often correlated. For example, remote companies are more likely to hire freelancers.¹⁹³ In terms of decentralization, there is increasing discussion of the weakening relationships between employees and employers.¹⁹⁴ One interviewee described these trends as being driven partly by employers seeking to save time and money:

"Compared to full-time employees who need training, benefits, and a career path, freelancers are 'plug and play.' They also allow companies to bring in talent they may not have had the money or name recognition to attract on a full-time basis." – Gorick Ng, Harvard career adviser and author of *The Unspoken Rules*

Physical decentralization, driven by remote work, was a central topic among interviewees. While many organizations have begun to expand their geographic search for new employees, interviewees noted this did not mean they would outsource:

"I don't think that changes hiring people in India and Ukraine and markets like that. I think it just it means I can hire outside of Toronto a lot more easily." – Matt Spoke, CEO and Founder, Moves

¹⁸⁶ Elle Ziegler et al., "Understanding the Nature and Experience of Gig Work in Canada," Public Policy Forum, July 2020, <https://ppforum.ca/wp-content/uploads/2020/07/UnderstandingTheNatureAndExperienceOfGigWorkInCanada-PPF-July2020-EN.pdf>

¹⁸⁷ Elle Ziegler et al., "A Typology of Gig Workers in Canada," Future Skills Centre, December 2020, <https://fsc-ccf.ca/research/a-typology-of-gig-workers-in-canada-towards-a-new-model-for-understanding-gig-work-through-human-social-and-economic-capital/>

¹⁸⁸ "How Many Jobs do Canadians Hold in a Lifetime," Workopolis, December 4, 2014, <https://careers.workopolis.com/advice/how-many-jobs-do-canadians-hold-in-a-lifetime/>

¹⁸⁹ "Temporary Employment in Canada," Statistics Canada, May 14, 2019, <https://www150.statcan.gc.ca/n1/daily-quotidien/190514/dq190514b-eng.htm?CMP=mstatcan>

¹⁹⁰ Varun Omprakash, "Freelance Market Statistics & Trends – 2020," Flexiple, 2020, <https://flexiple.com/blog/freelance-statistics-and-trends-2020/>

¹⁹¹ "Size of the global consulting market from 2011 to 2020," Statista, 2020, <https://www.statista.com/statistics/466460/global-management-consulting-market-size-by-sector/>

¹⁹² Tammy Erickson, "Think Task, Not Time," Harvard Business Review, March 22, 2007, <https://hbr.org/2007/03/think-task-not-time>

¹⁹³ Adam Ozimek, "Economist Report: Future Workforce," Upwork, 2020, <https://www.upwork.com/press/releases/economist-report-future-workforce>

¹⁹⁴ "Are Remote Employees Less Engaged?" Working Capital Review, May 4, 2020, <https://workingcapitalreview.com/2020/05/are-remote-employees-less-engaged/>

SECTION II: PLATFORM WORK & THE GIG ECONOMY

Attitudes About Gig Work

ICTC surveyed worker attitudes toward gig work. Results show that demographics, attitudes, and reasons for participation in the gig economy vary from individual to individual, but they also vary based on whether a worker earns all their income from the gig economy or uses the gig economy for supplementary income. Workers who choose to earn extra income during their free time and can afford disruption in earnings may face very different circumstances compared to those who are entirely reliant on gig work for their living expenses. Those using gig economy income to supplement their work are relatively unlikely to want to transition to full-time gig work: only 13% said they would like to work in the gig economy full-time one day. Survey results were somewhat different for these two groups. For example, those who earned their income exclusively from the gig economy were more likely to have children at home than those

who earned part of their income from the gig economy (52% vs 33%). Compared to those whose gig income is supplementary, those who earn income exclusively from the gig economy were more likely to say that their employer takes their health and safety seriously (77% vs 65%), that they have a stable income (66% vs 54%), and that they feel supported by the company they work for (71% vs 60%). At the same time, this relationship may be subject to reverse causality; for example, those who feel healthy, stable, and supported in their work are less likely to want to find other work.

For those who earn income exclusively from the gig economy, their reasons for doing so (see figure 11) pertained largely to flexibility. Flexibility is an often-cited benefit of gig work by companies and workers alike: in an Uber survey, 74% of drivers rated their “flexibility and independence when driving/delivering” as “good.”¹⁹⁵ Still, reasons for

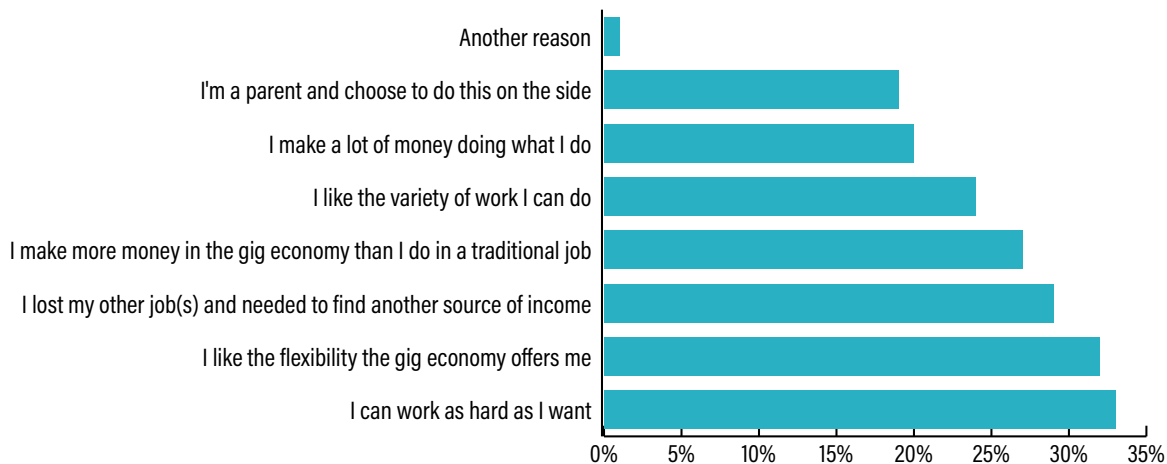


Figure 11. Responses to the question, “Why do you choose to earn 100% of your income from the gig economy?” (ICTC Survey)

¹⁹⁵ “Your Survey Results,” Uber Canada, <https://uber.app.box.com/s/3v4uje2v6jzlvvgj30kik7c6d78rskgz>

SECTION II: PLATFORM WORK & THE GIG ECONOMY

performing gig work were very diverse. About a third (29%) of respondents who earned exclusively from the gig economy cited **having lost a job as a reason for performing gig work**, and a similar percentage cited the ability to make more money in the gig economy than in a traditional job.

For the 80% of respondents who perform gig work alongside other work, the reasons they did so were also diverse (see figure 12): “I need to earn more income to pay bills” and “I enjoy it and consider it a hobby” were reasons given by more than a third of respondents. Similarly, respondents both liked to earn extra gig work income and felt that they needed to earn gig work income to get by (16% agreed with both statements).

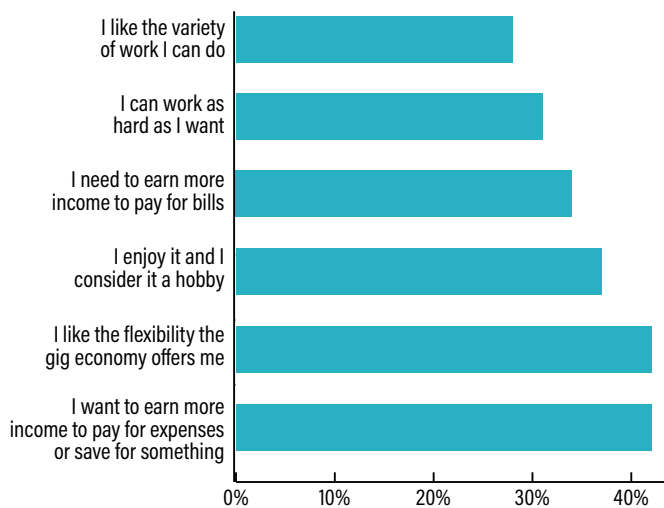


Figure 12. Responses to the question, “Why do you supplement your income with gig economy income?” (ICTC Survey)

GIG WORK AS AN ECONOMIC BUFFER?

