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Understanding public–private sector differences in work absences

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- | | |
|----------------|--|
| . | not available for any reference period |
| .. | not available for a specific reference period |
| ... | not applicable |
| 0 | true zero or a value rounded to zero |
| 0 ^s | value rounded to 0 (zero) where there is a meaningful distinction between true zero and the value that was rounded |
| P | preliminary |
| r | revised |
| X | suppressed to meet the confidentiality requirements of the <i>Statistics Act</i> |
| E | use with caution |
| F | too unreliable to be published |
| * | significantly different from reference category ($p < 0.05$) |

Understanding public–private sector differences in work absences

by Sharanjit Uppal and Sébastien LaRochelle-Côté

Overview

Absences from work can be expressed in terms of days lost per year, on the basis of Labour Force Survey data. This brief analysis provides an update on work absences for 2012, and discusses the factors explaining the differences between private and public sector employees.

- In 2012, full-time workers took 7.6 days off on average because of illness or disability and another 1.6 days off because of personal or family responsibilities, for a total of 9.3 days.
- Among full-time employees, those in the private sector took 8.3 days off on average, while those in the public sector took 12.4 days.
- Differences in union coverage, and the higher proportion of older and female workers explained about 80% of the gap in absences between public and private sector employees.
- Some differences in work absences could be found across occupational categories, but did not explain public–private sector differences.

Introduction

Over the course of a year, many Canadians need to take time off from work due to sickness or to attend to a sick child. Such absences, which do not include vacation, or maternity and parental leave, can be influenced by personal factors, job characteristics and employment conditions. As a result, some workers take more leave than others.

In Canada, work absences can be tracked by using data from the Labour Force Survey (LFS). The LFS has the advantage of distinguishing between various types of work absences, meaning that ‘personal’ absences (for illness or disability and personal and family responsibilities) can be distinguished from other types of absences, for example, vacation and maternity or parental leave.

In view of the above, this short paper introduces data on work absences due to personal reasons for 2012. It also looks at differences between private and public sector employees.

Calculating work absences

When survey respondents report themselves as employed in the LFS, information is collected on whether they were absent from work, and, if so, for how long. Because the LFS also collects information on the main reason for being absent (see *Data source, methods and definitions*), absences that are due to illness, disability or personal reasons (excluding parental and maternity leave)¹ can be separated from other types of absences to derive three key measures of personal work absences.

The first of these measures is the ‘incidence rate’—defined as the percentage of full-time paid workers that were absent during the survey reference week. For example, in 2012, 8.2% of full-time workers were absent (for personal reasons) at some point during the reference week. Of these, 5.9% said they were absent because of illness or disability and 2.3% were absent because of personal or family responsibilities.

However, the incidence rate does not take the length of the absence into account. This is important, as workers may be absent only for a few hours, for instance because

of a medical appointment. To take length of absence into account, another measure—the ‘inactivity rate’—is calculated. It is defined as the number of hours lost as a proportion of the usual weekly hours worked by full-time workers. In 2012, 3.7% of hours were lost due to absences in a typical week—3.0% because of illness or disability, and 0.7% because of personal or family responsibilities.

The last, and perhaps most widely used, measure is the average number of days lost per worker per year. This can be obtained by multiplying the inactivity rate by the number of working days in a year. Thus, in 2012, an average of 9.3 days (0.037 X 250 days) were lost—7.6 to illness or disability, and 1.6 to personal or family responsibilities.^{2,3}

