



GTA EMPLOYER SURVEY

# THE IMPACT OF COVID 19

Peel Halton



Workforce  
Development  
Group

2020

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# THE IMPACT OF COVID 19

## Executive Summary

While the COVID pandemic affected all of us and had an extraordinary impact on our economy, individual businesses and employment, the fall-out was experienced in diverse ways and to varying degrees. Different establishments had varying proportions of essential workers as well as varying capacities to shift to remote work or delivering their products and services on-line. As a result, the range of coping strategies open to an employer varied by the size of their operation and by their industry. And while employers pivoted to on-line platforms or reliance on more employees working from home in response to the pandemic, some of these adaptations will likely continue even after this crisis has passed.

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These are some of the findings from the 10th annual survey of employers carried out by the Peel Halton Workforce Development Group. The survey attracted over 700 employers, with an average response of 561 answers per question, from a cross-section of employers in Peel and Halton Regions, as well as from the surrounding areas. The survey sample of employers was skewed toward larger employers, with approximately 6% of Peel and Halton employers with 100 or more employees responding to the survey. The survey was carried out between mid-September and mid-October 2020.

According to a Statistics Canada survey, only four in ten businesses in Ontario were able to stay fully-operational throughout the lockdown that spanned the spring and summer months. Two industries that were most affected were Arts, Entertainment & Recreation (cinemas, gyms, galleries, spectator sports) and Accommodation & Food Services.

According to the PHWDG survey, employers differed significantly in the proportion of essential workers who made up their workforce. 29% of respondents had a workforce which consisted of 10% or fewer essential workers, while 43% had a workforce which was made up of 90% or more essential workers. Small firms (1-4 employees) had a smaller proportion of essential workers. Industries with a high proportion of essential workers included: Transportation & Warehousing; Manufacturing; Wholesale Trade; Health Care & Social Assistance; Food Services; and Retail Trade. The most common strategy made use of by employers in response to the lockdown was having employees work from home, followed by delaying any hiring. The third most common strategy was reducing the size of their workforce.

There was a strong correlation between industries that increased their workforces and that increased their wages, evidently a sign of increasing demand for their services. These industries were: Health Care & Social Assistance; Retail Trade; and Transportation & Warehousing. Yet these industries had wildly different outcomes among their subsectors.

Employers in Professional, Scientific & Technical Services were most likely to have their employees work from home, as did employers with 100 or more employees, while firms in Food Services and Retail Trade were least likely to rely on this strategy.

In terms of other actions undertaken, the most common response was making use of the Canada Emergency Wage Subsidy. Less than half of the respondents to the survey said they did not use this support, while the others said they used it a little or to a greater extent.

Employers were next asked about the post-pandemic period and whether they expected to allow more employees to work from home than was the case before the pandemic. A familiar pattern repeated itself: firms in Professional, Scientific & Technical Services as well as in Wholesale Trade were more likely to support continuing telecommuting; firms in Accommodation & Food Services, as well as in Retail Trade, were much less likely to consider more employees working from home.

There was a high degree of adaptation to the circumstance of employees working from home. For those employers who indicated that after the pandemic they would be allowing more employees to telecommute, the majority were taking steps to support this transition. When asked about such measures, two-thirds of these employers said they had already or were in the process of:

- Investing in enhanced technology services;
- Revising policies regarding health and safety;
- Instituting new practices to promote team cohesion and communications;
- Adopting flexible workhour arrangements.

On the other hand, only slightly more than a third were providing financial aid to support employees working from home.

As a result of the lockdown, employers were slightly more likely to have reduced their workforce, particularly among non-essential workers, according to the Peel-Halton survey, and employers' three month forecast for employment (in August) also slightly tilted towards a reduced workforce. This was especially the case for Arts, Entertainment & Recreation and for Food Services.

When asked about the composition of their workforce, while the net effect was a slight decrease, it was most pronounced in relation to permanent employees, consultants and temp workers, while there was an expectation that more contract workers would be hired.

Overall, employers indicated that the major challenge brought on by the pandemic was trying to manage through the uncertainty, both in terms of the pandemic itself as well as its impact on the economy. A second level of concerns related to dealing with the stress and mental health impacts on employees, as well as balancing health and safety measures with the need to generate revenue.

Moving forward, a clear majority of employers expect to place a greater reliance on on-line platforms and applications. A somewhat smaller plurality forecast that this will increase the skill requirements expected of workers, whereas slightly more employers disagree as opposed to agree that increased use of technology will reduce the demand for labour. However, among large firms (100 or more employees) a larger proportion do believe that this will reduce their labour needs.

In the aftermath of the lockdown and the changes brought about, more than half of employers felt that soft skills are now more important and at the same time that digital skills are also now more important. More than half of employers have placed more reliance on virtual interviews. A larger number (though less than half) were giving more weight to a job candidate's understanding of and adherence to health and safety procedures, as well as to their ability to work from home. On the other hand, most employers were not recruiting from a wider geographic area, even with the shift to more remote work, nor were employers relying more on external agencies to screen job candidates.

On average, most employers were managing their various HR functions. The one HR area which ranked highest in concern was addressing stress and mental health issues among employees.

The overall mood of employers is one of concern and worry. This is particularly the case among employers in the Arts, Entertainment & Recreation sector, the Food Services sector and among small establishments (1-4 employees). The only employer category which expressed a somewhat positive note was among the Professional, Scientific & Technical Services sector.

When asked to volunteer comments, a number of employers cited the on-going need for financial support while business activity remains slow or expressed concern about an uncertain future as well as about the challenges of recruiting workers.

The survey reveals the numerous adaptations that employers relied upon, from having employees work from home to making use of various technological supports to stay engaged with customers. There were also various impacts on employment and on HR practices. It is apparent that some of these changes will stay in place and be expanded upon. As in many other respects, when we return to normal, it will be a new and different normal.

The issue of working from home varied considerably by industry and by the proportion of workers which were essential and non-essential. There is considerable potential for this practice to continue even after the pandemic has passed, which will have considerable implications in a number of respects, including for employees, for commercial realty, for commuting, and for services that support workforce operating out of offices. This will require ongoing monitoring.





## Introduction

This survey represents the tenth year that the Peel Halton Workforce Development Group has administered an employer survey. In recent years, the survey has chosen specific workforce issues for its themes. This year, the obvious focus of the survey had to be the impact of the COVID pandemic, the lockdown and its aftermath on workforce practices of local employers.



The survey was administered between September 10 and October 16, 2020. This survey was distributed electronically through various channels such as social media (e.g., LinkedIn, Twitter), the PHWDB website, e-mail campaigns and PHWDG's community partners. The large number of responses which this survey generates is a reflection of the efforts of a large number of partners who send out the survey to their stakeholders and e-mailing lists.

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When asked about the composition of their workforce, while the net effect was a slight decrease, it was most pronounced in relation to permanent employees, consultants and temp workers, while there was an expectation that more contract workers would be hired.

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## Methodology

In total, 707 employers started the survey, but that number was reduced to 637 after the survey was “cleaned up” – surveys with no substantive answers were eliminated. As well, where respondents provided contact information, their response relating to their industry classification was checked and where necessary corrected. For the remaining questions that asked about responses to the pandemic and lockdown, the average number of respondents per question was 561.



When it comes to the analysis of the survey results, cross tabulation tables were created for each question, based on select groupings, such as employee size or industries, to compare responses.

The survey is not a random sample survey. It is based on which employers are contacted and which employers chose to respond to the survey. The survey sample is compared in its various characteristics (in particular, industry and size) to the distribution of all employers in the survey target area as one gauge of the degree to which the survey represents the universe of employers in Peel and Halton Regions. We also believe that the cross-tabulated comparisons provide insights into how the pandemic affected employers by industry and by size of establishment, as well as into the differences in the strategies they used to respond to the impact of the pandemic.

The survey is not a random sample survey. It is based on which employers are contacted and which employers chose to respond to the survey.



## Profile of Employers

Table 1 profiles the survey responses by industry. The table presents the actual number of survey responses by industry and the percentage share of the total survey population by industry to compare to the actual percentage distribution by industry of all establishments with employees in Peel and Halton Regions.

**Table 1: Distribution of survey respondents by industry**

	Survey number	Survey Percent	Actual Percent
Accommodation and Food Services	35	5.5%	5.1%
Administrative & Support, Waste Management	22	3.5%	4.2%
Agriculture, Forestry, Fishing and Hunting	3	0.5%	0.3%
Arts, Entertainment and Recreation	31	4.9%	0.9%
Construction	33	5.2%	8.4%
Educational Services	55	8.6%	1.2%
Finance and Insurance	23	3.6%	3.1%
Health Care and Social Assistance	66	10.4%	8.0%
Information and Cultural Industries	9	1.4%	1.1%
Manufacturing	91	14.3%	4.9%
Mining, Quarrying, and Oil and Gas Extraction	1	0.2%	0.0%
Other Services (except Public Administration)†	45	7.1%	7.2%
Professional, Scientific & Technical Services	84	13.2%	16.0%
Public Administration	15	2.4%	0.0%
Real Estate and Rental and Leasing	9	1.4%	3.3%
Retail Trade	47	7.4%	8.7%
Transportation and Warehousing	33	5.2%	20.6%
Utilities	5	0.8%	0.1%
Wholesale Trade	30	4.7%	6.3%
<b>TOTAL</b>	<b>637</b>	<b>100.0%</b>	<b>99.4%</b>

† Actual distribution of Peel and Halton employers from Statistics Canada, Canadian Business Counts, June 2020

† Such as automotive repair, hairdressing or dry-cleaning services



For many industry sectors, the proportionate share of the survey respondents rather closely matches the actual share present in Peel and Halton. There are, however, four sectors where there is a considerable difference:

- Arts, Entertainment and Recreation (4.9% of the survey responses compared to 0.9% of all employers);
- Educational Services (8.6% of the survey responses compared to 1.2% of all employers);
- Manufacturing (14.3% of the survey responses compared to 4.9% of all employers);
- Transportation and Warehousing (5.2% of the survey responses compared to 20.6% of all employers).

For the Accommodation & Food Services sector, the survey only attracted one employer from the Accommodation Services subsector. In order to categorize the responses accurately, for the rest of this analysis, this industry will be referred to as Food Services.

