

# AFTER COVID

— A CHANGED LABOUR MARKET —

GTA EMPLOYER SURVEY 2021



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### Advisory Committee

These individuals provide suggestions regarding the focus and content of the survey.

**Dima Al Kabani** | *Polycultural Immigrant and Community Services*

**Anna Chrzaniecki** | *WCG (EO Service System Manager for Peel)*

**Brad Butt** | *Mississauga Board of Trade*

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**Jenna Patterson** | *Milton Economic Development*

**Roger Francis** | *University of Toronto*

**Jodi O'Gorman** | *VPI Working Solutions*

## Dissemination Partners

These organizations assisted in reaching out to employers to encourage them to complete the survey.

### ACCES Employment

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Association of Administrative Professionals

Brampton Board of Trade

Brampton Economic Development

Bronte BIA

Burlington Chamber of Commerce

Burlington Economic Development

Caledon Community Services

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Children's Mental Health Ontario

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Dixie Bloor Neighborhood Centre

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Goodwill, The Amity Group

Halton Hills Chamber of Commerce

HRPA- Peel

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Indus Community Services

Job Skills

Malton BIA

Malton Neighborhood Services

Markham Village BIA

Milton BIA

Milton Chamber of Commerce

Mississauga Board of Trade

Mississauga Economic Development

Mount Pleasant BIA

Newcomer Center of Peel

Oakville Chamber of Commerce

Oakville Economic Development Office

Ontario Federation of Agriculture (OFA) for Peel Region

Ontario March of Dimes

Ontario Society of Professional Engineers

Ontario Trucking Association

Peel Multicultural Council (PMC)

Peel Poverty Reduction Committee

Polycultural Immigrant and Community Services

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Sheridan College

Skills for Change

The Centre for Skills Development & Training

Toronto BIA Office

Town of Milton Economic Development

VPI Georgetown


VPI Mississauga

YMCA GTA

Yonge Lawrence Village BIA

## Peel Halton Workforce Development Group

The Peel Halton Workforce Development Group (PHWDG) is a community-based not-for-profit Corporation that serves the Peel and Halton regions. The PHWDG functions as a neutral broker of research, disseminator of information and facilitator of collaborative partnership development. The PHWDG works with the community to identify trends and opportunities in the labour market environment which impact our workforce. We then nurture the ideas, which emerge from our consultations and seek to develop partnerships to address these issues, to further help our community to thrive in our local economy. Operating as part of the Local Boards Network of Ontario, PHWDG is one of 26 local planning board areas funded by the Ministry of Labour, Training and Skills Development to conduct and distribute local labour market research and engage community stakeholders in planning processes that support local solutions to local labour market challenges.





## Executive Summary

Last year, the Peel Halton employer survey explored how businesses and organizations were coping with the lockdowns and the shift to remote work. This year, the major focus of the employer survey has been about emerging from the lockdowns and the view of labour market issues during this period of recovery, tentative as it may seem at times.

This 11th annual survey of employers carried out by the Peel Halton Workforce Development Group attracted 700 employers, with an average response of 490 answers per question, from a cross-section of employers in Peel and Halton Regions, as well as from the surrounding Greater Toronto Area. The survey sample of employers was skewed toward larger employers, with approximately 7% of Peel and Halton employers with 100 or more employees responding to the survey. The survey was carried out between the end of August and the beginning of October 2021.

During the lockdown periods, almost half of employers experienced some decrease in their employment levels; slightly more than a third held employment steady, and almost a fifth increased employment. The smaller the firm, the more likely they were to experience a decrease in employment. The largest decreases by industry were among Accommodation & Food Services/ Retail Trade, Other Services and Educational Services. Among sectors where 20% or more of employers reported employment increases were:

- Construction
- Health Care & Social Assistance
- Manufacturing
- Professional, Scientific & Technical Services
- Transportation & Warehousing

Since the lifting of the lockdowns, most employers indicated there has been no change in their levels of employment, but for those reporting a change, the balance tilts towards an increase in employment, particularly among low-skilled occupations. When asked about their hiring intentions for the coming three months, almost half of employers expect an increased number of hires among all skill-level occupations, but especially among low-skilled and mid-skilled. Almost one fifth of employers say they do not know or cannot predict what their hiring intentions will be in the coming three months.

On the issue of skills, employers generally feel that their current employees require upskilling (that is, raising the level of their skills), whereas job candidates require both upskilling and reskilling (new skills). While employers may feel that their current employees also require reskilling, this sentiment is not as pronounced as for the other categories mentioned.

When it comes to specific skill expectations in relation to current job candidates, employers are particularly concerned with the following:

- Employability skills (punctuality, taking direction, reliability)
- Technical/vocational skills that are specific to the occupation they are being hired for
- Working independently (problem-solving, taking the initiative, self-directed)
- Leadership skills (the ability to supervise, manage and motivate workers in the post-pandemic environment)

On the topic of digital skills, a large proportion of employers expect job candidates to be adept in using basic office software (59% of employers said this was an absolute requirement), while a third of employers felt that a facility with mobile apps and handheld devices, as well as skills relating to virtual meeting platforms, were an absolute requirement.

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). Prior to the pandemic, the vast majority of employers said that their employees usually did not work from home. During the pandemic, almost half of employers said that their non-essential employees worked from home 80% or more of the time. Looking to a post-pandemic future, around one third of employers expect that employees will work from home 30% to 70% of the time.

The experience of the pandemic and its impact on future expectations for working from home play out very differently depending on the size of the establishment and on the industry. Among employers with over 100 employees, a significant majority expect a hybrid model for location of work in the future, with 59% expecting that their employees will be working 30% to 70% of the time from home. Similarly, employers in Professional, Scientific & Technical Services and the Wholesale Trade sectors are more likely to predict a hybrid model for location of work for their employees.

That being said, employers were more likely to express concerns about remote work, as opposed to identifying benefits. Their biggest concern was maintaining a team spirit and a corporate culture and, to a slightly lesser extent, the ability to properly on-board a new employee.

On the topic of hiring youth, most employers indicate that they expect to go back to the same pattern of hiring of youth as they had before the pandemic hit. The only decline registered was in relation to summer or other seasonal employment, but this may be a reflection of their hiring for the summer just passed, as opposed to the summer of 2022.

With regards to vaccinations and the workplace, one-third of employers are mandating that employees be vaccinated. Another third is either encouraging them to vaccinate or are providing an incentive. Less than a third have either no policy or are leaving the decision to their employees.

Employers generally felt that micro-credentials could be a great help in closing the gap among a range of skills, especially in relation to employability skills.

Most employers give a positive assessment of their organization's diversity and inclusion policies; the areas which are rated lower are in relation to:

- Tracking progress in implementation of diversity and inclusion goals
- Tracking the contribution of diversity and inclusion to corporate performance

Additional comments added by employers, either via the survey or by way of interviews that were conducted as a follow-up to the survey, emphasized the challenge employers are currently facing in recruiting new workers, a difficulty which has increased since the pandemic.

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# Introduction

This survey represents the 11th 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, as it was with last year's survey.

The survey was administered between August 31 and October 5, 2021. This survey was distributed electronically through various channels such as social media (e.g., LinkedIn, Twitter), the PHWDG website, e-mail campaigns and PHWDG's community partners. The substantial 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.

## Methodology

In total, 700 employers started the survey, but that number was reduced to 633 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 490, excluding two questions which were specifically about youth employment, where the average response was 372.

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.

## Profile of Employers

The PHWDG survey, while focusing on Peel and Halton, also attracts employers across the Greater Toronto Area, as local partners who disseminate the survey through their e-mailing lists often engage with employers beyond the boundaries of these two regions. As a result, while a clear majority (72%) of the respondents are employers in Peel and Halton, many come from other parts of the GTA (Table 1). Also, many who list themselves as “Other” often indicate that their business has several locations, whether in Peel or Halton, or also across the GTA.

In order to gauge how representative the survey sample is, **Table 1** focuses on the responses from Peel and Halton and compares how the survey distribution matches that actual distribution of establishments with employees in Peel and Halton. According to these results, employers from Mississauga and Milton are somewhat over-represented in the survey sample, while employers from Brampton are under-represented.