Digital platforms can be key for people to find new work opportunities in times of economic hardship, as seen in the 2008 Great Recession.¹⁹⁶ However, subject matter experts suggest that this assertion should be more heavily scrutinized. While gig work is not the sole contributor to issues of inequality and economic precarity, the trade-offs of freedom and flexibility that come with gig work can be significant. Indeed, some research has noted concerns over “a lack of financial security, a loss of dignity at work, and the inability to progress in a career or train to leave it.”¹⁹⁷ In fact, it is theorized that this type of unpredictable work traps workers in precarity if worker pay is low. In these situations, flexibility becomes a moot point if one must work more hours than in a full-time job and compete for new tasks that may pop up on numerous platforms.

Consultations with several labour experts highlighted an unclear relationship between gig work and precarity—that is, at times gig work may act as an informal social safety net or buffer for vulnerable workers; at other times it may be a primary contributor to these systemic challenges. The ability to take on temporary, short-term tasks at a moment’s notice may be a poor substitute for the ability to gain meaningful education or retraining to improve one’s career prospects.

¹⁹⁶ Nicholas Kacher and Stephan Weiler, “Inside the Rise of the Gig Economy,” Regional Economic Development Institute CSU, April 2017, <https://www.libarts.colostate.edu/redi/wp-content/uploads/sites/50/2017/02/REDI-Gig-Economy-1-NK.pdf>

¹⁹⁷ Victoria Smith and Brian Halpin, “Low-wage Work Uncertainty often Traps Low-wage Workers,” Center for Poverty Research, https://poverty.ucdavis.edu/sites/main/files/file-attachments/smith_cpr_policy_brief_employability.pdf

SECTION II: PLATFORM WORK & THE GIG ECONOMY

Gig workers were more likely than others to agree with certain statements about their work (see figure 13). Notably, as a result of the pandemic, gig workers were more likely than others to say they were earning more, working more hours, and being more productive. As is often suggested by gig employers, gig workers seemed to agree on the importance of flexibility more so than other workers. Each of the values in figure 13 were higher among those earning income exclusively from the gig economy than those earning income partially from the gig economy.

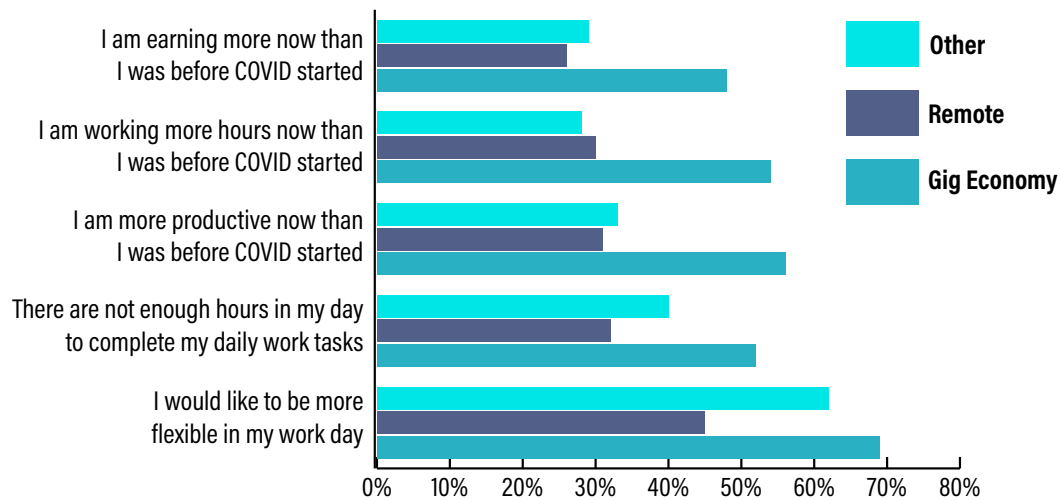


Figure 13. Commonly shared attitudes among gig workers (ICTC Survey)

SECTION II: PLATFORM WORK & THE GIG ECONOMY

Workers and the Gig Economy

DIVERSITY AMONG GIG WORKERS

As is the case with other forms of work, gig workers represent a remarkably heterogeneous population (see figure 14). Still, a few noteworthy demographic factors came to the fore through the ICTC survey. While nearly four-fifths of non-gig respondents were white, just 59% of gig respondents were. For further comparison, Lyft data indicates that in Canada, 90% of drivers identify as Black, Indigenous, and People of Colour.¹⁹⁸ While gig work respondents in ICTC's survey were more likely to be male, this division is more pronounced in some types of gig work. For example, just 3% of Canadian Lyft drivers are female.¹⁹⁹ These figures highlight conflicting interpretations. On one hand, gig work may provide economic opportunity for populations that are more likely to face economic insecurity. On the other hand, these figures point to an ethnic class division and economic precarity that the gig economy can capitalize on. Gig work often features high numbers of minorities, which may be a harmful factor in that this commodified labour is primarily valued for end results. As one interviewee

put it, "These apps, much more so than standard employers, often care about your outputs rather than your inputs." Already, gig ratings systems that, in theory, evaluate workers' outputs have faced scrutiny for exacerbating existing racism and leading to discrimination.²⁰⁰

There were very limited differences between education levels of the various types of workers, although gig workers (by a slight margin) held the most university and advanced degrees (52%)—which contrasts with the stereotype of gig workers being less educated. The demographic characteristic that was most notable in these findings is that one-quarter of survey respondents classifying themselves as gig workers also identified as having a disability. Further, nearly half (49%) of those who earn income exclusively from the gig economy self-described themselves as a person with a disability. It is possible that this correlation is picking up unobserved variables or sampling bias. Regardless, it remains a striking figure, particularly as the proportion of respondents with a disability represents only 7% of general population respondents.

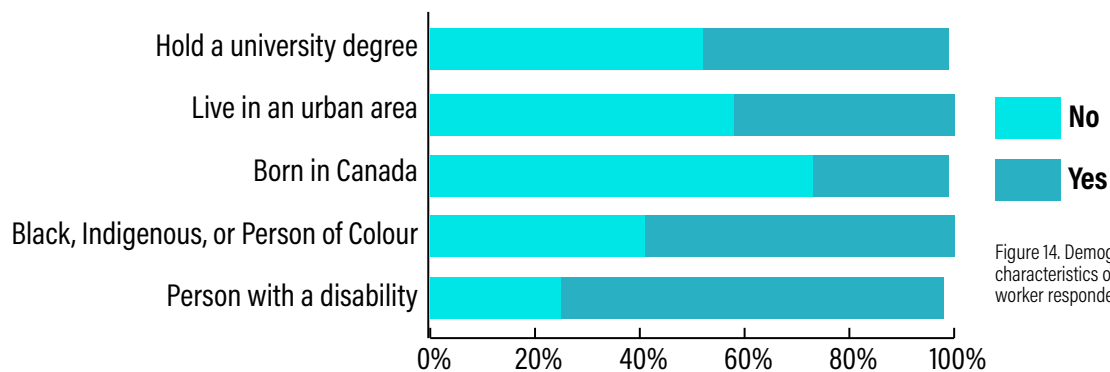


Figure 14. Demographic characteristics of gig worker respondents

¹⁹⁸ "Economic Impact Report 2021: Canada," Lyft, <https://drive.google.com/file/d/1k0Y3HybbhhKbuasUvHeWg7j72Urg8yL/view>

¹⁹⁹ Ibid.