The top half of Table 2 compares the distribution of all survey respondents by number of employees and compares it to the distribution of all employers by size in Peel and Halton. Very small enterprises (1-4 employees) account for two-thirds (66.7%) of all establishments with employees in Peel and Halton, but a much smaller proportion of survey respondents, at 18.5%. Instead, survey respondents tend to represent larger firms, and the largest size category, 100 or more employees, accounts for a quarter (25.3%) of all survey respondents, whereas this category only accounts for 2.2% of all employers. However, for the sake of this survey, we feel there is a healthy distribution of responses by different size categories, allowing us to analyze deeper the differences in responses between employers.

**Table 2: Distribution of survey respondents by number of employees**

	Number of employees			
	1-4	5-19	20-99	100+
<b>TOTAL SURVEY</b>				
Actual number	54,403	18,112	7,299	1,784
Actual percent	66.7%	22.2%	8.9%	2.2%
Survey number	114	204	142	156
Survey percent	18.5%	33.1%	23.1%	25.3%
<b>SURVEY RESPONDENTS IN PEEL AND HALTON</b>				
Number	97	169	122	109
Survey as percent of actual in Peel and Halton	0.2%	0.9%	1.7%	6.1%

Actual distribution of Peel and Halton employers from Statistics Canada, Canadian Business Counts, June 2020

The second half of Table 2 shows the actual number of survey responses by size category which came from Peel or Halton only and then shows the proportion of those category which responded to this survey. Among firms with 20-99 employees in Peel or Halton, 1.7% responded to this survey and among firms with 100 or more employees, 6.1% answered the survey (that is, roughly one out of sixteen such firms).

Table 3 profiles the distribution of respondents by geography. For several years now, this survey has also been distributed to firms outside of Peel and Halton, although these two regions still account for around 80% of all respondents. This year, a much higher proportion of respondents were located in Mississauga and a much smaller share of responses came from Brampton. Otherwise, the distribution of responses by municipality in Peel and Halton rather closely matches the percentage distribution of employers across these two regions (last column of Table 3).

**Table 3: Distribution of survey respondents by municipality**

Municipality	SURVEY		Actual in Peel/Halton
	Number	Percent	
Brampton	46	9%	32%
Mississauga	307	60%	37%
Caledon	39	8%	4%
Oakville	44	9%	11%
Milton	14	3%	4%
Halton Hills	21	4%	3%
Burlington	40	8%	9%
<b>TOTAL PEEL + HALTON</b>	<b>511</b>	<b>100%</b>	<b>100%</b>
City of Toronto	67		
Durham Region	4		
York Region	14		
Other (please specify)	40		
<b>TOTAL OUTSIDE PEEL + HALTON</b>	<b>125</b>		

Actual distribution of Peel and Halton employers from Statistics Canada, Canadian Business Counts, June 2020

When it comes to analyzing the survey results, we will make reference to differences in responses by these various sub-categories (industry, size or geography) where there exist significant outliers. We defined outliers as scoring lower or higher (by 25% or more) than the average score for a any response.



## Impact of lockdown on business operations

To provide some context for these survey results, it is worth noting how the lockdown affected different types of businesses. Statistics Canada carried out a Canadian Survey on Business Conditions in August 2020. Among the questions it posed was the degree to which a business had remained operational up until the time of the survey. Table 4 shows the percentage of businesses which had stayed fully operational through the lockdown, by industry and by number of employees, that is, businesses which were not affected by the lockdown. Only the results for Ontario businesses are displayed.

**Table 4: Percentage of Ontario businesses which stayed fully operational during the lockdown, by industry and by number of employees, Ontario, August 2020**

INDUSTRY	%	NUMBER OF EMPLOYEES	%
Agriculture, forestry, fishing, hunting	71%	1-4	36%
Mining, quarrying, and oil and gas	52%	5-19	40%
Construction	33%	20-99	48%
Manufacturing	32%	100+	66%
Wholesale trade	49%		
Retail trade	35%		
Transportation and warehousing	35%		
Information and cultural industries	48%		
Finance and insurance	68%		
Real estate and rental and leasing	51%		
Professional, scientific and technical	51%		
Administrative and support	38%		
Health care and social assistance	36%		
Arts, entertainment and recreation	6%		
Accommodation and food services	13%		
Other services (except public admin)	38%		
<b>All industries</b>	<b>39%</b>		

Statistics Canada, Canadian Survey on Business Conditions, August 2020, Table 33-10-0276-01

On average, only 39% of all businesses had stayed fully operational throughout the lockdown. Two industries in particular were deeply affected: Arts, Entertainment & Recreation (cinemas, gyms, galleries, spectator sports) and Accommodation & Food Services. Industries which were only partially affected were Agriculture, Forestry, Fishing and Hunting, as well as Finance & Insurance, as well as establishments with over 100 employees. Industries which did better than the average included: Mining, Quarrying, & Oil and Gas; Real Estate & Rental and Leasing; and Professional, Scientific & Technical Services. These highlighted industries typically are the outliers in this survey and it is all a consequence of the differing ways in which the pandemic and lockdown affected their specific business operations.

Health Care & Social Assistance was a sector where most establishments were not fully operational. While hospitals clearly stayed open, the very large number of establishments among ambulatory care (e.g. physicians' offices or medical laboratories), community service agencies and childcare centres typically closed during the lockdown, which accounts for the overall percentage of establishments which were affected.







## Essential workers as percentage of entire workforce

The first substantive questions of the survey asked employers what percentage of their workforce on March 1 (that is, before the pandemic lockdown) could be considered essential workers. Essential workers were defined in the survey as:

*Employees who are required to work on-site or in-person, such as workers who need to interact directly with clients or customers, who operate equipment or machinery, or who provide maintenance or repair work for equipment or machinery. This would include drivers, cooks, health care workers, shelf stockers, material handlers, construction workers, plant operators and warehouse and manufacturing labourers, among others.*

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Average results for all respondents are profiled in Table 5.

**Table 5: Percentage of essential workers in entire workforce**

0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
20%	9%	4%	3%	2%	6%	3%	4%	7%	7%	36%

However, there are significant variations by size of establishment and by industry.

One way to illustrate this is to profile the results for two clusters of responses:

- Fewer essential workers: Total proportion of essential workers is 30% or less
- More essential workers: Total proportion of essential workers is 70% or more

Table 6 illustrates these proportions by size of establishment.

**Table 6: Proportion of essential workers by size of establishment**

	FEWER ESSENTIAL WORKERS	MORE ESSENTIAL WORKERS
1 to 4 employees	46%	47%
5 to 19 employees	30%	59%
20 to 99 employees	34%	57%
100+ employees	32%	52%

Very small firms (1-4 employees) are roughly split between having non-essential workers or having essential workers. In the case of all other size firms, around one third of them have primarily non-essential workers, while slightly more than half of them have primarily essential workers.

The variations are more pronounced by industry, as is evident in Table 7

**Table 7: Proportion of essential workers by industry**

	FEWER ESSENTIAL WORKERS	MORE ESSENTIAL WORKERS
Arts, Entertainment & Recreation	58%	39%
Construction	33%	48%
Educational Services	41%	50%
Food Services	29%	59%
Health Care & Social Assistance	28%	61%
Manufacturing	15%	69%
Other Services	47%	45%
Professional, Scientific & Technical	49%	39%
Retail Trade	40%	57%
Transportation & Warehousing	12%	79%
Wholesale Trade	21%	64%

Some industries had a very high proportion of essential workers in their workforce, primarily Transportation & Warehousing, as well as Manufacturing, followed by Wholesale Trade, Health Care & Social Assistance, Food Services and Retail Trade. In Health Care & Social Assistance, over 70% of the responses came from either ambulatory care or social assistance (community service providers or child day care centres), which explains why this category did not produce a higher proportion of employers with a larger number of essential workers. In the case of Retail Trade, the responses were the most polarized, in that most employers said they had either 0% essential workers or 100% essential workers, with far fewer proportions in between.

Sectors with fewer essential employers were: Arts, Entertainment & Recreation; Professional, Scientific & Technical Services; and Other Services.



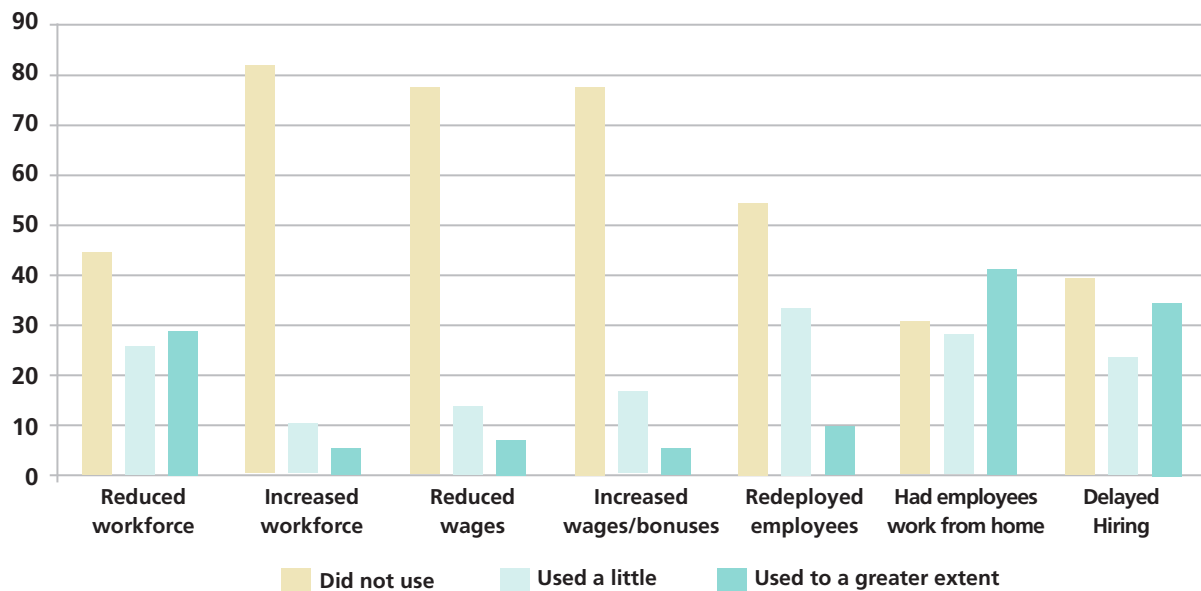
## Strategies and actions in response to the lockdown

Employers were asked what responses they put in place as a result of the lockdown. Firstly, they were asked the degree to which they used each of the following broad strategies:

- Reduced the size of their workforce
- Increased the size of their workforce
- Reduced wages
- Increased wages (including bonuses)
- Redeployed employees to different roles
- Had some or all employees work from home
- Delayed hiring

Chart 1 illustrates the combined responses from all employers.