TABLE 1	MUNICIPALITY	SURVEY		ACTUAL IN PEEL / HALTON
		Number	Percent	
	Brampton	51	11%	33%
	Mississauga	199	44%	36%
	Caledon	18	4%	4%
	Oakville	62	14%	11%
	Milton	56	12%	4%
	Halton Hills	17	4%	3%
	Burlington	52	11%	9%
	<b>Total Peel + Halton</b>	<b>455</b>	<b>100%</b>	<b>100%</b>
	City of Toronto	90		
	Durham Region	5		
	York Region	22		
	Other (please specify)	60		
	<b>Total Outside Peel + Halton</b>	<b>177</b>		

**Table 1:** Distribution of survey respondents by municipality.

**Table 2** profiles the distribution of survey responses by industry. Two calculations have been provided. Firstly, the actual number of all responses by industry, together with their percentage distribution (the first and second column of figures in **Table 1**). Then, the percentage distribution of only those survey responses from Peel and Halton, which is compared to the actual percentage distribution of employers in Peel and Halton (third and fourth columns).

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

- Manufacturing (22.3% of the survey responses compared to 4.7% of all employers);
- Transportation and Warehousing (7.7% of the survey responses compared to 20.8% of all employers).

**Table 2:** Distribution of survey respondents by industry.

TABLE 2	INDUSTRY	TOTAL SURVEY		PEEL & HALTON	
		Number	Percent	Survey Percent	Actual Percent
	Accommodation and Food Services	30	4.8%	4.6%	5.0%
	Administrative & Support, Waste Management	14	2.2%	2.4%	4.0%
	Agriculture, Forestry, Fishing and Hunting	8	1.3%	1.3%	0.3%
	Arts, Entertainment and Recreation	16	2.5%	1.8%	0.8%
	Construction	45	7.2%	6.2%	8.4%
	Educational Services	32	5.1%	4.6%	1.2%
	Finance and Insurance	24	3.8%	3.5%	3.1%
	Health Care and Social Assistance	47	7.5%	8.8%	8.3%
	Information and Cultural Industries	2	0.3%	0.0%	1.1%
	Manufacturing	125	19.9%	22.3%	4.7%
	Mining, Quarrying, and Oil and Gas Extraction	2	0.3%	0.2%	0.0%
	Other Services (except Public Administration) <sup>†</sup>	75	11.9%	12.8%	7.0%



Professional, Scientific & Technical Services	70	11.1%	8.4%	16.6%
Public Administration	6	1.0%	0.9%	0.1%
Real Estate and Rental and Leasing	7	1.1%	1.1%	3.4%
Retail Trade	35	5.6%	5.1%	8.6%
Transportation and Warehousing	45	7.2%	7.7%	20.8%
Utilities	9	1.4%	0.9%	0.1%
Wholesale Trade	37	5.9%	7.1%	6.1%
<b>TOTAL</b>	<b>629</b>	<b>100.0%</b>	<b>99.7%</b>	<b>100.2%</b>

*Actual distribution of Peel and Halton employers from Statistics Canada, Canadian Business Counts, June 2021 † Such as automotive repair, hairdressing or dry-cleaning services.*

**Table 3** profiles the survey respondents by number of employees. Once again, only the distribution of survey respondents located in Peel and Halton are profiled, so that a comparison can be made with the actual distribution by size of establishments present in Peel and Halton.

Very small enterprises (1-4 employees) account for two-thirds (66.6%) of all establishments with employees in Peel and Halton, but a much smaller proportion of survey respondents, at

13.0%. Instead, survey respondents tend to represent larger firms, and the largest size category, 100 or more employees, accounts for a quarter (25.5%) of all Peel and Halton survey respondents, whereas this category only accounts for 2.1% 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.

<b>Table 3:</b> Distribution of survey respondents by number of employees (Peel and Halton).	NUMBER OF EMPLOYEES			
	1-4	5-19	20-99	100+
<b>ACTUAL DISTRIBUTION OF EMPLOYERS BY SIZE IN PEEL AND HALTON</b>				
Actual Number	50,097	17,025	6,532	1,612
Actual Percent	66.6%	22.6%	8.7%	2.1%
<b>DISTRIBUTION OF EMPLOYERS BY SIZE AMONG PEEL + HALTON RESPONDENTS</b>				
Survey Number	58	142	133	114
Survey Percent	13.0%	31.8%	29.8%	25.5%
<b>RATIO OF SURVEY RESPONDENTS TO ACTUAL</b>				
Survey as Percent of Actual in Peel & Halton	0.1%	0.8%	2.0%	7.1%

*Actual distribution of Peel and Halton employers from Statistics Canada, Canadian Business Counts, June 2021.*

The last row of **Table 3** takes the actual number of survey responses by size category which came from Peel or Halton only and expresses it as a percentage of the actual number of employers in that category in Peel and Halton. The results show that among very small firms (of which there are very many), 0.1% of them in Peel and Halton answered the survey, whereas among firms with 100 or more employees, 7.1% answered the survey (one in fourteen).

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 any response.

## Impact of Lockdown on Employment Levels

The first substantive question asked employers to indicate how the pandemic and the lockdowns affected levels of employment in their organizations. The intent of the question was to focus on the drop in employment, up until when the lockdowns were lifted, and was worded as follows:

“Please indicate which statement best describes the impact of the pandemic and lockdowns on the number of workers you employed, comparing before the pandemic to the time of the pandemic and lockdowns (that is, up until June 11, 2021).”

The range of possible responses were as follows:

- A significant reduction of over 33%
- A considerable reduction of between 10% and 33%
- A slight reduction of under 10%
- The size of our workforce more or less stayed the same
- A slight increase of under 10%
- A considerable increase of between 10% and 33%
- A significant increase of over 33%
- Does not apply/Don't know

In order to make easier comparisons across the various cross-tabulations, these responses were grouped into four categories:

- Large decrease (over 33%)
- Some decrease (between 0% and 33%)
- Same
- Increase (any increase)

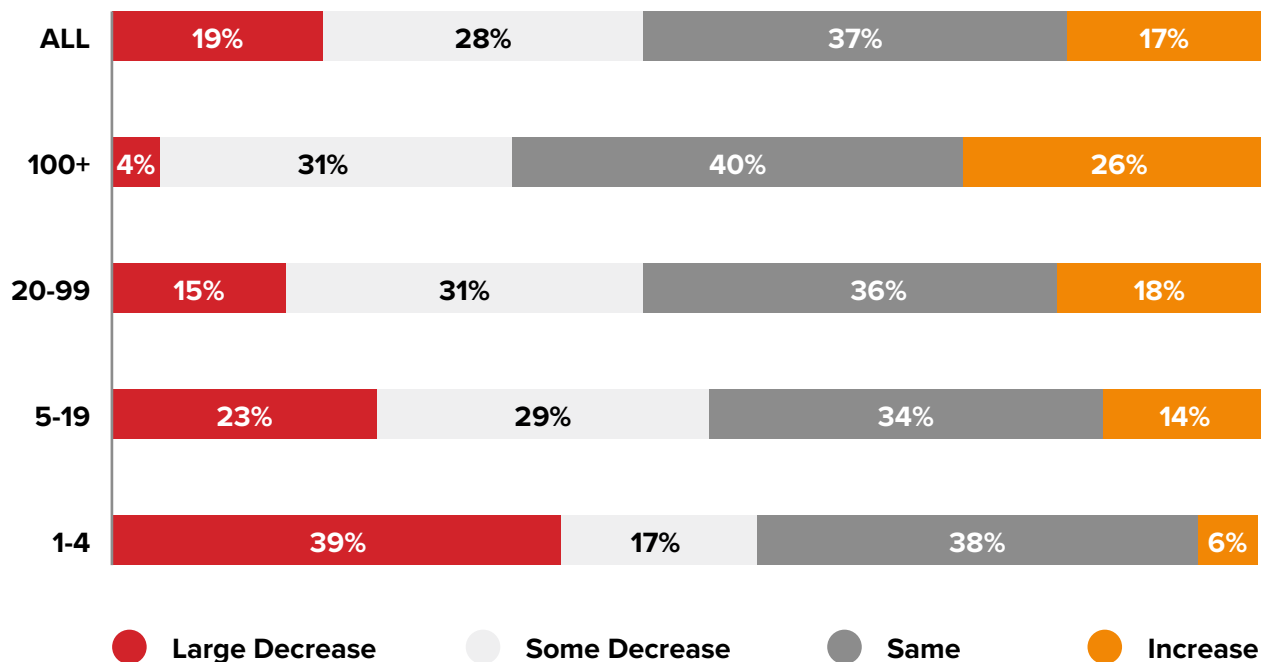
A small proportion (6%) of respondents answered, “Does not apply/Don't know,” so these responses were not compared across the sub-categories.