²⁰⁰ Dara Kerr, "Uber's 'racially biased' ratings system hurts nonwhite drivers, lawsuit says," C-NET, October 2020, <https://www.cnet.com/news/ubers-racially-biased-ratings-system-hurts-non-white-drivers-lawsuit-says/>

SECTION II: PLATFORM WORK & THE GIG ECONOMY

GIG WORK AND PEOPLE WITH DISABILITIES

Gig work does not always provide the benefits and protection that traditional employment relationships provide. Given this, the significant representation of people with disabilities (who accordingly may be more in need of things like health benefits and antidiscrimination protection) in ICTC's survey results may seem surprising. Yet as Paul Harpur and Peter Blanck note, "The enduring lack of traditional employment opportunity [for people with disabilities] had already contributed to interest in non-standard, independent contracting work relationships before the gig economy."²⁰¹ Gig work, Harpur and Blanck add, can also allow people with disabilities more control over working schedules, greater flexibility, the ability to avoid disclosing personal or medical information, and control over how tasks are performed.²⁰²

At the same time, standard employers are permitted to not hire people with disabilities in situations where "an aspect of a job cannot be modified or adapted without undue hardship for the employer."²⁰³ As a result, people with disabilities may be less likely to participate in standard employment. Gig employers, meanwhile, do not have to navigate the process of hiring workers; they will pay a worker, regardless of disability, so long as the requisite task is completed. This brings up an important consideration: while high participation rates of people with disabilities may imply inclusivity, the quality of that inclusion matters.

COVID-19, HEALTH, AND PRODUCTIVITY

Compared to all other survey respondents, gig workers were more likely to agree that they were now working more hours than before the pandemic began—more than half (54%) agreed with this, compared to 29% for other respondents. For those earning money exclusively from the gig economy, seven in ten agreed that they were working more hours during the pandemic. In addition to working more hours, gig workers felt that they were more productive due to the pandemic (56% compared to 32% of all other workers, and 68% of those earning income exclusively from the gig economy). Compared to people earning only a portion of their income from the gig economy, those earning income exclusively from the gig economy were more likely to report that they were earning more,

working more, and being more productive as a result of the pandemic. These Canadian findings stand in contrast to nations that suffered from more strict lockdowns; for example, a French study found that gig workers' income dropped by 28% early in the pandemic²⁰⁴ and one US study indicated that seven out of 10 gig workers said COVID-19 led to reduced hours.²⁰⁵ Additionally, those who reported a stable income were also more likely to agree that the pandemic had made them more productive (47% vs 28% without a stable income).

Most survey respondents (71%) agreed that their employer is taking their health and safety during the pandemic seriously, however, this was slightly greater for the general population (77%) than for gig workers (67%). Uber's survey of Canadian drivers yielded similar results: the majority of

²⁰¹ Paul Harpur and Peter Blanck, "Gig Workers with Disabilities: Opportunities, Challenges, and Regulatory Response," *Journal of Occupational Rehabilitation*, November 4, 2020, <https://link.springer.com/article/10.1007/s10926-020-09937-4>

²⁰² *Ibid.*

²⁰³ Katie Raso, "Disability and the job churn," Canadian Centre for Policy Alternatives, July 1, 2018, <https://www.policyalternatives.ca/publications/monitor/disability-and-job-churn>

SECTION II: PLATFORM WORK & THE GIG ECONOMY

drivers felt that Uber has “done enough” during the pandemic, and yet nearly a quarter (24%) felt that it had not.²⁰⁶ These sentiments are more positive than in a University of California, Los Angeles study of gig workers in California that found three out of four workers felt their companies were doing little to nothing to protect them and that half of these workers did not receive any personal protective equipment.²⁰⁷

LABOUR AND INDUSTRIAL RELATIONS

Gig platforms have been criticized as discouraging collective action because of how they are designed.²⁰⁸ As independent contractors, gig workers do not have the ability or the means to easily communicate with their colleagues. Unions or collective action typically work best with face-to-face interaction and group solidarity, which is made difficult by the platform model.²⁰⁹ The International Labour Organization notes the following:

Moving in and out of different “gigs” in a variety of sectors and often without the intention of long-term participation in the gig economy, inevitably impacts workers’ abilities to establish community and identify their shared interests. These characteristics inhibit collective organizing efforts as workers can be hard to find, hard to reach, and difficult to engage.²¹⁰

For example, it is difficult for individual gig workers to dispute rate reductions with a collective voice, even though organized efforts (such as when the UK’s Independent Workers Union of Great Britain (IWGB) helped coordinate delivery workers to pushback against Deliveroo’s 2016 pay decreases²¹¹) might be more successful. Further, when work availability is influenced by reputation, it is easy for a customer to report a negative experience without needing to prove it, potentially lowering a worker’s rating unfairly.²¹²

Another criticism often levelled at gig platforms is their unjust control over labour relations: using algorithms and surge pricing, apps can dictate when and how work is performed; by framing work as independent contracting, companies can suggest that workers have no boss yet ensure that workers are dependent on an app; and replacing chains of command with an app interface removes accountability when disputes arise. As one labour researcher and interviewee noted:

“Some gig workers have reported that they feel like they’re more in charge of their work because they don’t have a human boss. But at the same time, a lot of them eventually realize they very much have a boss—it’s just that the boss is much further away from them, and using the digital app interface to manage them.” – Srujana Katta, Researcher, Fairwork Project, University of Oxford

²⁰⁴ Mark Stabile, “What It’s Like to Be a Gig Worker During a Pandemic,” INSEAD Knowledge, March 1, 2021, <https://knowledge.insead.edu/economics-finance/what-its-like-to-be-a-gig-worker-during-a-pandemic-16161>

²⁰⁵ Maanas Oruganti, “UCLA study examines COVID-19 pandemic’s effect on gig workers,” Daily Bruin, November 2, 2020, <https://dailybruin.com/2020/11/02/ucla-study-examines-covid-19-pandemics-effect-on-gig-workers>

²⁰⁶ “Your Survey Results,” Uber Canada, <https://uber.app.box.com/s/3v4uje2v6jzlvvgj30kk7c6d78rskgz>

²⁰⁷ Oruganti, “UCLA study examines COVID-19 pandemic’s effect on gig workers”

²⁰⁸ Sangeet Paul Choudary, “The architecture of digital labour platforms: Policy recommendations on platform design for worker well-being,” International Labour Organization, 2018, https://www.ilo.org/wcmsp5/groups/public/---dgreports/---cabinet/documents/publication/wcms_630603.pdf

²⁰⁹ Ibid.

²¹⁰ Hannah Johnston and Chris Land-Kazlauskas, “Organizing on-demand: Representation, voice, and collective bargaining in the gig economy,” International Labour Organization, 2019, https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_624286.pdf

²¹¹ Ibid.

²¹² Choudary, “The architecture of digital labour platforms: Policy recommendations on platform design for worker well-being”

SECTION II: PLATFORM WORK & THE GIG ECONOMY

Other subject matter experts interviewed in this study were more critical, pointing to the inherent precariousness of gig work, suggesting that it has been amplified by gig platforms:

“Platforms exploit precarious work [because they] signal the fact that you can employ people on work arrangements that are not necessarily well-protected, and you can get away with that.” – Valerio De Stefano, Assistant Professor, Institute for Labour Law, KU Leuven

The fact that workers “choose” to earn money from the gig economy is not by itself an indication of fairness: according to one Canadian survey, nearly one in three respondents who had done gig work “can’t make ends meet without [gig] work.”²¹³ Despite such criticism, survey results indicated that gig workers generally feel they have agency at work. Approximately three-quarters of gig work respondents in ICTC’s survey agreed that they “are their own boss” (78%) and have access to fair settlement of disputes (75%). Just under half (46%) said that they could do their (gig) job without using an app or platform. Those who earned income exclusively from the gig economy were more likely to strongly agree with each of these statements.

INCOME, AND GIG WORK AS NON-STANDARD

Despite its increasing prevalence, gig work is often described as an atypical form of work. Often, it is a part-time, complimentary source of income rather than a full-time career. For example, Lyft data suggests that nearly all (98%) of its Canadian drivers also perform work outside of Lyft,²¹⁴ 93% drive fewer than 20 hours per week, and 71% have worked on other ridesharing platforms.²¹⁵ ICTC’s survey results echo such findings: 89% of respondents work 30 or fewer hours in a week, and 55% of respondents work fewer than 10 hours a week. For older workers, gig work was even more of a part-time activity: 40% of those aged 55 and older worked five or fewer hours per week in the gig economy. For one of every five respondents, their entire income comes from the gig economy. This was more likely for men than women (22% vs 16%) and for younger workers than older workers. Income derived from the gig economy is far less for most people than from other jobs, although this is largely attributable to the prevalence of part-time gig work.