**Chart 1: Degree of reliance on workforce strategies in response to lockdown**



By far, the most common strategy made use of by employers was having employees work from home, followed by delaying any hiring. The third most common strategy was reducing the size of their workforce, while re-deploying employees to different roles came a more distant fourth.

Three strategies were used much less:

- Increased the size of their workforce
- Reduced wages
- Increased wages (including bonuses)

There were clear patterns dependent on the size of the establishment. The following strategies were more likely to be used the larger the company:

- Increased the size of their workforce
- Increased wages (including bonuses)
- Had some or all employees work from home
- Delayed hiring

There was little difference by size of establishment in the use of the remaining strategies:

- Reduced the size of their workforce
- Reduced wages

By industry, there was a strong correlation between industries that increased their workforces and that increased their wages, evidently a sign of increasing demand for their services. These industries<sup>1</sup> were:

- Health Care & Social Assistance
- Retail Trade
- Transportation & Warehousing

However, in the case of Food Services, while employers in this sector were most likely to increase wages, they were less likely to increase their workforce. Employers who had a higher proportion of essential workers were more likely to increase wages.

Employers in Professional, Scientific & Technical Services were most likely to have their employees work from home (74% said they used this to a greater extent, compared to the average response of 42%), while those in Food Services and Retail Trade were least likely to rely on this strategy.

Employers most likely to reduce their workforce were: Food Services (56% indicated they used this to a greater extent); Arts, Entertainment & Recreation (63%); and Retail Trade (53%). Arts, Entertainment & Recreation, together with Retail Trade, were most likely to reduce wages.

Employers in Health Care & Social Assistance were most likely to redeploy employees to different roles.

Employers were further asked about their reliance on a series of specific actions. 80% or more of employers said they did not apply any of the following actions:

- Offered voluntary terminations/retirements
- Instituted involuntary terminations
- Provided lump-sum bonus
- Instituted short-term hazard pay supplement
- Made use of Work-Sharing (reduce hours and employees receive Employment Insurance)

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<sup>1</sup> It is noteworthy that each of these industry categories had considerable differences in outcomes by subsector: in Health Care & Social Assistance, hospitals were over-whelmed with work and having to ramp up staffing, whereas child daycare centres were required to close; in Retail Trade, essential stores such as grocery stores saw significant increases in sales, whereas non-essential stores, such as clothing stores, closed; many transit services reduced their operations, as commuting fell off, whereas warehousing facilities increased their activities with greater use made of on-line purchasing.

Table 8 shows the distribution of reliance on the following actions on the part of all survey respondents.

**Table 8: Degree of reliance on specific workforce actions in response to lockdown**

	DID NOT USE	USED A LITTLE	USED TO A GREATER EXTENT
Made use of the Canada Emergency Wage Subsidy	44%	19%	37%
Involuntary temporary layoffs	58%	17%	24%
Reduced hours worked	51%	33%	16%
Voluntary temporary layoffs	69%	21%	10%
Mandatory vacation time	76%	15%	9%

By far, the action most frequently made use of by employers was reliance on the Canada Emergency Wage Subsidy. Less than half of employers (44%) said they did not use it. Involuntary temporary lay-offs was a more distant second, followed by reduced hours of work, voluntary temporary lay-offs and mandatory vacation time.

In most instances, there was little variation by the size of the firm, although large firms (100+ employees) were more likely to impose mandatory vacation time. Retail Trade and Food Services were more likely to make use of the largest number of actions from this list, while Professional, Scientific & Technical Services and Wholesale Trade were the least likely to make use of any of these actions.





# Remote work during the pandemic/lockdown

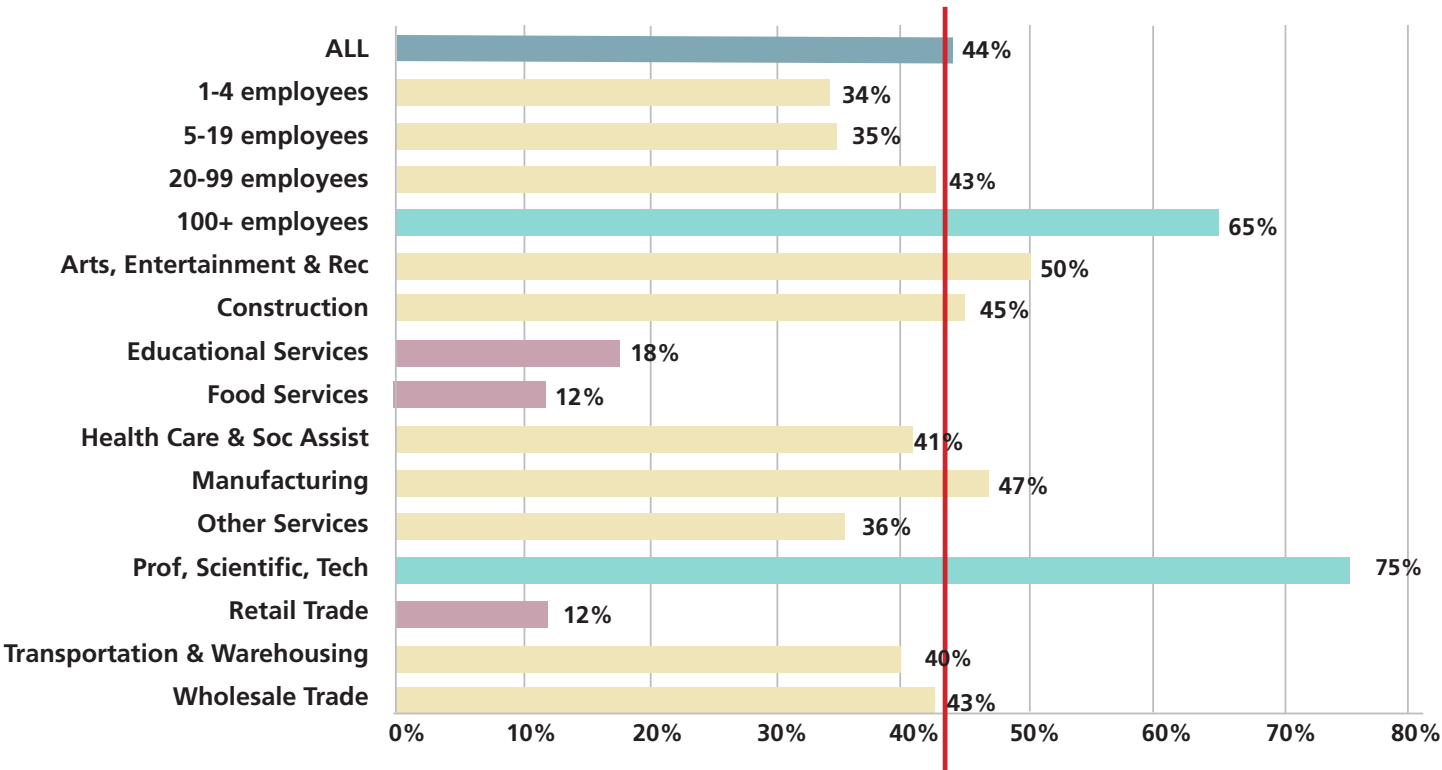
As noted in the previous section, the most common workforce strategy that employers relied upon in response to the lockdown was to have employees work from home (also known as remote work). The survey was designed to probe this response further. To begin with, the survey sought to establish a benchmark, namely, the extent to which the possibility for working from home was already an option for employees prior to the pandemic.

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Chart 2 lists the responses to the question:

Prior to the pandemic, did your organization allow some of your employees to work from home (at least some of the time)?

**Chart 2: Extent to which working from home was an option for some employees prior to the pandemic**



Overall, 44% of employers indicated that they allowed some employees to work from home at least some of the time prior to the pandemic. Most categories of employers (yellow bars) had responses which clustered close to this average figure (red line). The notable exceptions:

Employers least likely to allow employees to work from home (pink bar):

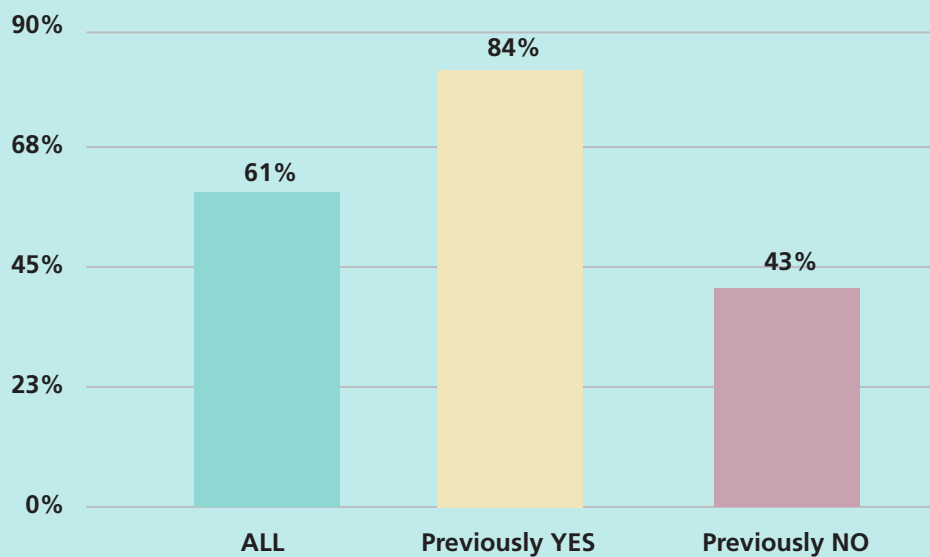
- Food Services
- Retail Trade
- Educational Services

Employers most likely to allow employees to work from home (light green bar):

- Professional, Scientific & Technical Services
- Employers with 100 or more employees

The next question asked whether, as a result of the pandemic, the employer increased their reliance on some employees working from home. Chart 3 presents the results for all respondents; in addition, it provides the answers for those who had said that working from home had already been an option for employees prior to the pandemic ("Previously YES"), as well as for those who had said this had not been an option ("Previously NO").