Chart 1 lists the responses for all employers, as well as the breakdown by four employee size categories:

- 1-4 employees
- 5-19 employees
- 20-99 employees
- 100 or more employees

**Chart 1:** Impact of pandemic on employment levels, all employers and by size of establishment.



Overall, employers were more likely to decrease their employment levels rather than increase and that tendency increased the smaller the firm. In fact, very small firms (1-4 employees) stood out in a number of ways:

- They were far more likely to experience large decreases in employment (39%)
- They were far less likely to have increased their employment (6%)
- Among all the size categories, firms with 1-4 employees were the only ones where a higher proportion reported large decreases as opposed to some decrease

**Table 4** provides the responses to this question by industry. Only those industries with a sufficiently large sample are included in this comparison (Accommodation & Food Services has been grouped with Retail Trade for all industry comparisons in this report).

TABLE 4

INDUSTRY	LARGE DECREASE	SOME DECREASE	SAME	INCREASE
Accommodation & Food Services/Retail Trade	36%	39%	17%	8%
Construction	16%	23%	39%	23%
Educational Services	26%	32%	29%	13%
Health Care & Social Assistance	22%	28%	30%	20%
Manufacturing	9%	29%	41%	20%
Other Services (except Public Administration)	24%	31%	32%	13%
Professional, Scientific & Technical Services	19%	22%	38%	22%
Transportation & Warehousing	0%	33%	45%	23%
Wholesale Trade	14%	36%	36%	14%
<b>ALL INDUSTRIES</b>	<b>19%</b>	<b>28%</b>	<b>37%</b>	<b>17%</b>

By far, the largest proportion of employers indicating that they had large decreases as well as some decreases were found in the Accommodation & Food Services and Retail Trade sectors, who were also far less likely to report any increase in employment. At the other extreme, not one employer in Transportation & Warehousing reported a large decrease in employment and only 9% of Manufacturers reported a large decrease.

Quite a few industries had 20% or more of their employers report an increase in employment:

- Construction
- Health Care & Social Assistance
- Manufacturing
- Professional, Scientific & Technical Services
- Transportation & Warehousing

## Changes in Employment Since the Lifting of Lockdowns

Employers were next asked how employment has changed since the lockdowns began to be lifted (starting June 11, 2021), in relation to three categories of workers:

### Entry-Level or Low-Skilled Workers

Jobs usually requiring a high school diploma or less, such as cashiers, shelf stockers, retail salespersons, cleaners, production workers, labourers

### Mid-Level or Mid-Skilled Workers

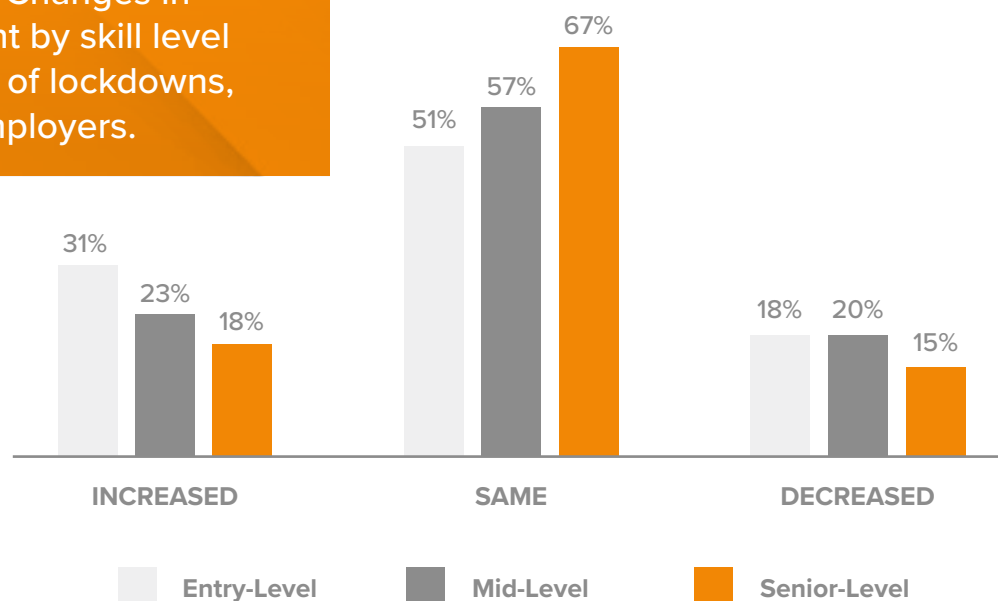
Jobs usually requiring a trades certificate or a college diploma, such as skilled tradespersons, technicians, technologists, supervisors

### Senior or Highly Skilled Workers

Jobs usually requiring a university degree, such as managers, professionals, nurses, teachers

Chart 2 presents the responses for all employers.

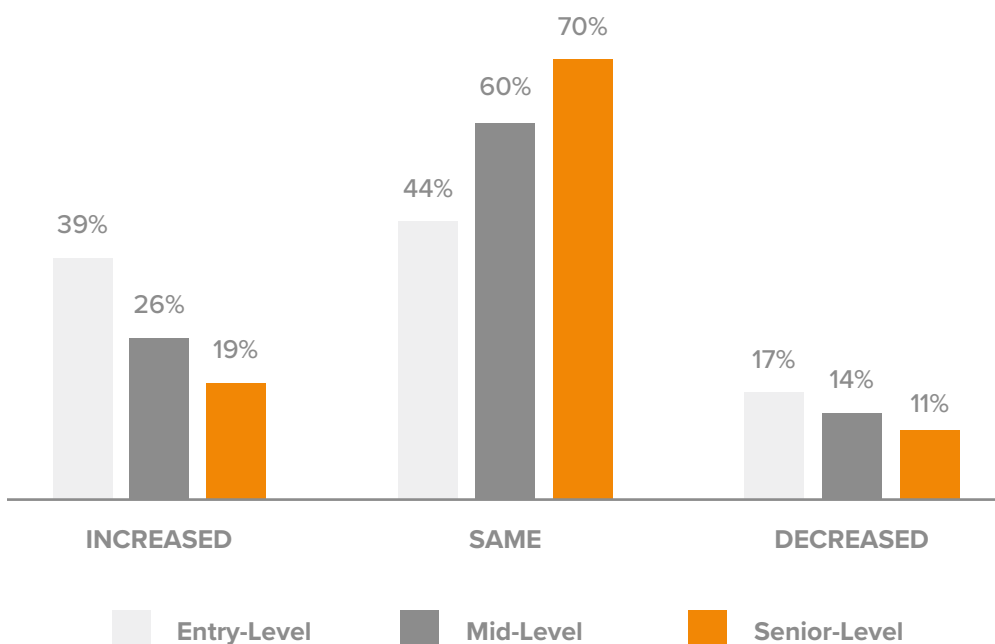
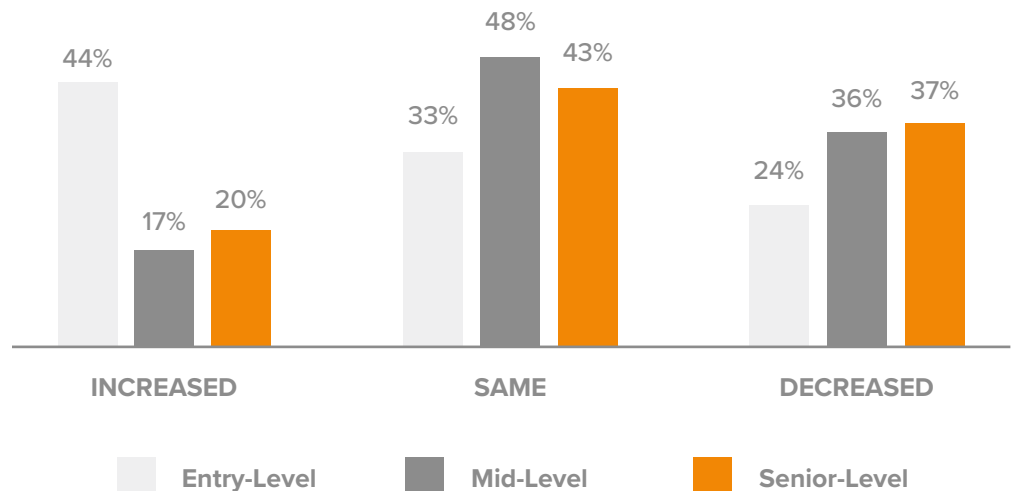
**Chart 2:** Changes in employment by skill level since lifting of lockdowns, all employers.



