Family Incomes Have Declined

Between 1991 and 1996 real disposable income per head declined by 0.7% per year (CLMPC, 1997). Average family income also declined during the first half of the 90's. In 1990 the average family income in Canada was $57,300 (in 1995 dollars). In 1995 this had dropped to $54,600, a decline of 5% (Rashid, 1998). It is interesting to note that the costs of raising children increased during this same time period (Scott, 2000).

Women's Incomes Are Now More Important to The Financial Security of the Household

Women's incomes are more important than ever to the financial security of Canadian households. In nearly half of all Canadian families, women's earnings make up 25% to 49% of the families' income. In one in four families, women's incomes contributed half or more of the family income (Vanier Institute, 1997). Without these earnings the low income rate among dual-income families would have more than tripled in 1996 (Statistics Canada, October, 1998).

2.2 Economic Forces

Concomitant to these social and demographic trends has been an unprecedented rate of environmental change for organizations. Betcherman et al. (1996) identified three environmental forces which drove the strategic response of Canadian organizations throughout the '90s. First was a competitive pressure resulting from a change both in the degree of competition (increasing domestically and internationally), and in the nature of competition (a shift from high-volume, standardized output to specialized "niche" products and services). Second was the rapid proliferation of computer-based technologies, and the upward pressure this growth placed on employee skills and training needs. Third was the increasing complexity of the regulatory framework governing HR issues, including more stringent standards related to human rights, harassment, gender-neutral workplaces, equity, employment insurance, and health and safety. Combined, these forces have forced Canadian businesses to rethink how they position themselves in the marketplace, how they do business, and how they manage their people.

The following dimensions of this issue are relevant to the issue of work-life balance and as such are covered in more detail below: downsizing and restructuring, growth in non-standard forms of work job insecurity, technological change, time in work, the polarization of work hours and corporate inertia.

Downsizing and Restructuring

At the outset of the 1990s the Canadian business climate was battered by a combination of factors that produced record high level of bankruptcies, declining employment and rising unemployment. Factors that had a negative effect on the economy included (among other things) high interest rates, a high exchange rate for the Canadian dollar vis-a-vis the U.S. dollar, the introduction of the Canada-U.S. Free Trade Agreement and the slowdown in the U.S. economy (Stone and Meltz, 1993).

These changes in the Canadian economy and the need to complete globally led many Canadian organizations (public, private and not-for profit) to down and right size aggressively throughout the late 80s and the 90s. During this same time period layoffs burgeoned and the