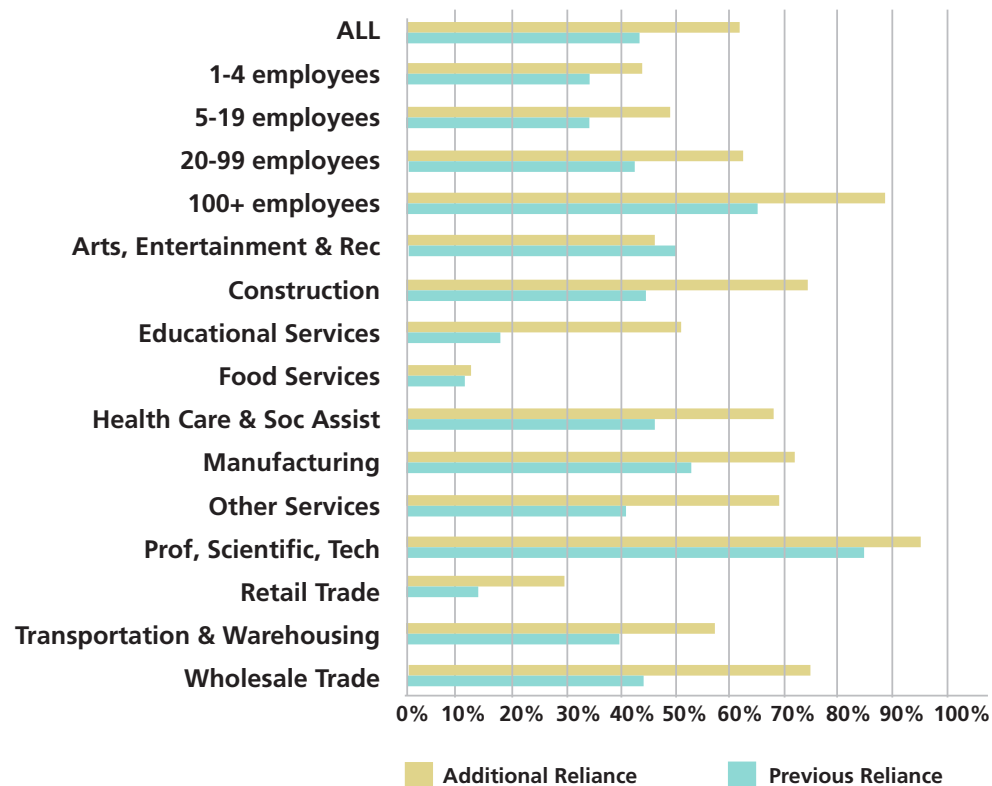
**Chart 3: Increase in reliance on working from home**



When the response to this question was broken down by industry and by size of establishment (Chart 4), one sees that some categories of employers adopted this response much more than others. For example, Educational Services, in particular, rose from around 18% allowing some work from home prior to the pandemic to 51% making use of this strategy during the pandemic. Other employers were still less able to use this option: 26% of Retail Trade employers had some employees

work from home, a low figure but a notable increase from the 12% prior to the pandemic. In the case of Food Services, the practice did not change (12% both before and during). For employers in the Arts, Entertainment & recreation sector, the incidence of working from home actually decreased slightly, from 50% to 46%.

**Chart 4: Reliance on working from home, before the pandemic and increase during the pandemic**



As was the case before the pandemic, employers in the Professional, Scientific & Technical Services sector (84%) and employers with more than 100 employees (88%) were particularly reliant on employees working from home during the lockdown period.

One unusual data point from the survey was that 75% of employers in the Construction sector reported additional reliance on employees working from home. It is hard to imagine how Construction work could be carried out from home, unless employers meant that employees no longer assembled at a business location before they went on assignment to a construction site, a renovation project or some repair job, but instead simply left from their home.

The survey further probed the issue of working from home by asking what percentage of employees who were not essential workers worked from home most of the time during the lockdown. The question defined an essential worker as someone who was required to work on-site or in-person. Our expectation was that for non-essential workers, the incidence of working from home should have been the same. As Table 9 illustrates, this was not always the case.

Table 9 presents two figures:

- > 70%: The percentage of employers who said that 70% or more of their non-essential employees worked from home during the lockdown;
- < 30%: The percentage of employers who said that 30% or less of their non-essential employees worked from home during the lockdown.

**Table 9: Proportion of non-essential employees working from home**

INDUSTRY	> 70%	< 30%	NUMBER OF EMPLOYEES	> 70%	< 30%
Arts, Entertainment & Recreation	62%	31%	1-4	55%	39%
Construction	64%	27%	5-19	56%	34%
Educational Services	68%	20%	20-99	56%	29%
Food Services	50%	25%	100+	69%	19%
Health Care & Social Assistance	46%	40%			
Manufacturing	41%	41%			
Other Services	63%	33%			
Professional, Scientific & Technical	79%	13%			
Retail Trade	25%	67%			
Transportation & Warehousing	13%	47%			
Wholesale Trade	60%	20%			
ALL INDUSTRIES	60%	29%			

In most industries, 60% or more of employers indicated that 70% or more of their non-essential employees worked from home during the pandemic. In the case of employers in the Professional, Scientific & Technical Services sector, 79% said that this large proportion worked from home, as did 69% of employers with more than 100 employees.

In the case of Transportation & Warehousing, only 13% of employers said that 70% or more of their non-essential employees worked from home, as did only 25% of employers in Retail Trade. On the flip side, two-thirds (67%) of Retail Trade employers said that only a small proportion (30% or less) of their non-essential employees worked from home, yet considerably fewer Transportation & Warehousing employers said so (47%).

Employers were next asked about the post-pandemic period and whether they expected to allow more employees to work from home than was the case before the pandemic. Employers were evenly divided in their responses and there was considerable variation by employer categories. There was a significant difference between the responses which employers provided to this question in our survey, compared to the Statistics Canada Canadian Survey on Business Conditions, so we are providing the answers to that survey as well.

The questions were posed in a slightly different way:

- **Peel Halton employer survey:**

Post pandemic lockdown, has or will your organization allow more employees to work from home than was the case before the pandemic?

- **StatCan Business Conditions survey:**

How likely is this business or organization to permanently adopt each of the following measures once the COVID-19 pandemic is over: Offer more employees the possibility of teleworking or working remotely

Table 10 presents the results. The figures for the PHWDG survey represent the percentage of employers who answered “yes” to the question above. The figures for the StatCan survey represent that combined percentage of employers who answered “likely” or “very likely.”

**Table 10: Likelihood of more employees working from home after the pandemic is over**

INDUSTRY	PHWDG survey	STATCAN survey	NUMBER OF EMPLOYEES	PHWDG survey	STATCAN survey
Arts, Entertainment & Recreation	33%	15%	1-4	35%	14%
Construction	56%	4%	5-19	33%	12%
Accommodation & Food Servicest	9%	3%	20-99	47%	18%
Health Care & Social Assistance	47%	16%	100+	80%	30%
Manufacturing	47%	14%			
Other Services	53%	12%			
Professional, Scientific & Technical	77%	36%			
Retail Trade	14%	3%			
Transportation & Warehousing	39%	5%			
Wholesale Trade	43%	22%			
ALL INDUSTRIES	48%	14%			

† In the PHWDG survey, all but one of the respondents was from the Food Services sector.

It is possible that the significant variation in the responses may have to do with geography; the attraction of more telecommuting may have far greater appeal in municipalities which are part of the Greater Toronto Area and its challenging commuting times than might be the case for a survey which drew responses from across Ontario, as was the case with the StatCan survey.

However, it also bears noting that the relative responses in each survey were usually consistent: larger firms were more likely to support more telecommuting; firms in Professional, Scientific &



Technical Services as well as in Wholesale Trade were more likely to support telecommuting; firms in Accommodation & Food Services, as well as in Retail Trade, were much less likely to consider more employees working from home.

One significant discrepancy is the result for Construction, which we have already cited in the response to an earlier question: in the PHWDG survey, 56% of these Construction employers indicated that they supported more employees working from home, a figure which was the second highest after Professional, Scientific & Technical Services; in the StatCan survey, only 4% of Construction employers thought that working from home may be option in the future (one of the lowest proportions of all industries). We had indicated that we found the earlier response for the Construction sector to raise questions in our minds, and this comparison only reinforces that view.

The final question relating to working from home concerned initiatives employers were considering in support of allowing more employees to work from home after the pandemic. This question was only asked of those employers who indicated that they would be allowing more employees to telecommute. To put this in perspective in terms of respondents, 571 respondents answered the question whether they expected more employees to work from home after the pandemic was over; those who answered yes were asked this follow-up question, for which there were 269 responses.

The options which employers were asked to comment on were lengthy. For the sake of presenting them on a chart, we have abbreviated the options in the following manner:

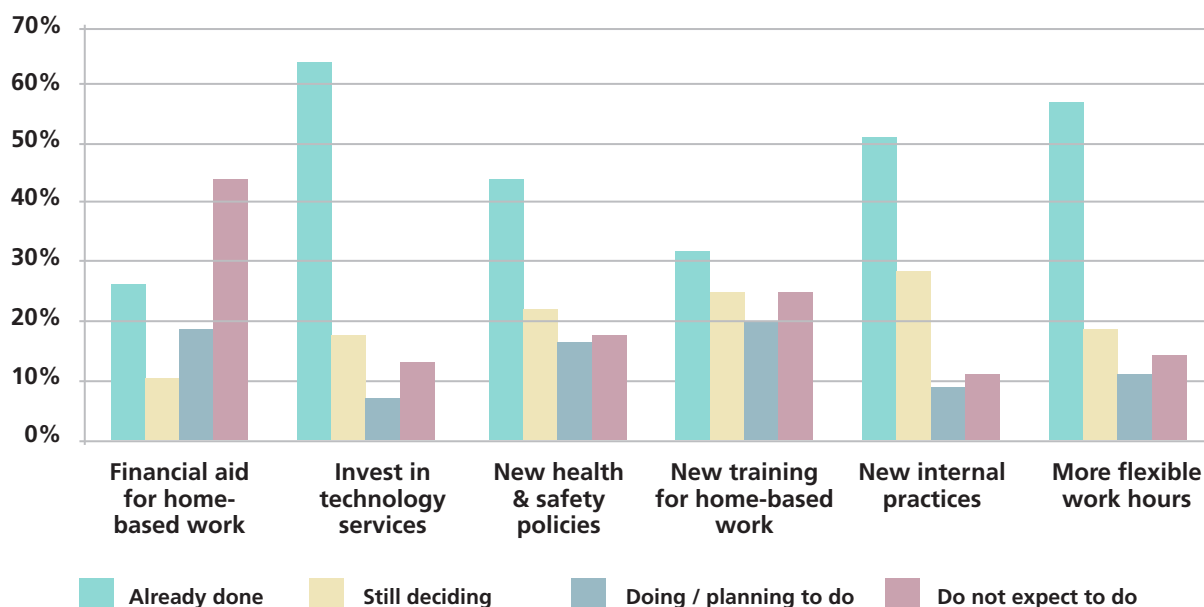
Abbreviated form	Option as expressed in survey
<b>Financial aid for home-based work</b>	Financial investments to allow employees to purchase equipment, furniture or services for home-based work
<b>Invest in technology services</b>	Investments in enhanced technology services, including VPN (virtual private network), on-line meeting or data-sharing platforms, cyber-security etc.
<b>New health &amp; safety policies</b>	Revised policies regarding health and safety, accident and injury liabilities, privacy, mental health etc.
<b>New training for home-based work</b>	Customized training to introduce new skills or procedures to ensure best practices for home-based work
<b>New internal practices</b>	New practices across teams or the organization to ensure that communication and interactions can maintain information exchange, productivity, innovation and team cohesion
<b>More flexible workhours</b>	Adopting flexible workhour arrangements to accommodate demands arising due to working from home

Chart 5 provides the responses for all employers who answered this question.