According to Statistics Canada, “the gig earnings of the majority of [gig workers] did not exceed five thousand dollars per year,”²¹⁶ an estimate that is downwardly biased by the many people who only perform a few hours of gig work per week. At the same time “for more than a quarter of [gig workers], their gig earnings represented all their annual earnings and more than 89% of their total annual income.”²¹⁷ ICTC’s survey results were similar: more than half (58%) of gig workers earned less than \$20,000 per year in the gig economy, while the mean annual gig economy income was

²¹³ “The ‘Gig’ Picture: One-in-three Canadians have done some kind of informal work in the past five years,” The Angus Reid Institute, November 26, 2019, http://angusreid.org/wp-content/uploads/2019/11/2019.11.26_Gig_economy_pdf.pdf

²¹⁴ This includes having another job, looking for work, performing unpaid labour such as caregiving or studying

²¹⁵ “Economic Impact Report 2021: Canada,” Lyft

²¹⁶ Sung-Hee Jeon and Yuri Ostrovsky, “The impact of COVID-19 on the gig economy: Short- and long-term concerns,” Statistics Canada, May 20, 2020, <https://www150.statcan.gc.ca/n1/en/pub/45-28-0001/2020001/article/00021-eng.pdf?st=X98gQ2bq>

SECTION II: PLATFORM WORK & THE GIG ECONOMY

	GENERAL SURVEY POPULATION	100% OF INCOME EARNED FROM GIG ECONOMY	LESS THAN 100% INCOME EARNED FROM GIG ECONOMY
Mean annual income from all sources (excluding outliers)	\$66,264	\$33,978	\$44,544

Figure 15. Mean annual income by type of gig earnings (ICTC Survey)

\$9,667. Because many gig workers earn income from other work in addition to their gig income, annual incomes for people who do gig work are much higher than this (see figure 15).

Still, in a survey of Canadian Uber drivers (conducted by Uber), 67% of respondents cited primary concerns being related to “financial difficulties,” while 26% classified their dependability of earnings as “poor.”²¹⁸ Worker advocates also noted that gig incomes should be understood alongside the cost of work-related expenses and equipment, and the opportunity cost of time spent looking for new gigs. Furthermore, they suggested that despite the description of gig work as flexible, most gig platforms do not permit advanced scheduling or the accrual of work-related benefits, factors that can lead to greater precarity, particularly during a pandemic.

The Role of Gig Platforms

ICTC’s survey results highlight the significant recent growth of the gig economy, with 69% of gig worker respondents having worked in the gig economy for two years or less. While evidence regarding the effects of the pandemic on this growth have varied, one respondent working in management at a gig platform company noted that the pandemic had doubled demand, necessitating massive changes in response to consumer behaviour.

Many gig platforms operating in Canada are foreign-owned, and only a few Canadian-owned gig companies exist, notably SkipTheDishes, DriveHER, and AskForTask. Survey responses suggest that the gig economy’s largest Canadian employers consist mostly of delivery and driving companies (see figure 16).

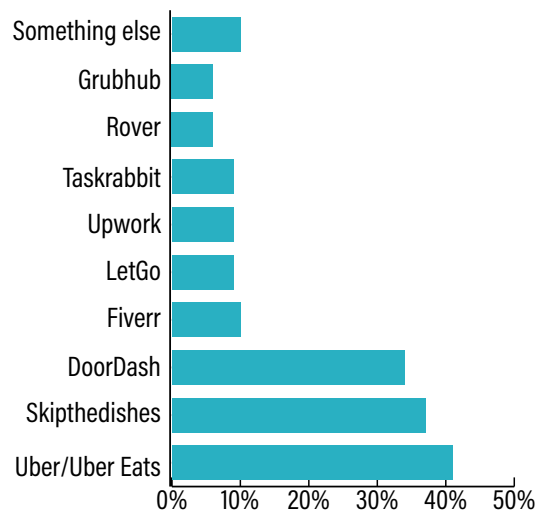


Figure 16. Gig economy participation by platform used (ICTC Survey). Note: Data for Lyft and Instacart was omitted due to a data collection error.

²¹⁷ Jeon and Ostrovsky, “The impact of COVID-19 on the gig economy: Short- and long-term concerns”

²¹⁸ “Your Survey Results,” Uber Canada

SECTION II: PLATFORM WORK & THE GIG ECONOMY

Like other large tech companies, gig platforms may be able to monetize both user and worker data. One interviewee said,

"What's really a value to these companies is not the person who's picking up groceries, for instance, and delivering them. It's the data that's captured along the way." – Bama Athreya, Economic Inequality Fellow, Open Society Foundations

Monetization of user data has been the subject of significant public reaction due to concerns about lack of transparency regarding data use

and one-sided relationships in data collection and usage. The 2021 federal budget proposed a "Digital Services Tax" intended for large multinational companies that "rely on data and content contributions from Canadian users,"²¹⁹ though it is unclear if this would influence gig platform companies. Beyond regulatory considerations, some have suggested that workers should move to control their own data, or take a step further and develop their own co-operative style platforms.²²⁰

GRASSROOTS GIG WORKER MOVEMENTS

Around the world, labour action by gig workers has become more commonplace in the last two years. Protests by Californian ride-hailing drivers in May of 2019 spurred similar demonstrations around the world. According to labour and human rights expert Bama Athreya, these led to "protests and actions from Toronto to Nairobi to Dhaka. In France, they called a nationwide strike... in India they launched a national federation of drivers."²²¹ Widespread labour movements by gig workers in Italy have inspired suggestions that "a social movement type of unionism has emerged"²²² in the gig economy.

In Canada, established unions such as CUPW²²³ and UFCW²²⁴ have worked toward organizing gig workers, but other grassroots initiatives have emerged as well. These include platform co-operatives that are owned and operated by workers, such as Vancouver-based delivery platform Shift and Victoria-based photography platform Stocksy United. Foodsters United, the organizers behind Toronto Foodora worker unionization, suggest that such co-operatives "wouldn't just have the effect of guaranteeing workers are taken care of and paid a living wage, [they] could also be a viable competitor to the established companies."²²⁵

²¹⁹ "Budget 2021: A Recovery Plan for Jobs, Growth, and Resilience," Government of Canada, <https://www.budget.gc.ca/2021/pdf/budget-2021-en.pdf>, p.304

²²⁰ Ryan Hayes, "The gig is up," THIS, January 7, 2021, <https://this.org/2021/01/07/the-gig-is-up/>

²²¹ Bama Athreya, "The Ride Gets Rougher: Gig Workers Organize Through a Pandemic," Common Dreams, May 10, 2020, <https://www.commondreams.org/views/2020/05/10/ride-gets-rougher-gig-workers-organize-through-pandemic>

²²² Riccardo Chesta, Lorenzo Zamponi and Carlotta Caciagli, "Labour Activism and Social Movement Unionism in the Gig Economy: Food Delivery Workers' Struggles in Italy," *Partecipazione e Conflitto*, November 2019, https://www.researchgate.net/publication/341616672_LABOUR_ACTIVISM_AND_SOCIAL_MOVEMENT_UNIONISM_IN_THE_GIG_ECONOMY_Food_delivery_workers_struggles_in_Italy

²²³ Chris Zukowski, "Gig-Economy Delivery Workers Need Protections – You Can Help," CUPW Vancouver, January 29, 2021, <https://www.cupwvancouver.org/gig-economy-delivery-workers-need-protections-you-can-help/>

²²⁴ "UFCW 1518 enters mediation with Uber and Lyft in BC," United Food and Commercial Workers, December 19, 2019, http://ufcw.ca/index.php?option=com_content&view=article&id=32492:ufcw-1518-enters-mediation-with-uber-and-lyft-in-b-c&catid=10124&Itemid=6&lang=en

²²⁵ Dan Darrah, "How Foodsters United Is Organizing Canada's Gig Economy," *Jacobin*, November 9, 2020, <https://jacobinmag.com/2020/11/foodsters-united-canada-gig-economy-foodora>