While the majority of employers indicate there has been no change in the levels of employment, among those reporting a change, the balance tilts towards an increase in employment, particularly among low-skilled occupations (31% say they have increased employment in this category, 18% say they have decreased).

There were notable variations in responses by industry. **Charts 3 & 4** illustrate the responses of employers in two sectors: Accommodation & Food Services and Retail Trade, and Manufacturing. Both sectors had a roughly equal proportion of employers who reported increases in employment across the various skill level categories. The difference was among those employers who reported decreases in employment: employers in Accommodation & Food Services and Retail Trade were considerably more likely to report declines in employment among mid-level and senior level occupations since the lockdowns began to be lifted, with over a third of employers reporting such decreases.

**Chart 3:** Changes in employment by skill level since lifting of lockdowns, Accommodation & Food Services/ Retail Trade.



**Chart 4:** Changes in employment by skill level since lifting of lockdowns, Manufacturing.

Employers were further asked whether the composition of their workforce has changed since the lockdowns have lifted. The workforce categories used in the survey have been abbreviated for the purposes of more easily displaying the labels on the charts. The table below provides the language used in the survey and the abbreviation used in the charts.

### Description in Survey | Abbreviation

**Permanent Employees** | *Permanent*

**Part-Time Workers (Permanent or Temporary)** | *Part-Time*

**Workers from Temp Agencies** | *Temp Workers*

**Contract Workers (Short- or Long-Term)** | *Contract Workers*

**Out-sourcing Functions to Other Companies** | *Other Companies*

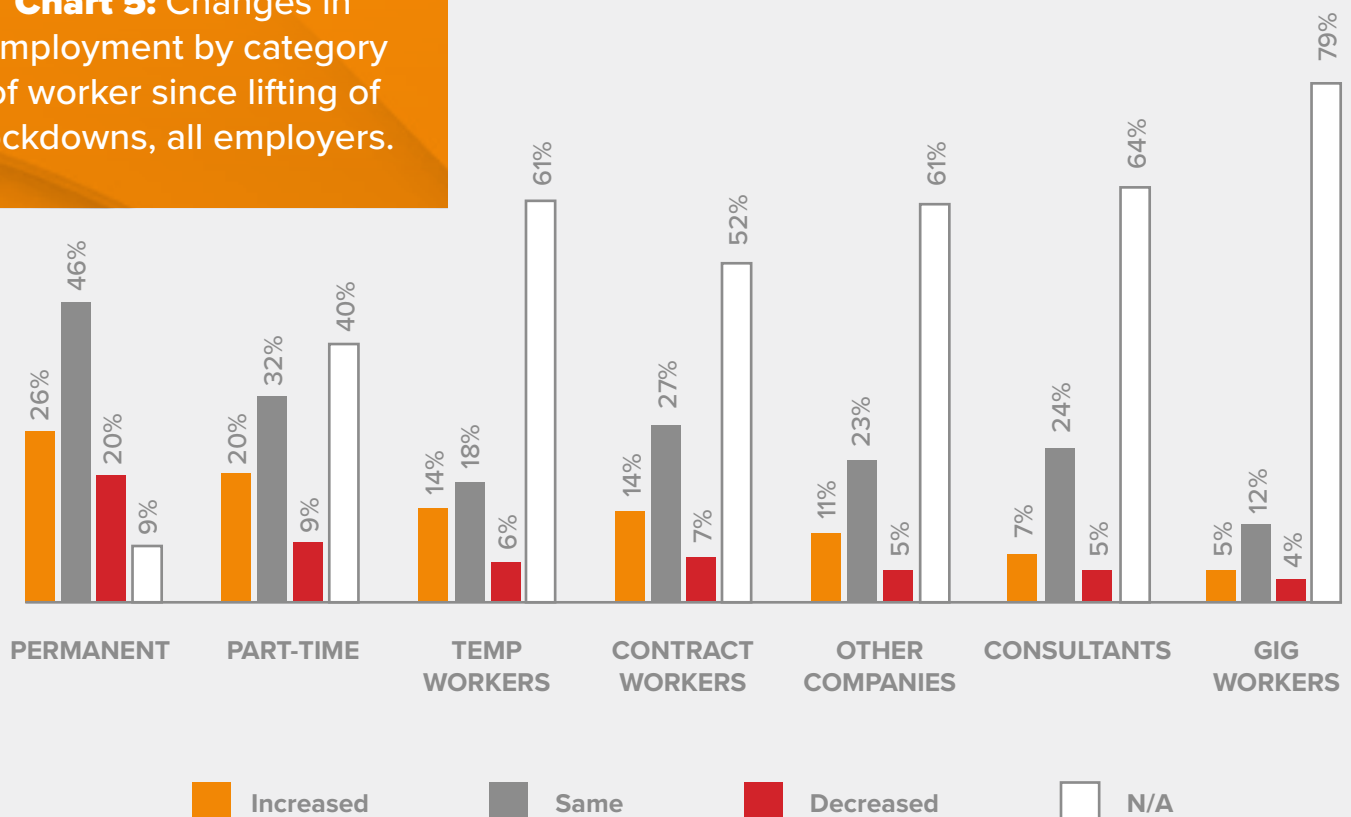
**Consultants** | *Consultants*

**Out-sourcing Functions to Gig Workers** | *Gig Workers*

The survey further defined **gig worker** as follows: A gig worker is someone who is hired to carry out a very short-term task, such as delivering a parcel (e.g., via Uber) or carrying out a freelance office assignment.

Chart 5 illustrates the responses for all employers

**Chart 5:** Changes in employment by category of worker since lifting of lockdowns, all employers.



The first thing to note about **Chart 5** is the degree to which certain categories of workers are “Not Applicable” to the employer, which suggests this is not a category of worker which the employer makes use of. Over 60% do not make use of the following categories:

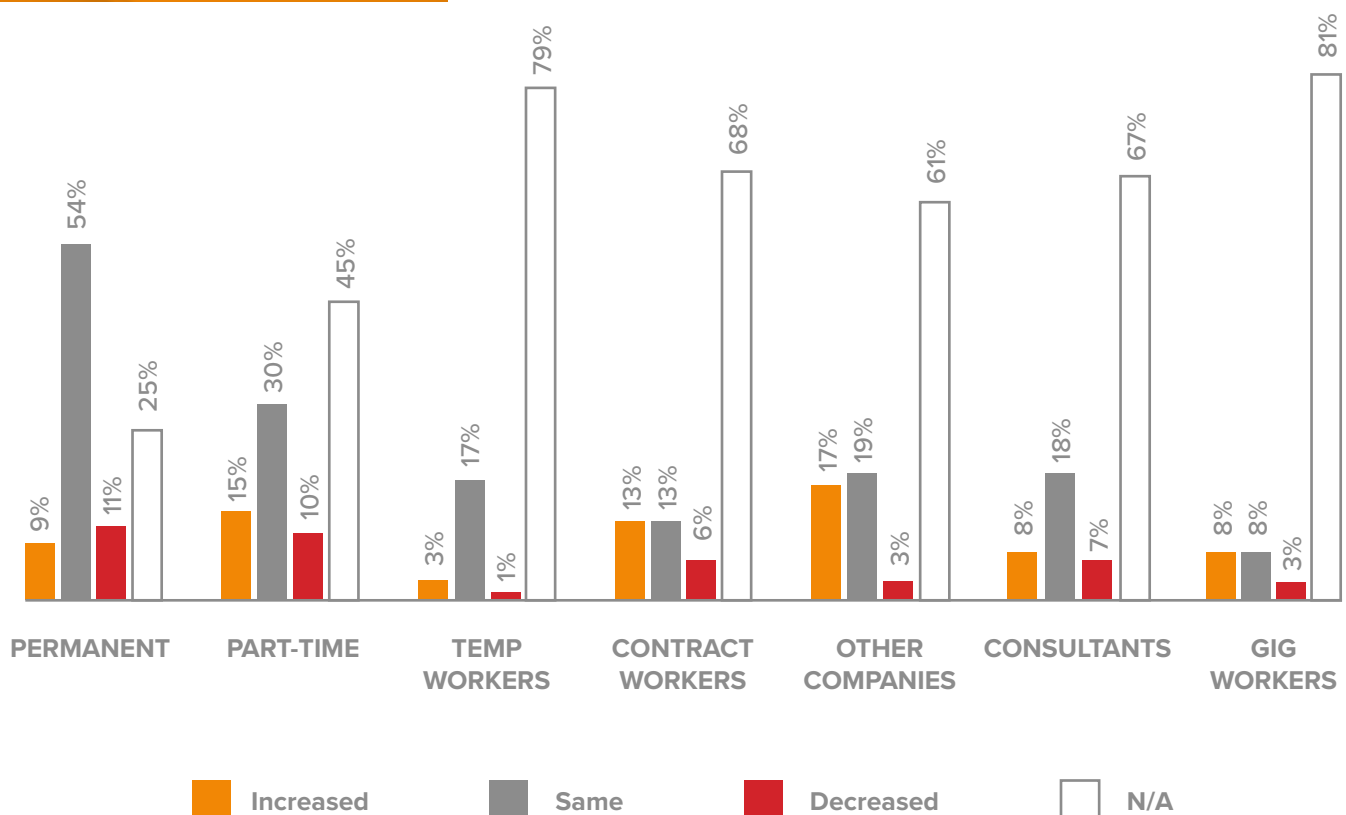
- Gig workers (79% indicated “Not Applicable”)
- Consultants (64%)
- Workers from temp agencies (61%)
- Out-sourcing to other companies (61%)