The options for their responses were as follows:

- Already done: We have already done this
- Doing/planning to do: We are currently doing or are planning to do this
- Still deciding: We are still deciding whether to do this
- Do not expect to do: We do not expect to do this

**Chart 5: Initiatives to facilitate the ability of employees to work from home**



If one combines the options of “Already done” and “Doing/planning to do”, four options have already been done or are in the process of being done by at least two-thirds of all employers:

- Invest in technology services
- New health & safety policies
- New internal practices
- More flexible workhours

This reflects a very high degree of rapid adaptation to changing circumstances on the part of employers. A fifth option, new health and safety policies (which includes revised policies regarding health and safety, accident and injury liabilities, privacy, mental health, and so on), has been done or is being done by 57% of employers, a significant proportion as well.

It is only with respect to financial aid for home-based work that employers have been more reticent. While over a third (37%) have indicated that they have already done this and are doing this, a larger proportion of employers (44%) said they do not expect to do this.

When one analyzes the proportion of employers who do not expect to provide financial aid to employees to support them working from home (Table 11), the larger proportions declining this option are found in the following employer categories:

- Food Services (67%)
- Manufacturing (63%)
- Arts, Entertainment & Recreation (56%)
- Employers with 1-4 employees (56%)

**Table 11: Percentage of employers by industry and number of employees who do not expect to provide financial aid to assist employees to work from home**

INDUSTRY	%	NUMBER OF EMPLOYEES	%
Arts, Entertainment & Recreation	56%	1-4	56%
Construction	43%	5-19	41%
Educational Services	50%	20-99	51%
Food Services	67%	100+	40%
Health Care & Social Assistance	50%		
Manufacturing	63%		
Other Services	35%		
Professional, Scientific & Technical	39%		
Retail Trade	50%		
Transportation & Warehousing	40%		
Wholesale Trade	36%		
ALL INDUSTRIES	44%		





## Employment after the lockdown

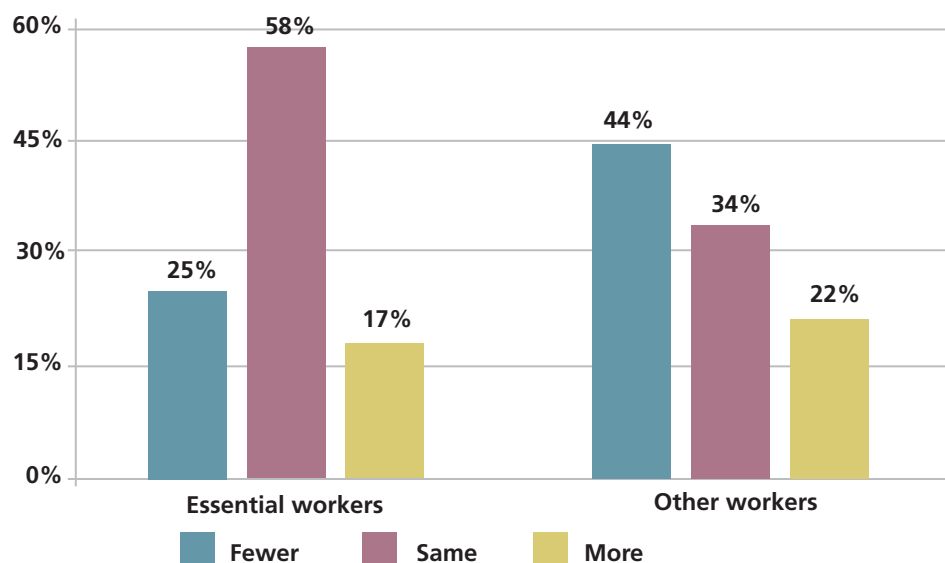
Overall, while many employers maintain that their employment levels have not changed after the lockdown was over, those who did experience change were more likely to say that employment had decreased, particularly among non-essential employees. Chart 6 presents the responses, in relation to both essential and non-essential employees.

These results can also be viewed in relation to the question asked in the Statistics Canada Canadian Survey on Business Conditions (Table 12).

**Table 12: Expectations regarding number of employees over next three months (August 2020), Ontario**

Number of employees will decrease	Number of employees will stay the same	Number of employees will increase	Unknown
10.8%	72.3%	6.7%	10.2%

**Chart 6: Change in workforce since lockdown lifted, by category of employee**



As a result of the lockdown, employers were slightly more likely to have reduced their workforce, particularly among non-essential workers, according to the Peel-Halton survey (Chart 6). The employers' three month forecast for employment (in August) (Table 12) also tilted slightly towards a reduced workforce.

In both surveys, two industries had notable negative outcomes:

- Arts, Entertainment & Recreation
- Accommodation & Food Services

As we know through news reports and labour force data, these industries have been especially hard hit by the initial lockdown and by subsequent restrictions, so that it is no surprise that they would have reported reduced workforces or forecast reduced workforces.

In the Peel-Halton survey, other sectors which also reported a notably higher share of employers reporting fewer workers than reporting more workers were Retail Trade and Other Services.







# Challenges faced by employers in the post-lockdown period

Employers were asked to rate a series of statements in terms of the level of challenge it represented, where “1” indicated that it was not at all a challenge and “5” indicated it was a great challenge. In order to compare results easily, an average score was created for each item (adding up the degree of challenge expressed by each employer and dividing it by the number of employers who provided a rating). Table 13 presents the items and their average scores.

.....

**Table 13: Degree of challenge posed by specific issues**

ISSUE	SCORE
<b>Relatively high level of challenge</b>	
Managing the uncertainty regarding the pandemic	3.78
Managing the uncertainty regarding the economic climate	3.74
<b>Somewhat higher level of challenge</b>	
Addressing the range of stress/anxiety factors and mental health issues for employees which have arisen as a result of the lockdown and its aftermath	3.22
Finding the balance between workplace health and safety measures and the need to generate sufficient business revenue	3.17
<b>Average level of challenge</b>	
Modifying physical workplaces to ensure social distancing	3.08
Needing to re-organize workplace schedules to accommodate changed business practices, rotation of employees for social distancing, disinfecting protocols or employee personal circumstances	3.05
Attracting workers back to the workplace who may be concerned about their personal health and safety	2.99
Developing and implementing the necessary workplace policies to ensure/enhance health and safety	2.96
<b>Somewhat lower level of challenge</b>	
Developing and delivering training to workers for the various changes which have been introduced (healthy and safety; work from home, and so on)	2.78
Attracting employees back to work who have been relying on CERB (Canadian Emergency Response Benefit)	2.75
Developing procedures and practices to support productive work-from-home arrangements	2.73
Needing to redefine employee functions, as employees have had to take on different roles	2.66

One major concern stands out: dealing with the uncertainty, both in terms of the pandemic itself as well as its impact on the economy.

A second level of concerns relates to dealing with the stress and mental health impacts on employees, as well as balancing health and safety measures with the need to generate revenue.

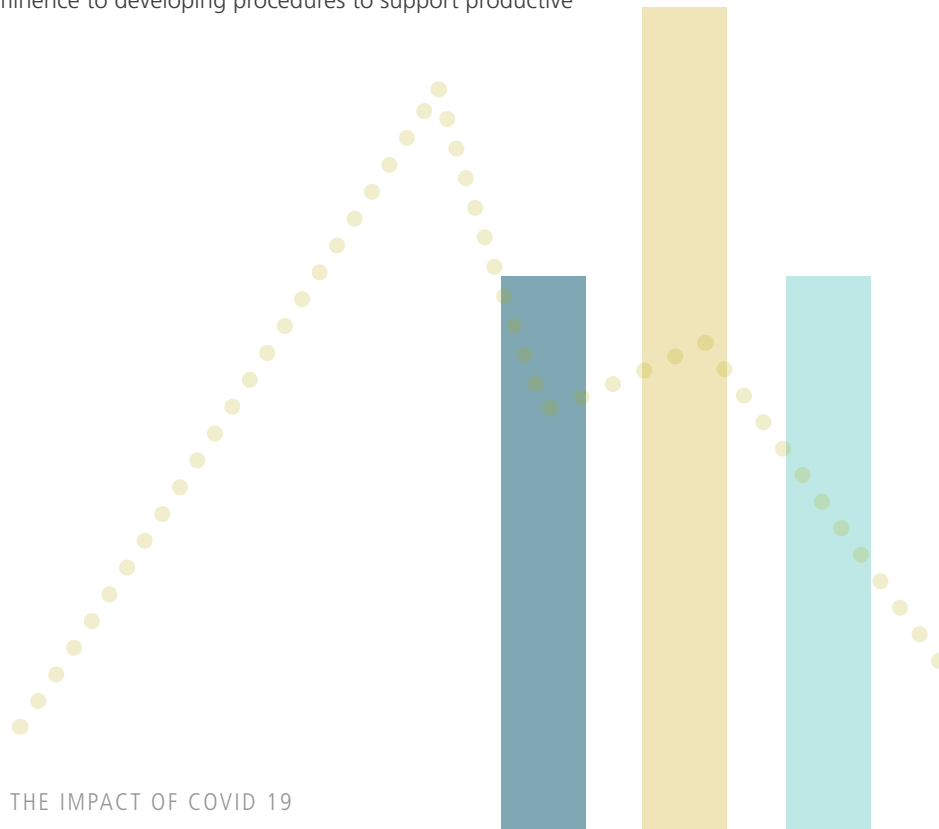
The next level of concerns tends to involve immediate practices, such as modifying workplaces, re-organizing workplace schedules or putting in place the appropriate health and safety policies, as well as reassuring returning workers about health and safety at work.