SECTION II: PLATFORM WORK & THE GIG ECONOMY

In 2021, Uber announced that it would advocate for a provincial government requirement that gig platform companies create “self-directed benefits funds.”²²⁶ Uber’s move—which seems to follow the lead of its activity in California’s Proposition 22 referendum—may be in anticipation of renewed conflict surrounding worker classification.²²⁷ Critics argue that this is a tactic to avoid classifying drivers as employees rather than independent contractors, thus not having to provide more significant worker protections.²²⁸ On the contrary, Uber and Lyft suggest that if workers lost the flexibility associated with being an independent contractor, many drivers would cease to use their platforms,²²⁹ that workers would be forced to adhere to a set schedule, and that there would be fewer jobs overall.²³⁰

Regulating the Gig Economy: A Policy Vacuum

The gig economy is at an inflection point. As such, government policy that helps to shape the gig economy is urgently needed, and attention must be paid to a range of issues including data measurement, taxation, social security, and industry regulation. At the same time, focusing exclusively on gig work platforms will not be an

effective way to navigate the complexities of the future of work. In the words of one interviewee:

“Platform work did not invent precarity. It is part of a broader trend toward precarity. I would not single out gig work as something that happens in a separate dimension of life. I think our labour markets experienced a lot of increased precarity in the last 30-40 years. And that’s what we should try and correct rather than just focusing on platform work.” – Valerio De Stefano, Assistant Professor, Institute for Labour Law, KU Leuven

The following are key areas of consideration for a future gig economy that retains the benefits of flexibility while protecting workers and valuing their work.

TRACKING AND TAXING GIG WORK

To make informed decisions about gig economy policy, data about gig workers must be reliable and gathered regularly. As it stands, platform companies rarely share their data with policymakers and researchers.²³¹ Thus far, Canadian gig work has been measured based on online panel survey data,²³² a Bank of Canada household survey,²³³ a one-off Labour Force Survey questionnaire, and tax return information.²³⁴ Survey

²²⁶“A Modern Approach to App-Based Work in Canada,” Uber Canada, March 10, 2021 <https://www.uber.com/en-CA/newsroom/a-modern-approach-to-app-based-work-in-canada/>

²²⁷“Uber is Lobbying Canadian Provinces to Rewrite Labour Laws and Create a New ‘Underclass of Workers,’” PressProgress, March 16, 2021, <https://pressprogress.ca/uber-is-lobbying-canadian-provinces-to-rewrite-labour-laws-and-create-a-new-underclass-of-workers/#:~:text=Currently%2C%20Uber%20classifies%20its%20drivers,and%20the%20ability%20to%20unionize.&text=%E2%80%9CUber%20and%20Lyft%2C%20along%20with,22%2C%E2%80%9D%20Smith%20told%20PressProgress.>

²²⁸“Uber Flexible Work+ scheme nothing but a cynical ploy to ignore labour rights,” United Food and Commercial Workers, March 11, 2021, http://www.ufcw.ca/index.php?option=com_content&view=article&id=32917:uber-flexible-work-scheme-nothing-but-a-cynical-plot-to-ignore-labour-rights&catid=10240&Itemid=6&lang=en

²²⁹Judy Lin, “What happens to Uber and Lyft drivers once AB 5 passes?” ABC News, September 6, 2021, <https://www.abc10.com/article/news/politics/uber-lyft-implications-if-ab5-passes/103-8afa6cb4-fb1e-47df-8d40-4583dd819f3c>

²³⁰Faiz Siddiqui and Nitasha Tiku, “California voters sided with Uber, denying drivers benefits by classifying them as contractors,” The Washington Post, November 4, 2020, <https://www.washingtonpost.com/technology/2020/11/03/uber-prop22-results-california/>

²³¹“Surprising NYC ridesharing study findings have implications for policymakers,” Science Daily, July 8, 2019, <https://www.sciencedaily.com/releases/2019/07/190708131141.htm>

²³²“Canadians unsure whether increase of gig work is a good thing or a bad thing for workers,” Angus Reid Institute, November 26, 2019, <https://angusreid.org/gig-economy/#:~:text=A%20new%20study%20from%20the,%E2%80%93%20but%20aren't%20now>

²³³Olena Kostyshyna and Corinne Luu, “The Size and Characteristics of Informal (“Gig”) Work in Canada, Bank of Canada, June 2019, <https://www.bankofcanada.ca/wp-content/uploads/2019/02/san2019-6.pdf>

²³⁴“Gig workers are divided into three categories for tax form consideration: partners (in partnerships) who report a T2125 form (a Statement of Professional Activities that gets attached to a T1 form), sole proprietors (unincorporated self-employed workers) who report a T2125 form with a Business Number, and sole proprietors who submit a T2125 form but no Business Number as they make less than \$30,000 a year from their business. Any incorporated businesses utilize the T2 form.” Sung-Hee Jeon, Huiju Liu and Yuri Ostrovsky, “Measuring the Gig Economy in Canada Using Administrative Data,” Statistics Canada, December 16, 2019, <https://www150.statcan.gc.ca/n1/pub/11f0019m/11f0019m2019025-eng.htm>

SECTION II: PLATFORM WORK & THE GIG ECONOMY

data of this sort can be costly and challenging to obtain regularly. Employment and Social Development Canada (ESDC) recognized that “available evidence about the incidence and quality of online platform work in Canada and abroad is currently quite limited, impeding the provision of policy advice.”²³⁵

A possible route to obtaining survey data on gig workers would be to consistently measure gig work by including additional questions in the census or in Labour Force Surveys. Using tax returns, by contrast, can face complications. With this method, gig workers are defined as “unincorporated self-employed workers (sole proprietors) who report business, professional or commission self-employment income, and whose future business activity is uncertain or expected to be minor or occasional.”²³⁶ This definition sidesteps the question of whether gig workers are using a platform to source or perform work. Furthermore, there are concerns around uncollected tax revenues from these forms of self-employment (informal, independent gig work or otherwise), with estimates of an additional \$3 billion of tax assessments if all 2.2 million self-employed Canadians were fully audited.²³⁷ An “ignorance factor” regarding the tax implications of gig work and the sharing economy has been cited as a potential area of concern; H&R Block noted “a quarter of today’s gig workers started for the first time in 2020, which means that for many it’ll be

their very first time filing taxes as an independent contractor or freelancer.”²³⁸ A CRA spokesperson noted that digital technology could enable the CRA to identify taxpayers engaged in the sharing and gig economy. In the long-term, a tax expert suggests the CRA could access this data from platforms to “eventually abandon its current ad hoc approach in favour of something more efficient and comprehensive,” leading to tax withheld at the source or transaction.²³⁹

SOCIAL SECURITY AND BENEFITS

Employment-based social protections may not be adapting to rapidly changing forms of employment: in “2018-19, only 39 per cent of unemployed Canadians received Employment Insurance (EI) benefits, down from 84 per cent in the early 1990s.”²⁴⁰ Social welfare responses to the pandemic were initially developed with standard employment in mind. For example, many gig workers may have faced lost income due to the pandemic yet remained ineligible for CERB (the Canada Emergency Response Benefit) payments. When CERB ended, however, the federal government opened a temporary EI for self-employed people.^{241 242} ICTC’s survey found that about 31% of gig workers applied for and received CERB, compared to 24% of other workers, which is likely because the average gig worker earns less than other workers. In fact, gig workers were much more consistently denied CERB: 8% of gig workers

²³⁵Press, Jordan, “Federal response to ‘gig’ economy hindered by unreliable data, documents say”, The Canadian Press, Sept 9, 2019: <https://www.theglobeandmail.com/politics/article-federal-response-to-gig-economy-hindered-by-unreliable-data/>

²³⁶Sung-Hee Jeon, Huiju Liu and Yuri Ostrovsky, “Measuring the Gig Economy in Canada Using Administrative Data”

²³⁷Peter Taylor, “The trouble with taxing the gig economy”, Chartered Professional Accountants Canada, January 9th, 2019, <https://www.cpacanada.ca/en/news/pivot-magazine/2019-01-09-underground-economy>