Further, 52% also cited this response for contract workers, as did 40% for part-time workers.

Secondly, among all categories, a larger proportion of employers indicated that the share of that category had increased compared to the proportion who said the share had decreased. The difference between those indicating an increase versus those citing a decrease was greatest in relation to temp workers, followed by outsourcing to other companies and then part-time workers.

The next two charts highlight how these responses differ between categories of employers, in this case employers with 1-4 employees and those with 100 or more employees.

**Chart 6:** Changes in employment by category of worker since lifting of lockdowns, 1-4 employees.

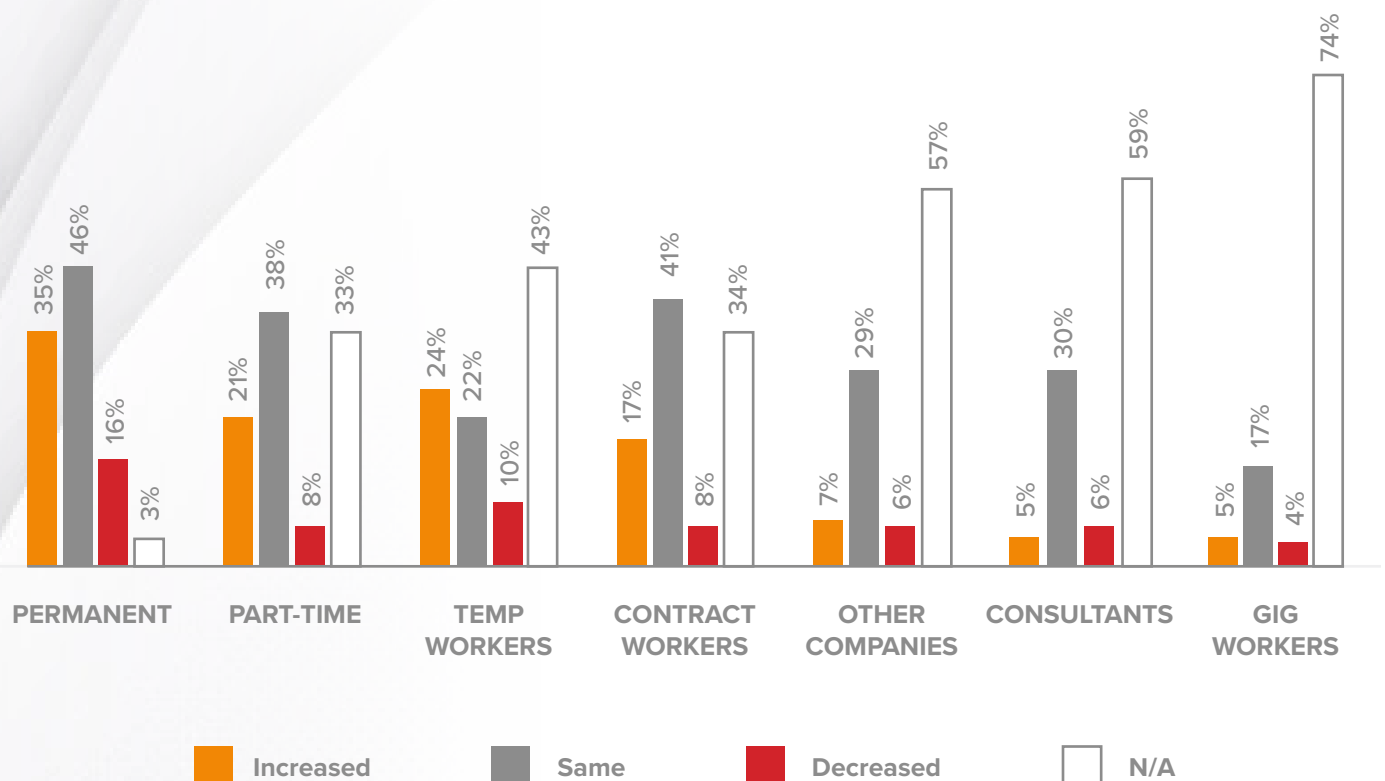




Very small firms are more likely not to rely on other categories of workers apart from permanent workers and part-time workers. They are especially unlikely to rely on gig workers (81% said “Not Applicable”) and temp workers (79%). That was less often the case for firms with 100 or more employees. Indeed, a considerable proportion (24%) of large firms indicated that they have increased the number of temp workers, only second to the increase of permanent workers among large firms, where 35% said the proportion had increased.

Very small firms were more likely to show a larger net increase in their reliance on outsourcing to other companies, while large companies were more likely to have a larger net increase in their reliance on permanent workers, temp workers, part-time workers and contract workers. Conversely, very small firms showed a net decrease in their reliance on permanent workers, while large firms showed a net decrease in reliance on consultants.

**Chart 7:** Changes in employment by category of worker since lifting of lockdowns, 100+ employees.



## Hiring Intentions Over Next Three Months

Employers were asked what their hiring intentions might be over the next three months, “assuming no major changes from today.” As with the questions about their recent hiring, they were asked to predict by both skill-level of the workers as well as by worker categories.

The answer options had an additional choice:

- The number will increase
- The number will stay the same
- The number will decrease
- Not applicable
- I do not know/I cannot predict at this time

In our view, the proportion of employers who select the answer “I do not know/I cannot predict at this time” is a measure of the level of uncertainty that employers feel about the near future. It is noteworthy that the level of uncertainty varies considerably by category of employers.

**Tables 5 and 6** present the percentage of employers who responded “I do not know/I cannot predict at this time” when asked to predict near term hiring intentions. The figure is a percentage breakdown of those who responded for each category of skill-level, except for those who responded, “Not Applicable.” **Table 5** shows the results for all employers as well as by employee size and **Table 6** shows the results by industry.

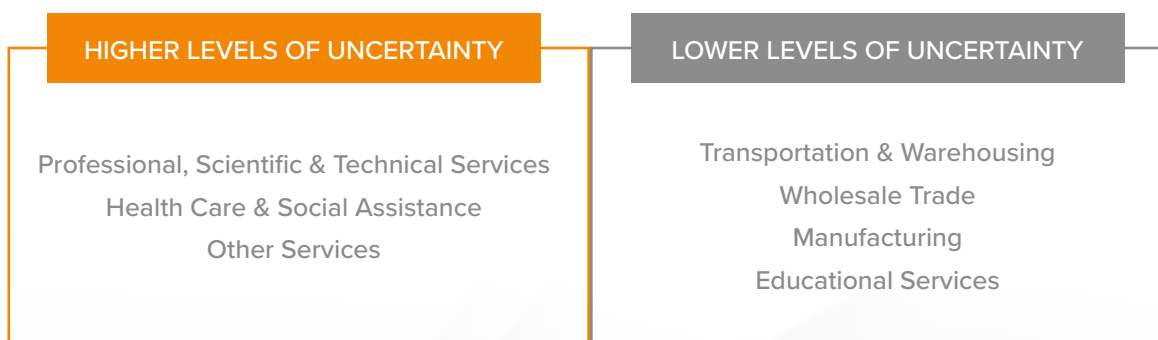
**Table 5:** Percentage of employers answering “Cannot predict” regarding hiring intentions over next three months, for all and by number of employees.