The last level of concerns involves supportive practices: training, procedures for working from home or redefining employee functions, as well as the issue of whether CERB acts as a disincentive for some to return to work.

There were few variations by size of establishment or by industry sector.

The few that stood out were:

- Educational Services employers were considerably more likely to note challenges relating to modifying the physical workspace, workplace schedules, redefining employee functions and developing appropriate workplace policies to ensure health and safety;
- Both Food Services and Arts, Entertainment & Recreation rated as a greater challenge the issue of finding a balance between health and safety measures and the need to generate sufficient business revenue;
- Both Food Services and Wholesale Trade gave higher prominence to the issue of attracting employees back to work who had been relying on CERB;
- Retail Trade gave much lower prominence to developing procedures to support productive working from home.





# Change in composition of workforce after the lockdown

Employers were next asked the following:

Compared to the pre-lockdown period, has the composition of your organization's workforce changed or do you expect it to be changed in any of the following ways?

.....

Table 14 presents the distribution of responses. The first column indicates how many employers answered in relation to the option offered in that row (in many cases, the option was not applicable to them). The last column indicates the difference between the percentage of employers indicating an increase minus the percentage of employers citing a decrease.

**Table 14: Percent of employers commenting on change in composition of workforce**

#	Category of worker	INCREASE	NO CHANGE	DECREASE	+/-
169	Workers from temp agencies	17%	60%	24%	-7
257	Contract workers (short- or long-term)	26%	56%	19%	+7
313	Part-time workers	22%	56%	22%	0
475	Permanent employees	14%	62%	24%	-10
228	Consultants	12%	66%	21%	-9
228	Outsourcing to other companies	16%	64%	20%	-4
125	Outsourcing to gig workers	21%	57%	22%	-2

The figures across a row may not add up or the +/- differential may appear off due to rounding.

In all cases, around 60% of employers indicated no change in the composition of their workforce in terms of each of these categories. But, where there was change, the net effect was almost always a decrease in the workforce, especially among permanent employees, consultants and workers from temp agencies. The only category where a net proportion of employers expect an increase in their workforce was among contract workers. From an employment standpoint, the net reduction among permanent employees and the net increase among contract workers is a troublesome outcome arising from the impact of the pandemic. One explanation may be the uncertainty about the economy, resulting in employers relying on less permanent forms of employment.

Looking specifically at the expected net change for permanent employees, significant declines were forecast by employers in Arts, Entertainment & Recreation as well as Food Services, and to a lesser extent in Retail Trade and Wholesale Trade. Small net increases were projected in Construction, Health Care & Social Assistance and Professional, Scientific & Technical Services.

In the case of Contract Workers, small firms (1-19 employees) were much more likely to project a net increase among this category of employees, compared to employers with 20 or more employees. Employers in Retail Trade and in Food Services were much more likely to project a net increase, whereas employers in Arts, Entertainment & Recreation were projecting larger net decreases, as was the case for these employers for almost every employee category.



# Reliance on technology in the aftermath of the lockdown

The need for social distancing and the increase in the incidence of employees working from home resulted in residents, consumers and businesses turning to technological supports to replace in-person interactions. The survey asked employers to estimate the ways in which they foresee future reliance on technology in the post-lockdown period for their operations.



The options presented were lengthy, so once again we have developed abbreviations to present the data more easily.

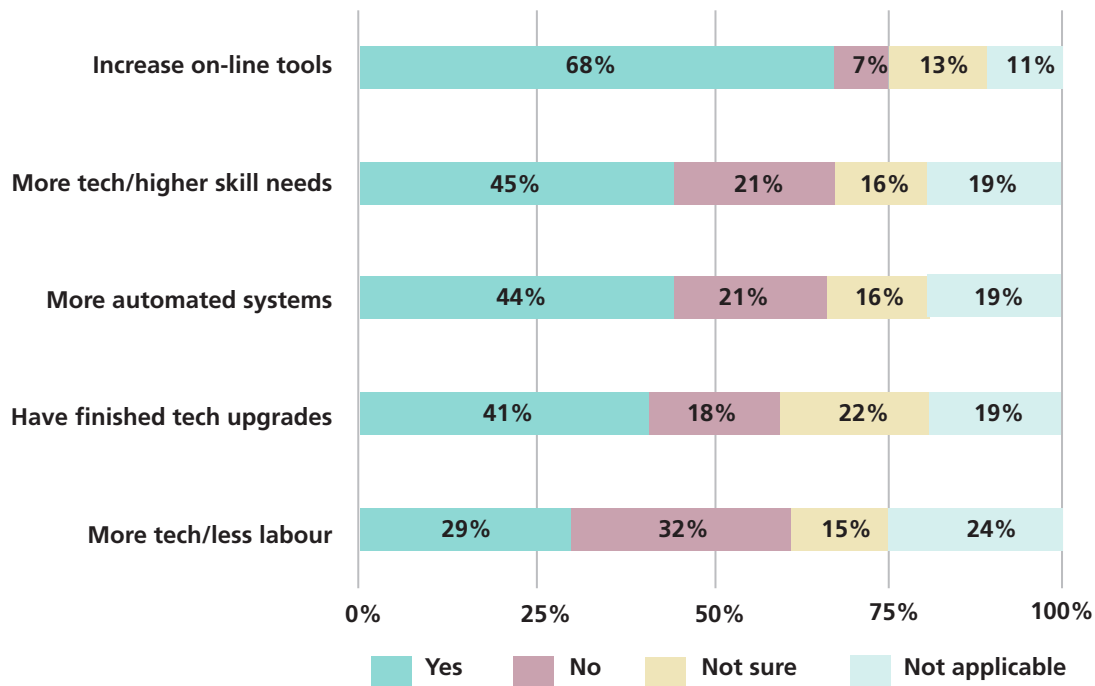
Abbreviated form	Option as expressed in survey
Increase on-line tools	We expect to be making more use of on-line platforms and apps, for interactions with customers/clients, suppliers and other stakeholders. (This includes for marketing, sales and managing relationships.)
More tech/higher skill needs	We expect an increase of reliance on technology to increase the skill requirements we have of current and future employees.
More automated systems	We expect to make use of more automated systems, either to reduce exposure between people or to reduce reliance on human labour.
Have finished tech upgrades	We have already introduced a number of technological solutions and we do not expect to introduce any more in the next three to six months.
More tech/less labour	We expect an increase of reliance on technology to reduce our labour requirements.

Chart 7 presents the result for all employers. By far, a significant majority (68%) of employers foresee greater reliance on on-line platforms and applications. Only 7% disagreed, while a quarter (13% + 11%) were either unsure or felt the option did not apply to them. The next two items had almost identical scores, that an increase in reliance on technology would increase skill requirements of employees and that more automated systems would be adopted. Around four in ten (41%) felt they had completed their intended technological upgrades, at least for the time being.

The option which received the fewest affirmative responses was whether an increase in reliance on technology would reduce labour needs. Rounding off the responses, less than a third (29%) felt that it would, around a third (32%) felt that it would not and the remaining more than a third (15% + 24%) were either unsure or felt the option did not apply to them. From an employment perspective, it is somewhat reassuring that a considerable segment of employers is not viewing technology as a means to displace the need for workers. On the issue of whether technology actually does displace workers, an earlier 2017 Peel Halton survey that focused specifically on technological change revealed that most employers did not think it results in a net deduction of jobs:

Forty-seven percent of employers felt that technology would cause disruptions in their workforces, but with the net result being the same or more jobs. Another 22% felt technology would increase the number of jobs. Only 13% felt that technology would lead to less employment.<sup>2</sup>

**Chart 7: Forecast reliance on technology**



<sup>2</sup> Peel Halton Employer Survey 2017, <http://peelhaltonworkforce.com/wp-content/uploads/2020/07/2017EMPLOYERSURVEY.pdf>

However, when the results in Chart 7 are broken down by employer categories, one worrisome finding is that a significantly greater proportion (41%) of large firms (100 or more employees) believe that a greater reliance on technology will reduce their labour needs. These large firms are also more likely to make use of on-line platforms and apps, to introduce more automated systems and to expect higher skill levels of current and future employees as a consequence of these technological improvements.

The one industry which had particularly higher scores for these options was the sub-sector of Social Assistance. Employers in the Professional, Scientific & Technical Services sector also were more likely to feel that more technology resulted in increasing skill requirements on the part of employees. On the other hand, the Food Services sector was much less likely to believe that an increasing reliance on technology would either reduce labour needs or require an increase in the skills of their workers. Similarly, employers in Retail Trade were less likely to believe that technology would reduce labour needs.





## Changes in whom and how employers recruit, post-lockdown

The many changes brought on as a result of the lockdown and its aftermath suggested that employers may also be approaching recruitment of new employees differently. Employers were asked to comment on a series of options, whose full and abbreviated forms are provided in the table below.

.....

Abbreviated form	Option as expressed in survey
Soft skills	Soft skills are now more important, including agility, adaptability, communication skills and self-management.
Digital skills	Digital skills are now more important.
Virtual interviews	Reliance on virtual interviews to assess job candidates.
Regard for health & safety rules	More weight given to a job candidate's understanding of and adherence to health and safety procedures.
Ability to work from home	Ability to work from home is now more important.
Broader recruiting net	Because working remotely has become a more attractive option, we expect to recruit and hire from a far wider geographic area than we have done until now.
Screening by external agencies	More reliance on external agencies to do the initial recruitment and screening of job candidates.