²³⁸Salmaan Farooqui, “Surge in gig work has Canadians struggling to understand tax filing obligations”, The Globe and Mail, March 16, 2021, <https://www.theglobeandmail.com/investing/personal-finance/taxes/article-surge-in-gig-work-has-canadians-struggling-to-understand-tax-filing/>

²³⁹Taylor, “The trouble with taxing the gig economy”

²⁴⁰Colin Busby, David Gray, “A new voluntary EI program would bring more workers under safety net”, March 10, 2021, <https://policyoptions.irpp.org/magazines/march-2021/a-new-voluntary-ei-program-would-bring-more-workers-under-safety-net/>

²⁴¹Veronica Ott, “COVID-19: Financial Help For Gig Workers”, Loans Canada, <https://loanscanada.ca/business/financial-help-for-gig-workers/>

²⁴²“EI benefits for self-employed people: What this program offers”, Government of Canada, March 18, 2021, <https://www.canada.ca/en/services/benefits/ei/ei-self-employed-workers.html>

SECTION II: PLATFORM WORK & THE GIG ECONOMY

applied for CERB and did not receive it, compared to just 1.5% of other workers. CERB and tweaked EI benefits may have catalyzed discussions of evolving welfare needs: the September 2020 speech from the throne and the 2021 federal budget included mention of updating Canada's EI system to adapt to changes in self-employment and gig work.^{243 244} The Government of Canada has recently closed consultations to gain insights on these emerging work trends, including gig workers using digital platforms, short-term contract workers, and freelancers.²⁴⁵ This is part of a larger process of modernizing the Canada Labour Code.

In addition to reforming EI, some have proposed the development of a portable benefits system, allowing employees to transfer benefits when their employers change, in part as a reaction to the increasingly short-term nature of many jobs.²⁴⁶ Others have raised the prospect of a universal basic income (UBI) to limit worker precarity. Many see UBI as more plausible, given the successful roll-out of CERB.²⁴⁷ Each of these policies could have vastly different effects depending on the details of their structure and implementation. While they offer promising possibilities, it is crucial that public consultations and quality data on gig work and other forms of non-standard employment inform the implementation of such policies.

Governments around the world are beginning to respond to the precarious working situations of many gig workers and the way in which some people turn to the gig economy in the absence of social assistance. For example, the UK's *Taylor Report* was a national review on gig work and resulted in a series of recommendations for the government to develop legislation and guidance, and to set out tests to determine employee and dependent contractor status.²⁴⁸ This should better reflect the realities of platform work to ensure that it does not conflict with national minimum wage legislation, while providing clarity on worker status and what rights an individual has while performing platform work.²⁴⁹ In France, Uber drivers have been classified as employees,²⁵⁰ which could require the company to pay additional taxes, benefits, and paid holidays.²⁵¹ This occurred under the context of larger discussions to investigate the status of platform workers with the possibility of a third category of worker that is neither a salaried employee nor self-employed.²⁵² Nonetheless, an EU report suggests that, "Very few countries have taken legislative measures to address the labour and social protection of (self-employed) platform workers."²⁵³

²⁴³Speech from the Throne 2020, quoted in: <https://ipolitics.ca/2020/09/29/the-cerb-is-over-but-experts-say-it-could-shape-future-policy/>

²⁴⁴"Budget 2021: A Recovery Plan for Jobs, Growth, and Resilience," Government of Canada, <https://www.budget.gc.ca/2021/pdf/budget-2021-en.pdf>

²⁴⁵"Backgrounder: Gig workers and digital platform workers," Employment and Social Development Canada, March 18, 2021, <https://www.canada.ca/en/employment-social-development/corporate/portfolio/labour/programs/labour-standards/consultation-right-to-disconnect-and-gig-work/backgrounder-gig-work.html>

²⁴⁶Jordann Thirgood, "What if you could take it with you?" Mowat Centre, Jun 27, 2017, <https://munkschool.utoronto.ca/mowatcentre/what-if-you-could-take-it-with-you/>

²⁴⁷Craig Kielburger, "I was a basic income skeptic until the COVID-19 pandemic," WE Charity, <https://www.we.org/en-CA/we-stories/opinion/i-was-a-basic-income-skeptic-until-the-covid-19-pandemic>

²⁴⁸KD Ewing and Lord Hendy, "Covid-19 and the Failure of Labour Law: Part 1," *Industrial Law Journal*, December 2020, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7799046/>

²⁴⁹Helen Kay, "What next for the gig economy - 'dependent contractors'?" July 12, 2017, <https://hmklegal.co.uk/what-next-for-the-gig-economy-dependent-contractors/>

²⁵⁰Mathieu Rosemain and Dominique Vidalon, "Top French court deals blow to Uber by giving driver 'employee' status," Reuters, March 2, 2020, <https://www.reuters.com/article/us-uber-court-idUSKBN20R23F>

²⁵¹Marten Maanis, "Uber drivers considered as employees in France, court rules," *Inhouse Legal*, March 6, 2020, <https://inhouse-legal.eu/public-policy-regulations/uber-france/>

²⁵²"France: French Supreme Court Says Uber Drivers Are Employees!" *Souliers Avocats*, April 29, 2020, <https://www.mondaq.com/france/contract-of-employment/925062/french-supreme-court-says-uber-drivers-are-employees>

²⁵³Harald Hauben, Karolien Lenaerts, Willem Wayaert, "The platform economy and precarious work," European Parliament, September 2020, [https://www.europarl.europa.eu/RegData/etudes/STUD/2020/652734/IPOL_STU\(2020\)652734_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2020/652734/IPOL_STU(2020)652734_EN.pdf)

SECTION II: PLATFORM WORK & THE GIG ECONOMY

WORKER CLASSIFICATION AND PLATFORM REGULATION

Providing government-supported benefits to workers is one way to limit precarity; another is to mandate that companies provide these benefits themselves, which inevitably returns to the topic of gig worker classification. The most high-profile gig work conflict in recent years involved Proposition 22—a November 2020 California ballot initiative—which determined that gig workers would remain classified as independent contractors.²⁵⁴ In April of 2021, however, the Biden administration announced that it would “explore forcing companies across the country to reclassify their workers.”²⁵⁵ Legislative responses to the gig economy are taking place in other countries as well. In February 2021, the United Kingdom’s Supreme Court dismissed an Uber appeal against rulings that classified UK Uber drivers as employees.²⁵⁶ Such claims have also been overruled in Spain and Italy. In the latter, companies were fined \$892 million USD for contravening labour laws.²⁵⁷ In early 2021, the European Commission ran a consultation with unions and employers on “how to improve working conditions for digital platform workers,”²⁵⁸ in part because platform work has grown so much recently (an estimated 11% of EU workers have

“provided services through a platform”).²⁵⁹ The EU has said that it will create a legislative initiative for this work before the end of 2021.

Worker classification faced similar controversy in Canada, most notably when workers of delivery company Foodora unionized, and Foodora subsequently shut down its Canadian operations. Beyond the Foodora dispute, gig worker classification has not taken central stage in Canada. Nevertheless, it is likely that in the coming years, Canadian courts will be required to make decisions regarding the status of gig workers. When this happens, the determination in Canada may differ from other countries. While most countries classify workers as either employees or independent contractors, Canadian law written in the 1970’s defines a third category of worker: dependent contractors, defined as “independent businesses [that are] often almost wholly dependent on the patronage of a larger company.”²⁶⁰ Dependent contractors are given many of the protections conferred on employees, including a minimum wage and collective bargaining rights. In fact, this third category is how the Ontario Labour Relations Board classified Foodora workers, which allowed them to unionize (setting Canadian precedent).²⁶¹

²⁵⁴“Proposition 22” State of California, 2020, <https://voterguide.sos.ca.gov/propositions/22/>

²⁵⁵Rich Duprey, “Biden Administration Mulls Reclassifying Independent Gig Workers as Employees Nationally,” Nasdaq, May 3, 2021, <https://www.nasdaq.com/articles/biden-administration-mulls-reclassifying-independent-gig-workers-as-employees-nationally>

²⁵⁶Natasha Lomas, “Uber loses gig workers rights challenge in UK Supreme Court,” Tech Crunch, February 19, 2021, <https://techcrunch.com/2021/02/19/uber-loses-gig-workers-rights-challenge-in-uk-supreme-court/>

²⁵⁷“EU takes step to help ‘gig’ economy workers,” Deutsche Welle, February 24, 2021, <https://www.dw.com/en/eu-takes-step-to-help-gig-economy-workers/a-56682028>

²⁵⁸Ius Laboris, “European Union: EU Launches Gig Economy Consultation,” Mondaq, March 2, 2021, <https://www.mondaq.com/employee-rights-labour-relations/1041092/eu-launches-gig-economy-consultation>

²⁵⁹Ibid.