	ALL	1-4	5-19	20-99	100+
Low-Skilled	18%	40%	17%	11%	15%
Mid-Skilled	16%	34%	15%	12%	13%
Highly Skilled	17%	33%	14%	15%	15%

There is little variation in the uncertainty by skill level within each category of employer (**Table 5**). Where there is a significant variation is the far higher level of uncertainty among very small employers (1-4 employees), a level of uncertainty which is double that found among each of the other categories.

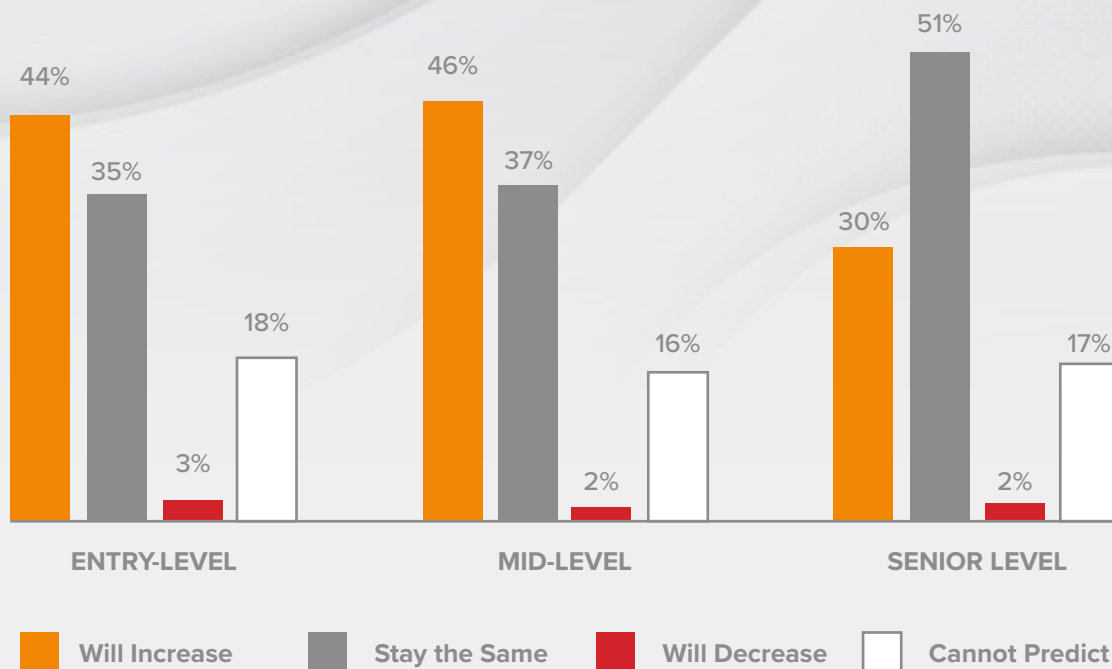
Percentage of employers answering “Cannot predict” regarding hiring intentions over next three months, by industry.									
TABLE 6	Accommodation & Food Services/Retail	Construction	Educational Services	Health Care & Social Assistance	Manufacturing	Other Services	Professional, Scientific, Technical	Transportation & Warehousing	Wholesale Trade
Low	17%	14%	12%	20%	11%	19%	29%	4%	7%
Mid	16%	21%	11%	18%	8%	21%	21%	7%	7%
High	14%	18%	13%	29%	11%	20%	19%	4%	7%

The variation in uncertainty by industry (**Table 6**) is not nearly as pronounced as it was by the size of the firm, although there exists a spectrum of views:



**Chart 8** provides the responses of all employers regarding their near-term hiring intentions. Very few (2% to 3%) predict that their workforce levels will decrease. Considerable proportions of employers expect an increased number of hires among all skill-level occupations, but especially among low-skilled and mid-skilled.

**Chart 8:** Hiring expectations over next three months, by skill-level.



When comparing results by size of firm, very small firms (1-4 employees) have much lower expectations regarding near-term hiring compared to the other employee size categories. By industry, the sectors more likely to express higher anticipation of increased employment are Construction and Manufacturing, while those expressing not as high levels are Transportation & Warehousing (primarily because their expectations for hiring among highly skilled workers is lower) and Health Care & Social Assistance (lower expectations of hiring among both low-skilled and highly skilled workers).

Employers were also asked to predict how the composition of their workforce may change over the next three months by category of worker. **Chart 9** presents the response of all employers. There are broad similarities in the trends in **Chart 9** compared to those in **Chart 8**, namely that expectations of increased employment are much higher than expectations of lower employment in each category, and that the level of uncertainty is around the same range. What is unusual, however, is that in each category, the proportion of employers expecting employment to increase is lower than the proportion of those who felt it was stay the same. This is in contrast to **Chart 8**, where among the larger employment categories of entry-level and mid-level employees, the proportion of respondents who felt employment would increase was greater than those who felt it would stay the same (among senior level workers, the proportion of respondents who felt employment would increase was indeed lower than the proportion who felt it would stay the same). Reconciling these somewhat differing responses depends on the share of the workforce represented by these three skill-level categories; even those the senior level may be smaller, the difference in the answers were much greater).

**Chart 9:** Hiring expectations over next three months, by category of worker.



## Expectations Regarding Skills

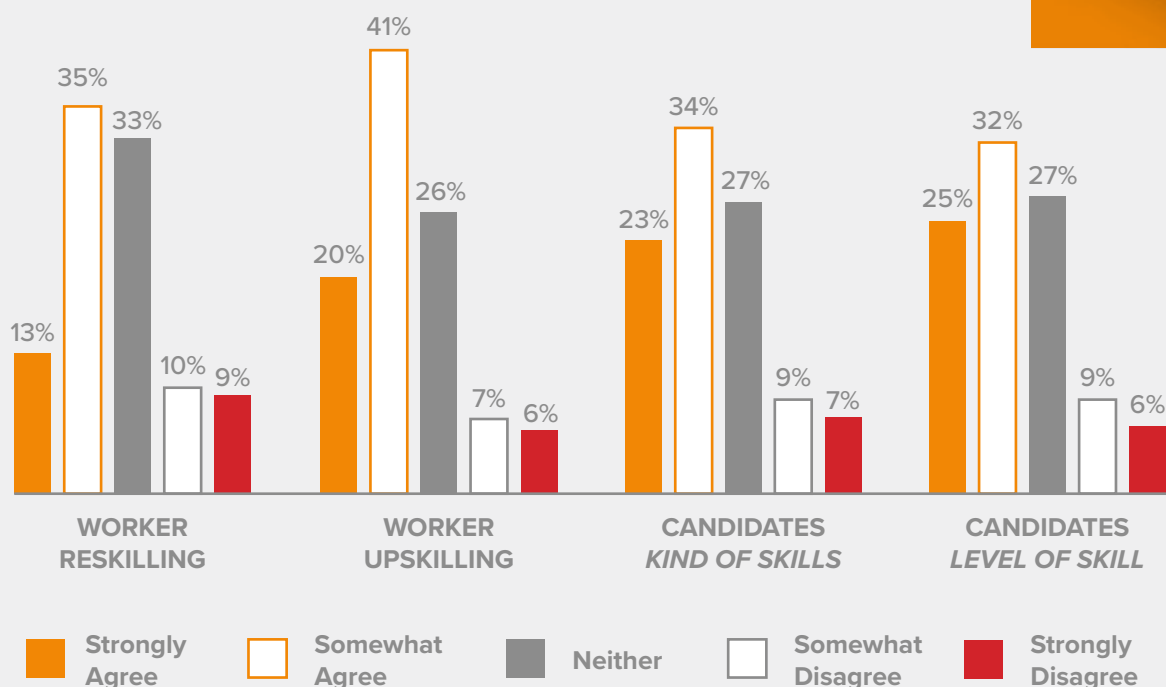
The skills of workers and of job candidates has been a common theme in any consideration of the labour market; this has particularly been the case with the advance of technological change. The issue of skills has received additional attention as a result of the pandemic, as many feel that the pandemic has accelerated many labour market trends, especially with the increased reliance on technology, both to support working from home as well as to reduce human contact in the provision of goods or services. Two terms came to prominence during the pandemic period, namely, *Re-skilling*, the notion that workers may need to shift to other functions and so will need to acquire new skills, and *Upskilling*, the idea that workers will need to enhance the skills they currently have.