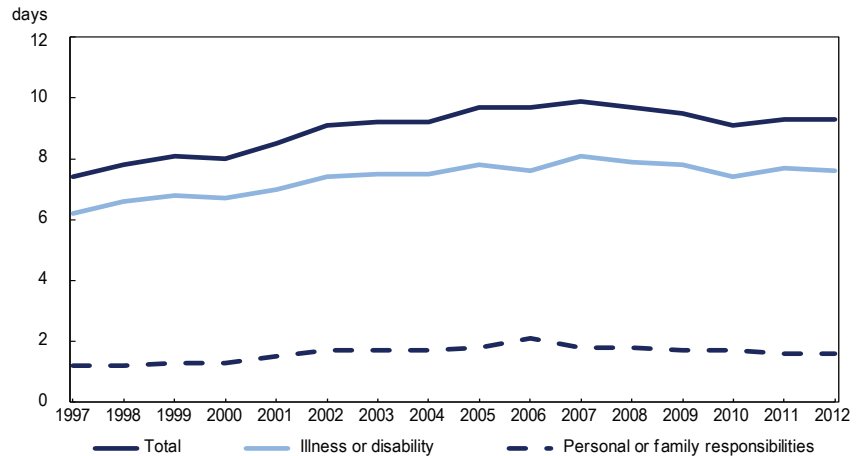
Few changes in work absences between 2011 and 2012

All three measures of work absences changed little between 2011 and 2012. However, the 2012 figures (9.3 days lost per year) were higher than in 1997, when the average number of days lost was 7.4 days per worker per year. Most of the increase, however, took place in the late 1990s and early 2000s (Chart 1).

As previous reports have shown, absences vary across personal characteristics.⁴ In general, men had fewer absence days than women (7.6 days versus 11.4 on average in 2012) (Table 1). Older employees aged 55 to 64 took more days off (12.4) than younger ones under age 25 (6 days on average).

Absences also vary across job characteristics. For instance, workers belonging to a union or covered by a collective agreement took more time off on average than non-unionized employees (12.9 versus 7.5 days). Public sector employees—who are more likely to be unionized, older and female—

Chart 1 Days lost per worker per year remained relatively stable in recent years



Note: Illness or disability, and personal or family responsibilities might not add up to total due to rounding.
Source: Statistics Canada, Labour Force Survey, 1997 to 2012.

were also likely to take more time off (12.4 days) than private sector employees (8.3 days), leading to a gap between public and private sector employees equal to 4.1 days in 2012.

In most categories, the number of days lost per worker changed little between 2011 and 2012. However, when the numbers are compared to 1997, the number of days lost increased in all categories. In the private sector, for instance, absences increased from 6.7 to 8.3 days over the period, while it increased from 9.8 to 12.4 days in the public sector. In both cases, absences due to illness or disability accounted for most of the increase.

Differences between public and private sector employees

In 2012, full-time workers in the private sector took 8.3 days off on average (6.7 for own illness or disability plus 1.5 for personal or family responsibilities). In contrast, full-time workers in the public sector

took 12.4 days (10.5 days for illness or disability and 2.0 days for personal or family responsibilities).⁵

Within the public sector, federal government employees took an average of 14.9 days off in 2012. Of these, 11.4 days were due to illness or disability (compared with 6.7 days in the private sector), with 3.5 due to personal or family responsibilities. The total number of days lost may have changed little from 2011, but, since 1997, the number of days lost rose by about 5 days among federal employees.

Among provincial government employees, absences increased noticeably in 2012, with the number of days lost rising to 14.6—up from 11.9 in 2011—mainly because of absences related to illness or disability. By way of comparison, provincial government employees took 5.8 fewer days off in 1997.⁶

Some contributing factors are often cited to explain differences between private and public sector employees. The first explanation relates to age and gender differences, as female

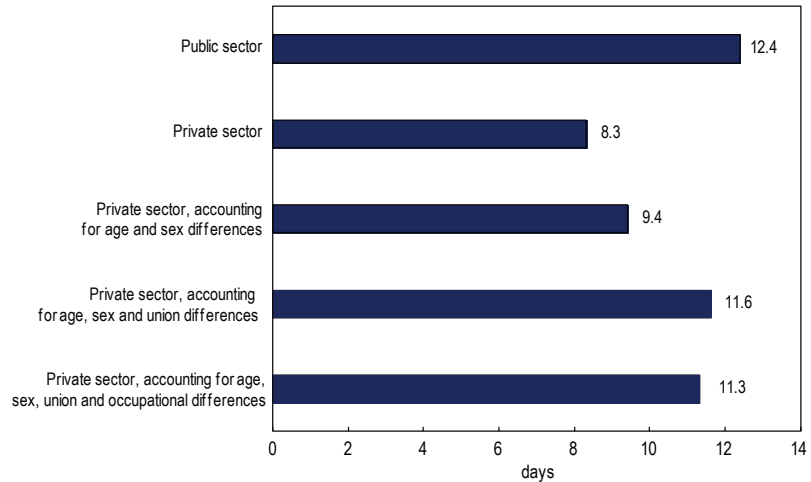
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and older employees—who are more likely to work in the public sector—tend to take more time off. This is not necessarily unexpected, as women often take on more family responsibilities, and older individuals are more likely to be sick.