²⁶⁰Miriam Cherry and Antonio Aloisi, “‘Dependent Contractors’ in the Gig Economy: A Comparative Approach,” Saint Louis U. Legal Studies Research Paper No. 2016-15, Oct 8, 2016, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2847869

²⁶¹Bethany Hastie, “What CUPW v Foodora Reveals for the Future Litigation in Uber v Heller,” Canadian Law of Work Forum, July 6, 2020, <https://lawofwork.ca/hastie-uber/>

SECTION II: PLATFORM WORK & THE GIG ECONOMY

Beyond the issue of worker classification, some policies have targeted worker pay directly. For example, in New York City, minimum standards for driver pay began in 2019. Estimates suggest these standards “raised driver pay [by 9%] without significantly dampening growth in trip volume.”²⁶² Another area in which some governments have regulated gig platforms is user data. For example, a 2019 bill passed in Quebec mandated that taxis and rideshare apps must share data with municipal governments.²⁶³ Some interviewees supported such initiatives:

“Shouldn't municipal governments have access to that same data? Shouldn't drivers have some negotiating rights over that data? And what's the role of government? In the world of the digital economy and the future of work, that needs a lot more attention.” – Bama Athreya, Economic Inequality Fellow, Open Society Foundations

The Future of Gig Work

As more literature on the gig economy emerges, it is worth remembering that gig work is only one of the shifts in work practices and relationships. It is, however, particularly worth paying attention to, as it is emblematic of many shifts that are occurring in the world of work: digitization, precarity, enhanced flexibility, more short-term and task-based work, and economic concentration. The importance of paying attention to the gig economy is emphasized by the fact that it poses new questions for many traditional work relationships, businesses, policies, and norms. This is even further complicated due to the difficulty of finding comprehensive or standardized data regarding the gig economy. These questions demand collaboration between policymakers, workers, gig platform companies, and researchers in creating a future where digitization enhances productivity and health, enhanced flexibility does not come at the expense of worker vulnerability, short-term and task-based work is valued appropriately, and economic gains are shared by all.

²⁶²Dmitri Koustas, James Parrott and Michael Reich, “New York City’s Gig Driver Pay Standard: Effects on Drivers, Passengers, and the Companies,” December 2020, <https://irle.berkeley.edu/files/2020/12/NYC-gig-driver-pay-standard-December-8-2020.pdf>

²⁶³Justin Ling and Joseph Cox, “Quebec Will Force Uber to Share Your Trip Location Data,” Vice, November 19, 2019, <https://www.vice.com/en/article/wjw3yz/quebec-will-force-uber-to-share-your-trip-location-data-bill-17>

SECTION III: PREPARING FOR A DYNAMIC WORLD OF WORK

While we continue to adjust to the rapid changes and disruptions that have been spurred by the pandemic, many questions regarding the future of work remain unanswered. The unprecedented economic damage and forced migrations to remote and flexible work have transformed work models and environments, but it is unclear if these are permanent changes. The following section considers ways to prepare for a future of work that appears to be more dynamic than ever.



SECTION III: PREPARING FOR A DYNAMIC WORLD OF WORK

Previous predictions regarding remote work and gig work have overestimated their impact,²⁶⁴ and even as the world prepares for a post-pandemic environment, employees and employers remain uncertain as to what workplace changes will endure. Undoubtedly, elements of remote work will continue, and workplaces will become increasingly flexible, but some inherent limitations have also made many people eager to return to the office. Similarly, gig work has continued to be an area of public interest and media coverage: it has featured prominently, given the economic crisis, precaritization of work, increasing inequality, health and safety issues, and the role of “essential workers” in maintaining a functional economy and society. However, while the pandemic has spotlighted informal and quasi-independent workers, little progress has been made in terms of understanding the scale of their participation, clarifying worker classification, addressing the role of government in adapting to gig work, or determining how gig work fits into the modern economy. While there is growing awareness of the challenges that gig workers face (as well as their increasing role in the economy), governments have yet to find and implement meaningful solutions for these challenges. Given these many questions, gig and remote work continue to demand further research.

Despite these questions, however, a few things seem clear: work is becoming increasingly flexible in many ways, the future of work is influenced by many factors other than technology, and precarity and inequality will be critical challenges as work continues to evolve. A concerted effort to account for these trends could provide an opportunity for policymakers, industry, and workers to position Canada as a leader in shaping the future of work. The following considerations could help shape an effective, inclusive, and productive future of work.

Build on existing federal consultations²⁶⁵ with gig workers, worker representatives, and those considering gig work to determine how federal decisions on employee classification might impact these populations. Additionally, **workers, employers, and government should continue to maintain dialogue on improving non-standard working arrangements.** This will be particularly relevant given the higher proportion of marginalized populations—especially people with disabilities—performing gig work.

To ensure that internet connectivity does not limit access to quality employment, **build on the proposed roll-out of the Universal Broadband Fund²⁶⁶** by making internet access more affordable, for example by expanding the Connected Families program²⁶⁷ and by reconsidering the CRTC’s decision not to limit wholesale internet rates.²⁶⁸

²⁶⁴Lawrence Katz and Alan Krueger, “Understanding Trends in Alternative Work Arrangements in the United States,” National Bureau of Economic Research, January 2019, <https://www.nber.org/papers/w25425>

²⁶⁵Government of Canada launches consultations to ensure labour protections meet new realities of working Canadians,” Employment and Social Development Canada, March 18, 2021, <https://www.canada.ca/en/employment-social-development/news/2021/03/government-of-canada-launches-consultations-to-ensure-labour-protections-meet-new-realities-of-working-canadians.html>

²⁶⁶“Universal Broadband Fund,” Innovation, Science and Economic Development Canada, April 23, 2021, https://www.ic.gc.ca/eic/site/139.nsf/eng/h_00006.html

²⁶⁷“Connecting Families,” Innovation, Science and Economic Development Canada, November 22, 2019, <https://www.ic.gc.ca/eic/site/111.nsf/eng/home>

²⁶⁸David Paddon, “CRTC scraps plan to mandate lower wholesale internet rates,” CBC News, May 27, 2021, <https://www.cbc.ca/news/business/crtc-fibre-internet-1.6043109>

SECTION III: PREPARING FOR A DYNAMIC WORLD OF WORK

As non-standard forms of work continue to grow, **ensure that existing employment supports such as EI are accessible to all workers.** Additionally, **support access to benefits for gig and non-standard workers**, for example by providing statutory minimum benefits to non-standard workers and making it easier for non-standard workers to receive maximum Old Age Security payments.²⁶⁹

Establish common definitions and continuous measurements of non-standard work and in particular gig work, ideally among government, labour researchers, and platform companies. The timely and accurate collection of this data will allow for cross-provincial comparisons and trend analysis, all of which is needed to ensure that future employment policy is evidence-based and addresses critical needs.

Ensure tax codes and collections systems are up to date and function effectively given new work trends, for example, by continuing the “temporary flat rate method”²⁷⁰ of home office tax rebates used in 2020. This could also include increasing public awareness of the taxability of income from informal work, which necessitates record keeping and tax filing, and working with gig platforms to facilitate income taxation of their workers.

Support workers transitioning to remote work environments by standardizing (business and public sector) policy regarding mental health, the “right to disconnect,” and remote working standards. Similarly, on the part of both businesses and the public sector, **maintain clear communication with workers regarding remote work expectations** and plans post-pandemic.