Employers were asked their level of agreement with each of the following statements:

- Our current workers need new skills (reskilling)
- Our current workers need to raise the level of their existing skills (upskilling)
- Job candidates lack the kinds of skills we need
- Job candidates lack the level of skills we need

**Chart 10** presents the percentage distribution of responses by level of agreement. The percentages reflect the proportions of all those who provided an answer and excludes those who answered “Do not know/Not applicable.”

**Chart 10:**  
Assessment  
of skill needs,  
for current  
workers  
and for job  
candidates.





Overall, employers are more likely to agree than disagree with each of these statements. Although in all instances, they are more likely to “somewhat agree” as opposed to “strongly agree.” Their level agreement is lowest in the case of new skills for current workers, and then increases slightly in the case of the remaining three statements. When it comes to assessing the skill needs of job candidates, they are slightly more likely to express their agreement “strongly” rather than “somewhat.”

Employers with 5-19 employees are more likely to express that skills need improvement, though less so in the case of reskilling for current workers. Employers with 100 or more employees are slightly less likely to feel that skills need improving. By industry, employers in Other Services and Construction were most likely to feel that skills of both current employees as well as job candidates needed improving, while employers in Health Care & Social Assistance were the least likely to express that view.

## Skill Shortage Categories

The next question zeroed in on the specific types of skills employers found lacking. Respondents were provided with a list of skills and were asked to indicate the degree to which a specific skill was a concern during the hiring process, as follows:

- A major concern
- Sometimes a concern
- Rarely a concern

The skill descriptions in the survey and the abbreviations in the chart are provided in the table below.

### Description in Survey | Abbreviation

\*Abbreviation is written in **bold**

**Basic Digital Skills** (familiarity with a keyboard and office software).

**Employability Skills** (punctuality, taking direction, reliability.)

**Technical / Vocational Skills** that are specific to the occupation they are being hired for.

**Working in a Group** (communications skills, teamwork, managing conflict.)

**Working independently** (problem-solving, taking the initiative, self-directed.)

**Ability to Work Remotely** (being well-suited to work remotely and/or having the resources and/or space to work remotely.)

**Ability to Work Remotely** (being well-suited to work remotely and/or having the resources and/or space to work remotely.)

Strong **Health & Safety Awareness** and practices.

**Adaptability** (being flexible, responding well to change.)

**Leadership Skills** (the ability to supervise, manage and motivate workers in the post-pandemic environment.)

**Customer Service Skills**

**Chart 11** illustrates the percentage of respondents who indicated that the skill in question was a major concern (an analysis of the responses shows that the proportion choosing “a major concern” also reflects the ranking of concern if one creates a composite weighted score of the three responses).

Four skills in particular attract a fair amount of concern:

- Employability skills
- Technical/vocational skills
- Working independently
- Leadership skills

On the other hand, only a very small percentage (6%) indicate that the lack of basic digital skills is a major concern. Little concern was raised for the ability to work remotely and for health and safety awareness.

The results in **Chart 11** do not vary much by the size of establishment, but they do vary by industry. The skills that attract the most concern by industry:

■ Technical / Vocational Skills (industries that ranked this skill as the one attracting the highest proportion of employers expressing this is their major skill concern.)

- Construction (*44% said it was a major concern*)
- Professional, Scientific & Technical Services (*38%*)
- Health Care & Social Assistance (*32%*)
- Other Services (*32%*)

■ Employability Skills

- Transportation & Warehousing (*39%*)
- Manufacturing (*38%*)
- Wholesale Trade (*35%*)

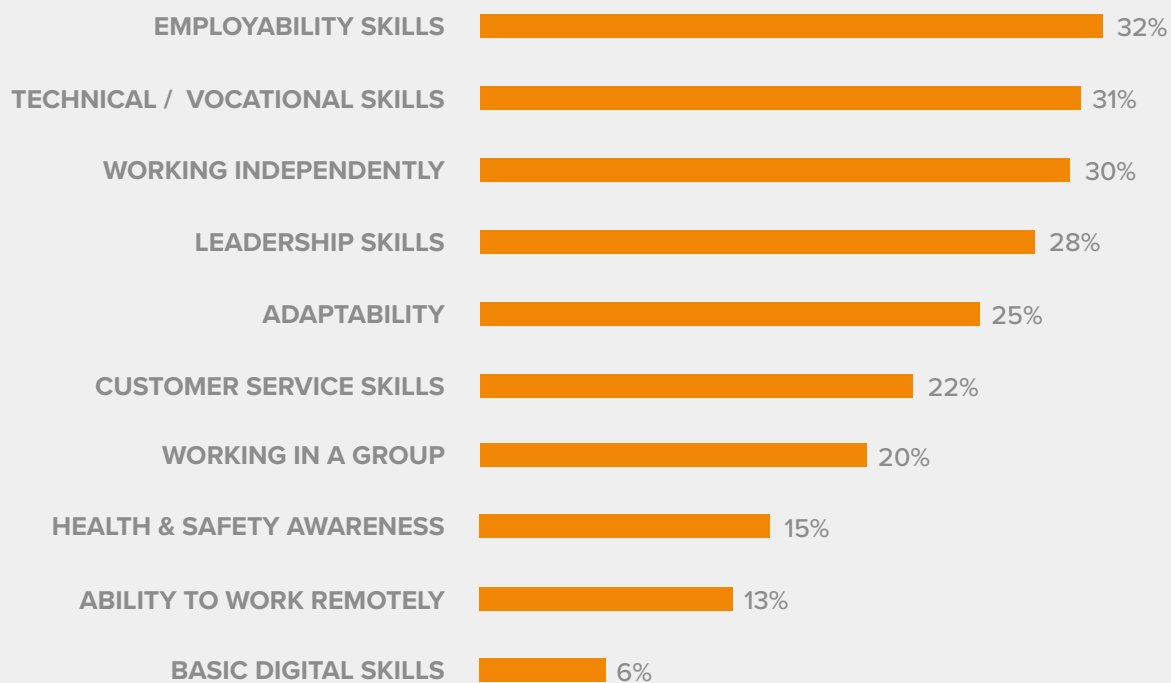
■ Customer Service Skills

- Accommodation & Food Services / Retail (*56%*)

■ Working Independently

- Educational Services (*32%*)

**Chart 11:** Percentage of employers indicating whether the lack of a skill among job candidates is a major concern.



# Employer Expectations Regarding Digital Skills Among Job Hires

As the previous question revealed, not many employers express a concern about a lack of basic digital skills among job candidates or new hires. Many employers list various digital skills as employment prerequisites. Employers were specifically asked about their expectations regarding the following digital skills:

## Description in Survey | Abbreviation

Ability to use mobile apps,  
handheld devices.

Mobile Apps / Devices

Ability to use basic office software  
(word-processing, spreadsheets and/or  
e-mail.)

Basic Office Software

Ability to participate in, make a  
presentation, facilitate and/or organize  
a virtual meeting (e.g. Adobe Connect,  
Cisco WebEx, Microsoft Teams, Zoom.)

Virtual Meeting Skills

Ability to work in an increasingly  
automated workplace (including  
advanced manufacturing.)

Automated Workplace

Ability to manage a website or social  
media presence.

Website / Social Media

Coding skills and/or manipulating large  
datasets.

Coding / Big Data

Employers were asked to indicate their expectations according to the following options:

- An absolute requirement
- Nice to have
- Not a requirement
- Not applicable to our organization

One measure of the importance of these various digital skills to employers is the relatively low proportion who indicated that a particular skill was not applicable to their organization.

**Table 7:** Percentage of employers indicating that a digital skill was not applicable to their organization.

DIGITAL SKILLS	PERCENT
Mobile Apps / Devices	12%
Basic Office Software	9%
Virtual Meeting Skills	15%
Automated Workplace	25%
Website / Social Media	23%
Coding / Big Data	38%

Even for such digital skills as coding or working with big data, less than 40% of employers indicated this was not applicable to their organization. That is quite astonishing, given that fifteen years ago, these skills were hardly on the table.

**Table 8** shows the percentage of all respondents who felt that digital skill was an absolute requirement, as well as those who indicated it would be nice to have. The last column in **Table 8** is the combined score for the previous two columns, showing what proportion of employers feel having that particular digital skill is an asset.