The second explanation relates to differences in collective bargaining. Because 76% of public sector workers (2.1 million full-time employees) are union members or covered by a collective agreement, many of these are entitled to a predetermined number of sick and personal days in a given year. In comparison, 19% of private sector employees (1.6 million workers) are union members or covered by a collective agreement. In 2012, unionized workers in the public and private sector lost 13.6 and 11.9 days, respectively, compared with 8.7 and 7.4 days among their non-unionized counterparts.

The third explanation relates to occupational differences. Some occupations may be more exposed

Chart 2 Union coverage, age and sex differences account for most of the difference in days lost between public and private sector employees



Source: Statistics Canada, Labour Force Survey, 2012.

to illness (for example, health occupations) or more prone to injury, and these may be found in either sector.

In 2012, the overall difference in the average number of days between private and public sector employees was 4.1 days (12.4 days in the public

Table 1 Average days lost per worker per year across several characteristics, 1997, 2011 and 2012¹

| | 1997 | 2011 | 2012 |
|---|------------|------------|------------|
| | days | | |
| Both sexes | 7.4 | 9.3 | 9.3 |
| Men | 6.3 | 7.7 | 7.6 |
| Women | 9.1 | 11.4 | 11.4 |
| Age group | | | |
| 15 to 19 | 4.6 | 6.5 | 6.0 |
| 20 to 24 | 5.0 | 5.9 | 6.1 |
| 25 to 34 | 6.2 | 7.8 | 7.9 |
| 35 to 44 | 7.6 | 8.8 | 9.0 |
| 45 to 54 | 8.9 | 10.3 | 10.2 |
| 55 to 64 | 10.9 | 13.2 | 12.4 |
| 65 and over | F | 10.2 | 10.5 |
| Union coverage | | | |
| Union member or covered by collective agreement | 10.7 | 13.2 | 12.9 |
| Non-unionized | 5.6 | 7.5 | 7.5 |
| Sector | | | |
| Public | 9.8 | 12.9 | 12.4 |
| Private | 6.7 | 8.2 | 8.3 |

F too unreliable to be published

1. Excluding maternity leave. However, men on paid paternity (in Quebec only) or parental leave are included in the calculation until 2006.

Note: Other personal and job characteristics are available in CANSIM tables 279-0029 to 279-0039.

Source: Statistics Canada, Labour Force Survey, 1997, 2011 and 2012.

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sector versus 8.3 in the private sector). If private sector employees had the same age profile, a similar share of women and similar union coverage, and were distributed across occupational categories the same way, would they still differ from public sector employees?⁷

When age and sex differences were accounted for, the number of days lost to personal absences among private sector employees rose to 9.4

(Chart 2). Furthermore, when union differences were also accounted for, the number of days lost in the private sector rose to 11.6. This suggests that if private sector employees had similar union, gender and age characteristics as their counterparts in the public sector, the private–public difference in the number of days lost would be 0.8 instead of 4.1—explaining about 80% of the gap. Because occupational

differences contributed very little to private–public sector differences,⁸ the larger number of absences in the public sector was therefore mainly associated with greater union coverage (accounting for about 55% of the overall difference) and a larger proportion of women and older workers (about 25%).⁹

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Reference

Dabboussy, Maria and Sharanjit Uppal. 2012. “Work absences in 2011.” *Perspectives on Labour and Income*. Vol. 24, no. 2. Summer. Statistics Canada Catalogue no. 75-001-X.