²⁶⁹“Benefits: Access and portability - Issue paper,” Employment and Social Development Canada, January 2019, <https://www.canada.ca/en/employment-social-development/corporate/portfolio/labour/programs/labour-standards/reports/issue-paper-benefits-access-portability.html>

²⁷⁰“Simplifying the process for claiming a deduction for home office expenses for employees working from home due to COVID-19,” Canada Revenue Agency, December 15, 2020, <https://www.canada.ca/en/revenue-agency/news/2020/12/simplifying-the-process-for-claiming-a-deduction-for-home-office-expenses-for-employees-working-from-home-due-to-covid-19.html>

CONCLUSION

From the agricultural revolution to the industrial revolution and the advent of the internet, combined developments in technology and work have had immense, transformational impacts on our world. While issues such as tax rebates for remote offices and customer review systems for gig workers do not scream “societal upheaval,” the combined effects of these and other developments—and their rapid pace—deserve keen attention. For too long, in Canada and elsewhere, this attention has been lacking, but the tide may be turning. With growing uncertainty and a concern that changing forms of work are reaching a breaking point, governments, workers, and employers alike have begun to seriously plan for and monitor changes in work.

This report is one of an increasing number of efforts to better prepare Canadians for the future of work by bringing a unique Canadian perspective to the topic. Efforts to survey Canadian attitudes toward gig and remote work have been rare and constitute only a portion of what is relevant to the future of work. Continued attention should be paid to changing labour relations, demographics, globalization, the sharing economy, automation, and the effect of all of these on work. Specifically, it is important to understand and mitigate the differential effects of these changes (and gig and remote work) on people in low-wage roles, people who perform work that is subject to automation, people who have been historically marginalized, and people who face barriers to work and education.

Investigation into these dimensions of the future of work highlights three key findings. First, flexibility will be a key component of the future of work (in part because of worker demand), and allowing for enhanced flexibility will require effective policy and practices. Second, the future of work is not solely the result of technological development. For gig work especially, technological development is a single component of multiple converging forces that are influencing work. Third, navigating precarity and inequality will be essential if future working environments and relationships are to succeed.

As the pandemic has shown, forward-looking research on broad topics such as these will invariably face uncertainty. What is certain, however, is that the future of work is not a distant phenomenon. It is time to realize our power over our own future of work.

APPENDICES

I. Research Methodology

A combination of primary and secondary research methods was used in this report. Secondary research consisted of a narrative literature and data review, designed to provide scope and context for other research methods. This review focused on the future of work in Canada, and on recent developments in the future of work (particularly in relation to gig work, remote work, and the COVID-19 pandemic).

Primary research methods included: 1) A 1507-person Canadian survey of work trends, attitudes, and motivations, 2) 19 key informant interviews with subject matter experts, public sector/NFP stakeholders, researchers and industry leaders in gig work, labour, and technology companies, and 3) Web scraping for larger national trends. In addition, an advisory committee comprising of 15 subject matter experts from industry, academia, worker representatives, and freelancers supported this work. The advisory committee met three times throughout the course of the project, providing additional feedback and guidance, as well as validated research findings.

SURVEY

The survey consisted of 505 people who identified as gig workers, 500 remote workers, and 502 people considered to represent the “general” Canadian population. This population was weighted cross age groups, province, and gender. Respondents were considered gig workers if they answered affirmatively to the question “Are you a gig economy worker, who uses apps, websites or platforms to source or perform work, even if only

for some of your income (i.e. Uber, SkipTheDishes, Taskrabbit, etc)?” People were considered remote workers if they reported working from home and having worked from home prior to the pandemic. When considering survey results detailed in this report, it is worth noting that this survey was carried out during an unusual and perhaps transitory period. As such, this should be viewed as a snapshot in time of a dynamic period rather than being necessarily representative of all future remote work.

REMOTE WORKERS IN SURVEY DATA

The worker study primarily focuses on those who are currently working remotely and also worked remotely before the pandemic began (n=500). This population represents an estimated 6% of Canadian workers.²⁷¹ The purpose of focusing on those who worked remotely before the pandemic was to identify those who choose to work remotely, rather than those who were forced to as a result of the pandemic. This population was surveyed because those who chose to work remotely before the pandemic are more likely than other populations to share similarities with those who will choose to work remotely once the pandemic is over. At times, the report also refers to workers who began remote work as a result of the pandemic (n=207; a subset of the “general population” respondents). This population represents an estimated 44% of Canadian workers.²⁷² Demographics and attitudes vary between these groups. When remote workers are mentioned, the reader should assume that this is in reference to “remote pre-pandemic,” unless it is explicitly stated otherwise.

²⁷¹ “Work at home or live at work: the complexities of new working arrangements,” Environics Institute, Future Skills Centre, Diversity Institute, April 2021, <https://fsc-ccf.ca/research/work-at-home-or-live-at-work-the-complexities-of-new-working-arrangements/>

²⁷² Ibid.

APPENDICES

SURVEY SAMPLING AND RESPONDENT DISTRIBUTIONS

About 19% of respondents lived in Greater Toronto Area, 10.4% of respondents in Montreal Census Metropolitan Area, and 9.4% of respondents in Metro Vancouver. About 53% of respondents were male, 47% were female. Of gig economy respondents, 59% were male, while 41% were female. Of remote worker respondents, 49% were male and 51% were female. About 48% of respondents lived in urban areas and 49% had university or advanced degrees. About 79% were born in Canada, and 71% were Caucasian. Geographic and age distributions of respondents are displayed in figure 17 and 18.

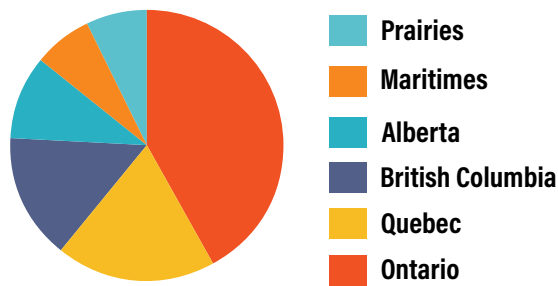


Figure 17. Geographic distribution of ICTC survey respondents

WEB SCRAPING

Web scraping was leveraged to look for large-scale patterns and insights that could be gathered from job postings across various websites. This involved search terms related to contract or limited term work, jobs that could be done remotely, and gigs. Ultimately, this revealed the use of common software skills expected for remote workers and provided information regarding job postings that have grown in recent months (such as trainers, tutors, and educators).

KEY INFORMANT INTERVIEWS

A total of 19 key informant interviews were completed with industry experts, public sector representatives, and researchers related to the future of work. Interviewees were senior representatives of their organizations capable of speaking to topics like remote work, gig work, precarious employment, government policy and larger economic trends. These interviews examined future of work trends in depth and were used to help validate findings in this paper.

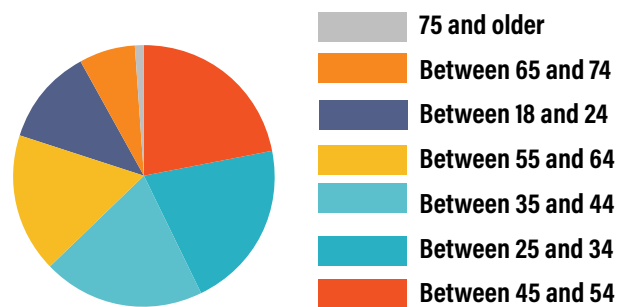


Figure 18. Age distribution of ICTC survey respondents

APPENDICES

II. Limitations of Research

This study faces limitations that are standard to those involving online surveys. Online surveys do not capture information from those who do not have access to (or do not use) the internet, potentially biasing survey results (however, most people who are remote or gig workers require the internet to perform their work). Despite weighting, survey samples may not be perfectly representative of the populations that they represent. One example is that online survey completion is sometimes considered a form of gig work, which could mean that this survey features a greater proportion of “survey gig workers” than is found in a cross-section of the Canadian gig worker population.

As a multi-faceted, complex event, it is difficult to assess the causality of various pandemic related impacts. Some patterns or findings in this report that are currently attributed to the pandemic may in fact be the result of other simultaneous shocks.