Chart 8 shows the cumulative responses of all employers to these options. There are three items on which more than half of employers agree:

- Soft skills are now more important
- Digital skills are now more important
- There is greater reliance on virtual interviews

Two other job candidate characteristics receive a fair amount of agreement (although slightly less than half):

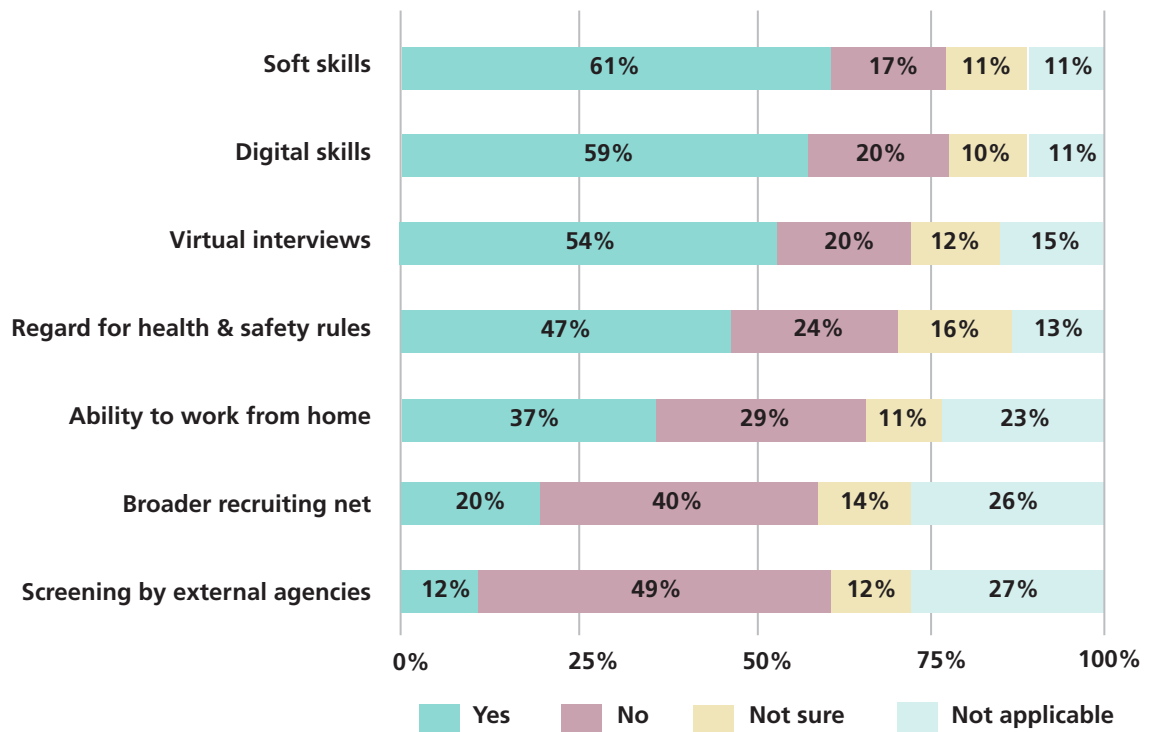
- Understanding of health and safety procedures
- Ability to work from home

Finally, there were two items which received limited affirmation; indeed, a large proportion of employers did not agree:

- Recruiting from a far wider geographic area
- Relying more on external agencies to screen job candidates



**Chart 8: Changes in whom and how employers recruit**



There was a high degree of overlap between employers who felt soft skills or digital skills had become more important: of all employers who felt that soft skills had become more important, 78% of them also said that digital skills had become more important as well. Similarly, of all employers who indicated that digital skills had become more important, 81% also said that soft skills had also become more important.

Large establishments (100 or more employees) and Professional, Scientific & Technical Services firms were more likely to view the ability to work from home as an important capability, to expect to recruit from a far wider geographic area and to rely on virtual job interviews (the latter item was also highly scored by employers in Health Care & Social Assistance).

Food Services and Retail Trade were less likely to place importance on the ability to work from home or on recruitment screening by external agencies. Employers in Retail Trade were considerably less likely to cast a wider recruitment net or to rely on virtual job interviews, whereas Food Services employers placed very high emphasis on a job candidate's understanding of health and safety procedures, as did employers in the Health Care & Social Assistance sector.



## Desirable HR services and resources

In light of all these impacts, employers were asked what services or resources relating to Human Resources functions would they find most useful. Below are the full and abbreviated options that employers were asked to rate.

.....

Abbreviated form	Option as expressed in survey
<b>Resources for stress/mental health</b>	Resources relating to stress and mental health issues arising in the context of uncertainty, health threats and isolation
<b>Training to lead virtual teams</b>	Training for managers and supervisors for leading virtual teams and maintaining team cohesion and connectedness
<b>Help with virtual recruitment</b>	Assistance in carrying out virtual recruitment and screening of job candidates
<b>Training for remote work</b>	Training for employees adapting to working from home or with dispersed co-workers
<b>HR guidance for new practices</b>	HR guidance for re-vamping work schedules, arising from more work from home and/or the need to rely on split shifts at work for health and safety reasons

Chart 9 illustrates the ranking of these options. Employers had been asked to rate each option from “1” to “5”, where “1” represented “Not at all a priority” and “5” meant “Very much a priority”. The figures in Chart 9 are the average rating of all employers.

Overall, employers did not rank any of these possibilities as high priorities, with only one item reaching the mid-point between not at all a priority and very much a priority. It is noteworthy that among the six HR options presented, that managing stress and mental health issues for employees ranked the highest.

There was very limited variation in how these items were rated by different categories of employers, whether by number of employees or by industry. The one exception was in the case of Retail Trade employers, who were more likely to provide much lower ratings for training to lead virtual teams, training for remote work, HR guidance for new practices and help to revise job postings.

**Chart 9: Employer ranking of desirable HR services and resources**





## Assessing the immediate future for their establishment

Employers were asked to provide an overall assessment of the impact of the pandemic, the lockdown and its aftermath on their establishment, by indicating their level of agreement or disagreement with a number of statements. The statements and their abbreviations are listed below.

.....

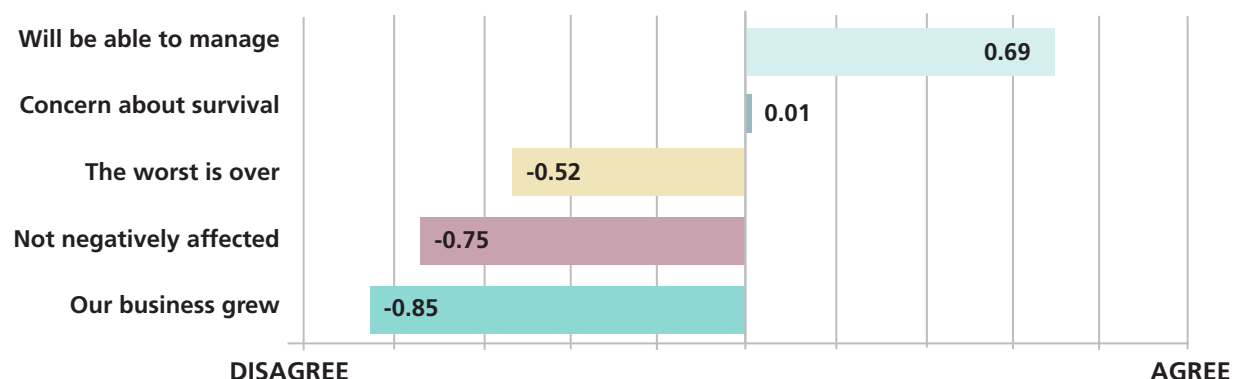
Abbreviated form	Option as expressed in survey
<b>Will be able to manage</b>	These current circumstances have been challenging but I feel that our organization will be able to manage its way through these difficulties.
<b>Concern about survival</b>	I am concerned about the ability of our organization to survive under these current circumstances (business climate and/or uncertainty arising from the pandemic).
<b>The worst is over</b>	I feel the worst is over and we have made it through this period.
<b>Not negatively affected</b>	We were not negatively affected as a result of the pandemic and lockdown.
<b>Our business grew</b>	Our business grew during this period and we increased our sales, revenues and/or the number of our clients/customers.

Employers were asked the extent to which they agreed with each of these statements and a score was assigned for each response as follows:

Disagree strongly	Disagree	Neither agree nor disagree	Agree	Agree strongly
-2	-1	0	1	2

These scores were added up and divided by the number of employers who provided each of these responses. Chart 10 shows the average score per statement.

**Chart 10: Average level of agreement for each statement about the impact of the pandemic**



An average score of 1.0 would indicate an average response of “Agree”; similarly, an average score of -1.0 would average response of “Disagree.”

While there was a positive response to the sentiment that it was likely that the establishment in question would be able to manage the difficulties, there was also considerable concern in answer to the next question about the likely survival of the establishment, as the average response was “neither agree nor disagree.” There was some disagreement to the third statement that the worst was over, a higher level of disagreement to the fourth statement that the establishment was not negatively affected and the highest level of disagreement was in response to the last statement that the establishment increased sales, revenues or customers during this period.

Each of these statements represents an assessment of how one’s establishment was affected or a forecast of the immediate future. In each instance, the answer can reflect a positive or optimistic view, or else report a negative impact or a worry about what comes next. We have created a cumulative score for the responses to all five of these statements, as a way to measure the overall mood of employers. Table 15 presents the cumulative score for all employers, as well as scores by size of establishment and by industry. The numbers can be understood in terms of the following scale:

- “5.0” would indicate that “our establishment was not affected and/or we feel optimistic about the coming months”
- “-5.0” would indicate “our establishment was negatively affected by the pandemic and/or we are worried about the impact on our business in the coming months”

**Table 15: Cumulative score on impact of the pandemic and immediate prospects, by industry and by number of employees**

INDUSTRY	%	NUMBER OF EMPLOYEES	%
Arts, Entertainment & Recreation	-5.67	1-4	-3.22
Construction	-2.12	5-19	-1.48
Educational Services	-2.25	20-99	-1.25
Food Services	-2.99	100+	-0.30
Health Care & Social Assistance	-2.30		
Manufacturing	-0.58		
Other Services	-1.46		
Professional, Scientific & Technical	0.25		
Retail Trade	-0.76		
Transportation & Warehousing	-1.71		
Wholesale Trade	-1.42		
ALL INDUSTRIES	-1.44		