Notes

1. Before 1997, data were not collected on maternity leave and were compiled as personal leave. Information on other forms of parental leave (i.e., men on parental leave) have been collected separately since 2007 but have little impact on the overall results.

2. Some human resource practitioners exclude workers on long-term illness or disability leave (exceeding one year) from their attendance management statistics. These workers are, however, included in Statistics Canada’s work absence estimates if they consider themselves employed. Excluding them from the estimates would have reduced the weekly work absence incidence for illness or disability from 5.9% to 5.6%, the inactivity rate from 3.0% to 2.8%, and days lost per worker that year from 7.6 to 7.0 days.

3. All three measures of absence rates are available in CANSIM and provide separate results for absences due to illness and absences for personal reasons.

Absences across personal and job characteristics are available in CANSIM tables [279-0029](#) to [279-0039](#).

4. See [Dabboussy and Uppal \(2012\)](#) for the previous analysis based on 2011 data on work absences.

5. Even when workers on long-term illness or disability were excluded from the calculations, the difference between public and private sector employees changed little (3.6 days versus 4.1).

6. In addition to federal and provincial government employees, the public sector also includes employees of local governments and municipalities, Crown corporations, public schools, hospitals, and other publicly owned institutions like lottery corporations and liquor boards.

7. To address this question, an ordinary least squares (OLS) regression was estimated for the private sector population with the number of days lost as the dependent variable, and age groups, female, union coverage

and occupational categories used as independent variables. A counterfactual estimate for the private sector was then derived with the coefficient results and public sector population shares.

8. The effect of occupations in the public sector that are typically associated with longer absences—like health care occupations—was more than compensated for by the effect of private sector occupations that are also associated with longer absences (such as trades, transport and equipment operators, and occupations unique to processing, manufacturing and utilities).

9. Temporary workers also typically tend to take fewer days off than permanent workers. However, adding a job permanency variable in the model did not change the results because both the private and public sector have about the same share of permanent workers (approximately 90%). Since they are correlated with age, adding job tenure variables reduced the explanatory power of age but did not increase the explained portion of the gap.

Data sources, methods and definitions

Data source and methods

The data in this article are annual averages from the Labour Force Survey (LFS). They refer to full-time employees holding only one job (excluding the military). Part-time, self-employed and unpaid family workers are excluded because they generally have more opportunities to arrange their work schedules around personal or family responsibilities. Multiple-job holders are also excluded because it is not possible, using LFS data, to allocate time lost, or the reason for it, to specific jobs. Women on maternity leave have also been excluded since 1997. However, men on parental leave (which represent a minimal proportion of absences) are included in the calculation until 2006.

This work absence report includes the following reasons:

- own illness or disability
- caring for own children
- caring for older relative (60 years or over)
- other personal or family responsibilities

The first category relates to absences due to illness or disabilities referred to in the report, while the other three reflect absences due to personal or family responsibilities. Absences comprise both paid and unpaid absences.

The LFS also collects data on the following types of absences, which are not addressed in this report:

- maternity leave (since 1997)
- parental leave for men (since 2007)
- vacation
- labour dispute (strike or lockout)
- temporary layoff due to business conditions
- holiday (legal or religious)
- weather
- job started or ended during week
- working a short time (for example, because of material shortages, plant maintenance or repair)
- other

Definitions

Incidence of absence: percentage of full-time paid workers reporting some absence during the reference week. In calculating incidence, the length of work absence—whether an hour, a day, or a full week—is irrelevant.

Inactivity rate: hours lost as a proportion of the usual weekly hours of full-time paid workers. It takes both the incidence and length of absence during the reference week into account.

Days lost per worker: Inactivity rate multiplied by the estimated number of working days in the year (250).

Public sector employees: Employees in public administration at the federal, provincial, territorial, municipal, First Nations and other Aboriginal levels as well as in Crown corporations, liquor control boards, and other government institutions such as schools (including universities), hospitals and public libraries.