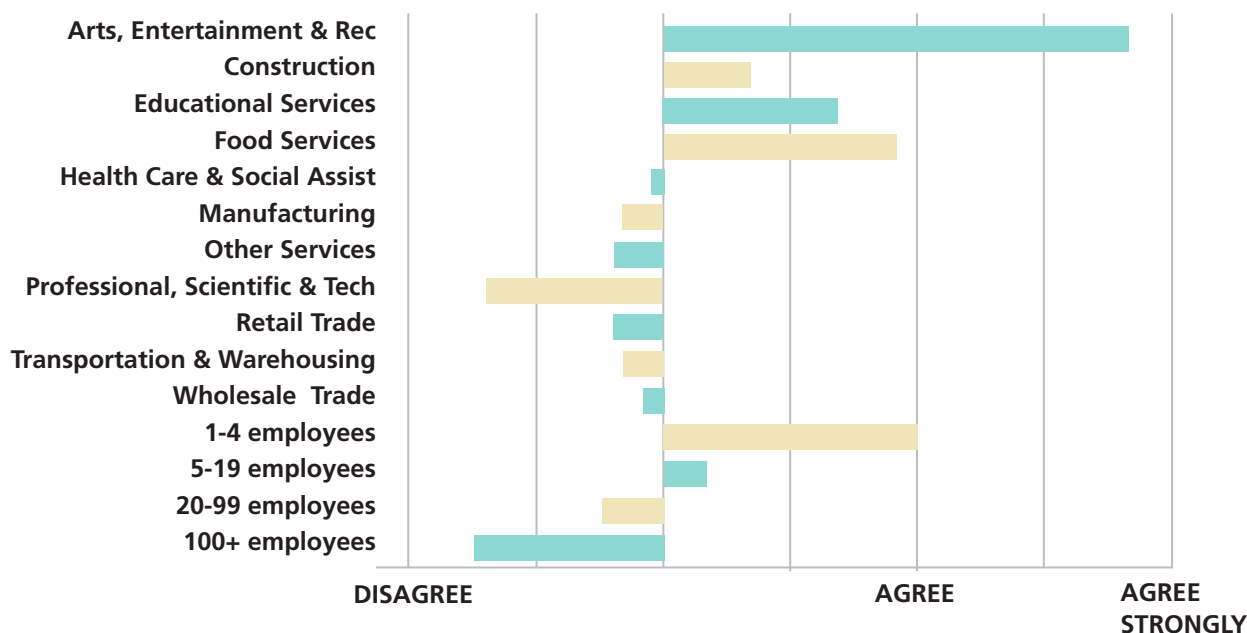
Overall, the average score for all survey respondents was a negative one (-1.44), which reflects the degree of concern present among employers. Indeed, among all the categories by which we analyzed the results deeper, only employers in Professional, Scientific & Technical Services had a positive score (0.25), and even that was just a small fraction on the positive side (+0.25). The next most “positive” score was in the Manufacturing sector (-0.58).

By far, employers in the Arts, Entertainment & Recreation sector had the gloomiest view (-5.67), followed by the Food Services sector (-2.99). These were the prominent outliers at the negative end of the spectrum.

The gloom was also especially pronounced among the smallest establishments (-3.22), those with 1-4 employees. The perspective improved as the size of establishment increased, although even firms with 100 or more employees remained in the negative column (-0.30).

The most telling insight comes from the responses to the statement regarding the on-going survival of the establishment. The average response from Arts, Entertainment & Recreation employers is halfway between agreeing and agreeing strongly with the statement about a concern regarding the ability of their organization to survive. In fact, of the 27 employers in this industry who answered this question, 22 (81%) strongly agreed with the concern about possibly closing. Food Services and establishments with 1-4 employees have the next highest levels of concern; 52% of Food Services employers very strongly agreed, as did 45% of firms with 1-4 employees. Other sectors with a net negative score were Educational Services (which includes private places of instruction), Construction firms and enterprises with 5-19 employees.

**Chart 11: Level of agreement with statement: “I am concerned about the ability of our organization to survive”**





## Other comments from employers

Employers were invited at the end of the survey to provide additional comments relating to the topics covered by the survey or priorities related to their organization. Approximately 60 comments were provided covering a very wide range of topics, with several prominent themes:



- The on-going need for financial support while business activity remains slow (13 respondents);
- General comments about the difficulties their businesses face and concern about the uncertain future (7 respondents);
- Recruitment challenges, either because of the disincentive posed by CERB or because of a specific occupational shortage (6 respondents);
- Generally negative responses regarding the overall reaction (“not fair that fear has destroyed our business”) or what was seen as poor planning on the part of governments in response to the crisis (6 respondents);
- The inability of having employees working from home or else the inequity of how some of the lockdown provisions constrained their business (5 respondents).

The remaining comments were disparately dispersed among other subjects, including comments on the design of the survey itself (both criticism and praise).





## Follow-up interviews

As part of the survey process, respondents were also asked if they would be willing to participate in a short follow-up phone interview, so that the analysis of the data could benefit from additional qualitative insights. In total, close to ten employers were interviewed.

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The overall impression which emerged from these interviews was the widely diverse ways in which the pandemic affected employers, together with the impressive degree to which they were able to pivot significant portions of their operations within a relatively short period of time. This included making arrangements for many of their employees to work from home, as well as making use of on-line means to engage and interact with their clients, and in some cases having in-person services converted into on-line delivery, such as counselling sessions or training programs.

For some businesses, even when employees could work from home, only some aspects of a service could be delivered virtually. Thus, consultations could occur on-line, but installations or repairs could only be done in a customer's home or a client's business. In those instances, the challenges regarding proper distancing was a major difficulty, for one was relying on appropriate safety protocols being followed by third parties. These situations sometimes created problems for employees, who were wary of venturing into these locations over which they had no certainty about health and safety procedures.

Despite their prompt and creative responses, most businesses suffered a loss of revenues during this period and many relied on government emergency relief funds, whether for employee wages or to cover business expenses.

Those businesses which can only provide an in-person service had significant challenges. For example, childcare centres, outside of the lockdown period, had to institute protocols where each classroom was its own bubble, as well as put in place new procedures for parent drop-offs and pick-ups, to ensure social distancing. But the greatest challenges were experienced by long-term care facilities, with their health vulnerabilities and the overhang of a pre-pandemic staffing shortage of personal support workers. What these institutions faced was especially distressing, for staff and residents alike. This included not only facilities for the elderly but also for individuals with physical or mental disabilities who otherwise are unable to live independently.

Many employers indicated that some of the changes implemented during the pandemic were going to continue. The migration to more on-line services was an obvious example, as well as an increase in having some employees work from home more often. Several employers indicated how surprised they were at how relatively well working from home turned out for their company, as employees were as productive as if they had been in the office and teams were able to collaborate as effectively across the distance. A couple of employers noted that they were reconsidering how much office space they were leasing.

In addition to these various COVID-related responses, several employers also took the opportunity to raise other concerns, the most prominent being the difficulty they experienced recruiting skilled tradespersons. This has been an issue regularly raised by employers in various forums over the past few years. In raising the matter of shortages among skilled trades, employers often cite systemic issues which are the root cause, primarily that our education system places too high a priority on pursuing a university education, resulting in quality occupations in the skilled trades being neglected, at the detriment not only of employers but of youth who miss out on a satisfying and financially rewarding career.

Despite their prompt and creative responses, most businesses suffered a loss of revenues during this period and many relied on government emergency relief funds, whether for employee wages or to cover business expenses.



## Conclusion

These survey results confirm what all of us have experienced: the impact of the pandemic was a once-in-a-lifetime disruption that caused widespread upheaval for businesses and workers alike. While employers remain concerned about an uncertain future, their actions reflected a high capacity for adjustment in real-time and creativity in adapting different approaches to an unprecedented crisis.



The fall-out from the pandemic was felt by almost everyone, however, some were considerably more affected than others. In most of the survey responses, it was often the case that certain employer categories were especially hard hit, namely the Arts, Entertainment & Recreation sector, the Food Services sector and small establishments (1-4 employees).

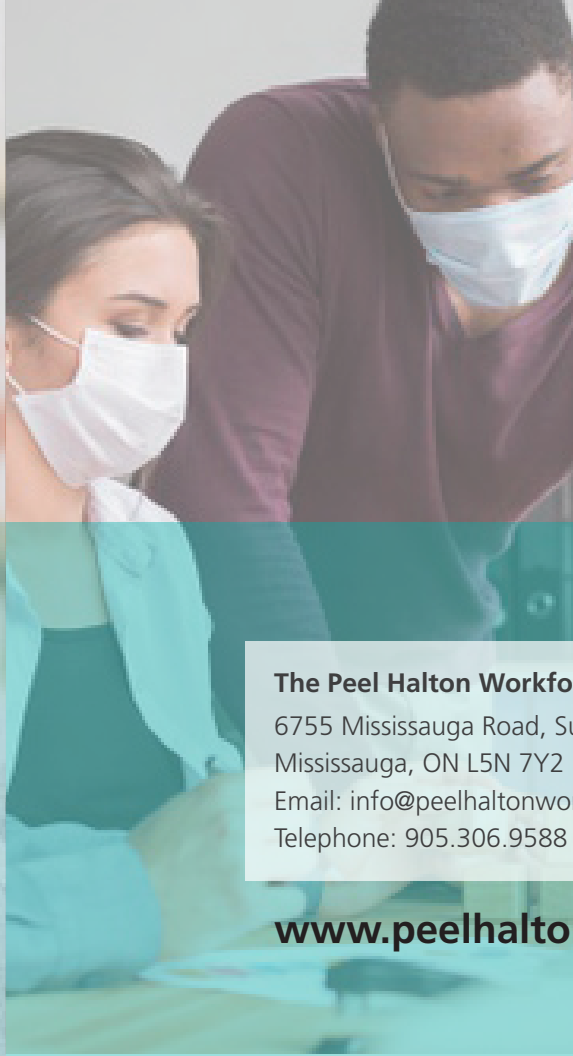
The survey reveals the numerous adaptations that employers relied upon, from having employees work from home to making use of various technological supports to stay engaged with customers. There were also various impacts on employment and on HR practices. It is apparent that some of these changes will stay in place and be expanded upon. As in many other respects, when we return to normal, it will be a new and different normal.

The issue of working from home varied considerably by industry and by the proportion of workers which were essential and non-essential. There is considerable potential for this practice to continue even after the pandemic has passed, which will have considerable implications in a number of respects, including for employees, for commercial realty, for commuting, and for services that support workforce operating out of offices. This will require ongoing monitoring.

This survey sheds light on what changes have taken place and how employers are envisaging the future, even as that future remains unclear and at present has an indeterminate delivery date. Nevertheless, the insights gained from these responses provide initial intelligence so that labour market stakeholders can begin to plan and adjust their services for the evolving needs of job seekers, employees and employers in Peel and Halton Regions.

**GTA EMPLOYER SURVEY**

# THE IMPACT OF COVID 19



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