**Table 8:** Percentage of employers indicating that a digital skill was an absolute requirement or nice to have.

DIGITAL SKILLS	ABSOLUTE REQUIREMENT	NICE TO HAVE	BOTH (ABSOLUTE PLUS NICE TO HAVE)
Mobile Apps / Devices	38%	34%	72%
Basic Office Software	59%	22%	80%
Virtual Meeting Skills	36%	29%	65%
Automated Workplace	27%	27%	54%
Website / Social Media	14%	33%	47%
Coding / Big Data	9%	21%	29%

Clearly, digital skills relating to basic office software is a high expectation: 59% of employers said this was an absolutely requirement, while that number rose to 80% when including the “nice to have” proportion. A facility with mobile apps and handheld devices, as well as skills relating to virtual meeting platforms, were also an absolute requirement for over one-third of employers, with an additional one-third feeling these were nice to have. Only slightly fewer said the same about the ability to work in an automated workplace. While the ability to manage a website or social media presence did not rank as highly as an absolute requirement, the combined score in the last column represented almost half of all employers.

The only notable variation by size of establishment was that 26% of very small firms (1-4 employees) and 19% of small firms (5-19 employees) felt that an ability to manage a website or social media presence was an absolutely requirement, which was only the case for 8%-9% of firms with more than 20 employees.

There were sharper differences when the responses were analyzed by industry sector. **Table 9** shows the percentage of employers in each industry who indicated that a particular digital skill was an absolute requirement. The table has been colour-coded by highlighting in orange the three highest percentages for each skill (by row) and by highlighting in grey the three lowest percentages.

Professional, Scientific & Technical Skills scores highly in each digital skill category, whereas Transportation & Warehousing scores low on each digital skill, as do Accommodation & Food Services and Retail Trade. For the other industries, there are higher expectations for some skills among certain industries (not surprisingly, after a year and a half of on-line teaching, Educational Services need on-line meeting skills), and lower expectations for other skills (Health Care & Social Assistance do not expect their staff to be highly versed in social media or coding skills, but they do expect them to be capable of using basic office software, mobile apps and handheld devices).

<b>Table 9:</b> Percentage of employers indicating that a digital skill was an absolute requirement, by industry.	ACCOMMODATION & FOOD SERVICES/RETAIL	CONSTRUCTION	EDUCATIONAL SERVICES	HEALTH CARE & SOCIAL ASSISTANCE	MANUFACTURING	OTHER SERVICES	PROFESSIONAL, SCIENTIFIC, TECHNICAL	TRANSPORTATION & WAREHOUSING	WHOLESALE TRADE
Mobile Apps / Devices	24%	47%	47%	53%	23%	41%	52%	39%	48%
Basic Office Software	33%	58%	58%	76%	48%	59%	90%	50%	68%
Virtual Meeting Skills	16%	28%	53%	32%	25%	47%	64%	18%	37%
Automated Workplace	18%	14%	37%	29%	31%	25%	38%	18%	29%
Website / Social Media	14%	17%	16%	13%	9%	18%	22%	7%	19%
Coding / Big Data	4%	3%	5%	3%	8%	14%	24%	4%	6%



## Remote Work Before, During and After the Pandemic / Lockdown

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). Prior to the pandemic, the incidence of remote work was low, the general view being that working from home was not as productive as when one is in the office. With the impact of the pandemic, most employers and employees were surprised at how effective working from home could be. As an increasing number of workplaces re-open, the topic has turned to finding a better balance between the benefit of engaging face-to-face in one workplace location and the convenience of working from home.

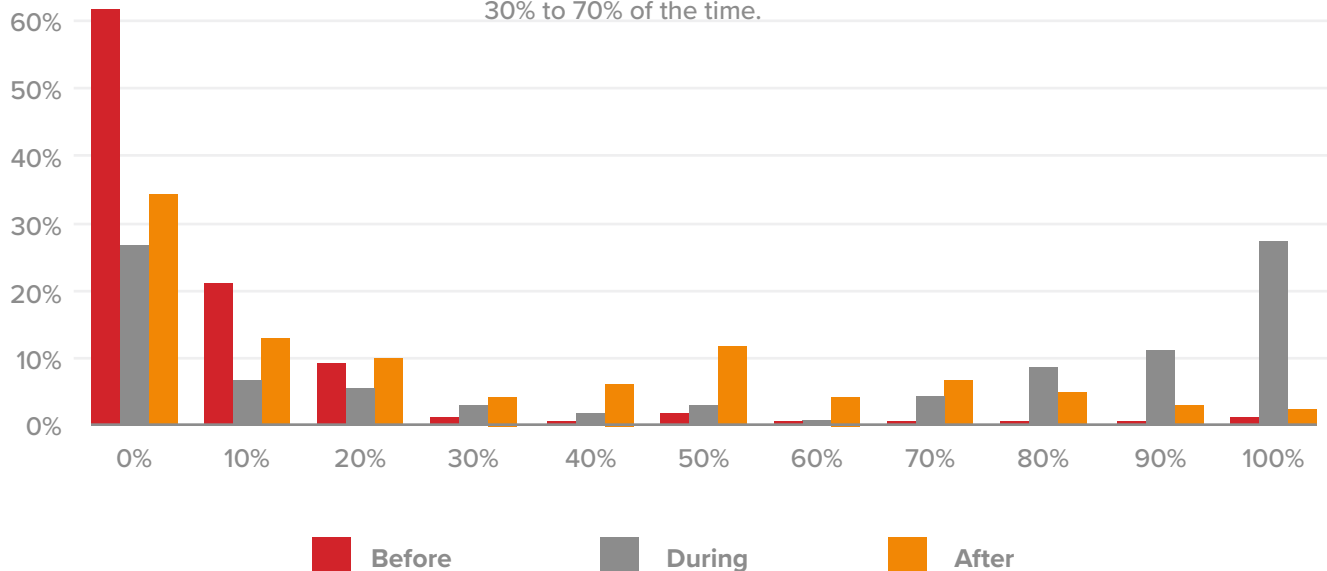
Employers were asked to estimate the percentage of time a typical non-essential worker spent working from home, both before the pandemic and during the pandemic, as well as to estimate what the percentage will be some time after the pandemic has receded. **Chart 12** shows the distribution of responses for each of these three periods.

Prior to the pandemic (red bar in the chart), the vast majority of employers said that their employees usually did not work from home. 61% said that their non-essential workers never worked from home and 92% said that their non-essential workers worked from home 20% or less of the time.

**Chart 12:** Percent of  
time working from home  
– before, during and  
after the pandemic.

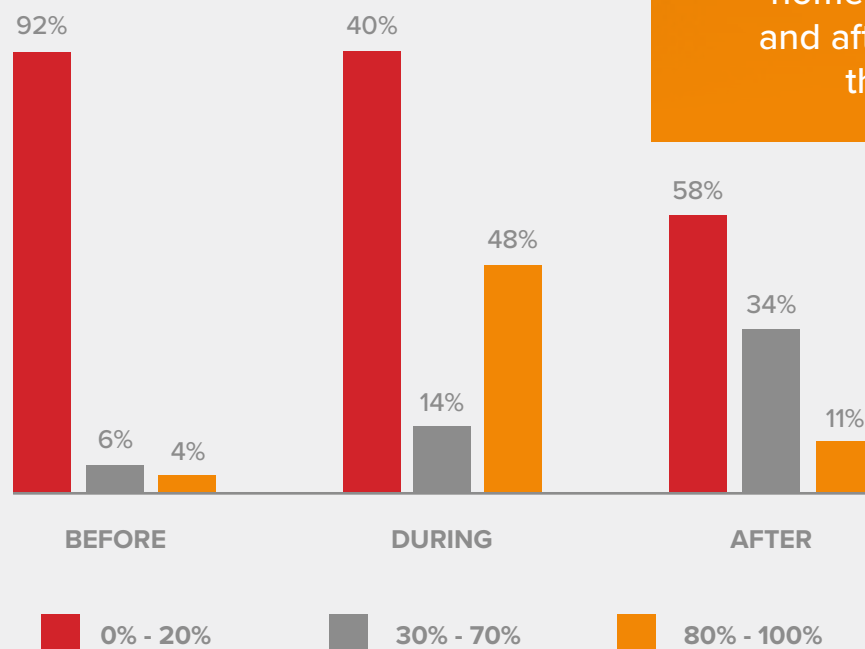
During the pandemic (grey bar), there is a noticeable shift to the right: 48% of employers said that their non-essential employees worked from home 80% or more of the time; 28% said these employees worked from home 100% of the time.

Looking to a post-pandemic future (orange bar), the numbers shift back to far fewer working from home, but there is also another small bulge in the middle of the range: one third of employers (34%) expect that employees will work from home 30% to 70% of the time.



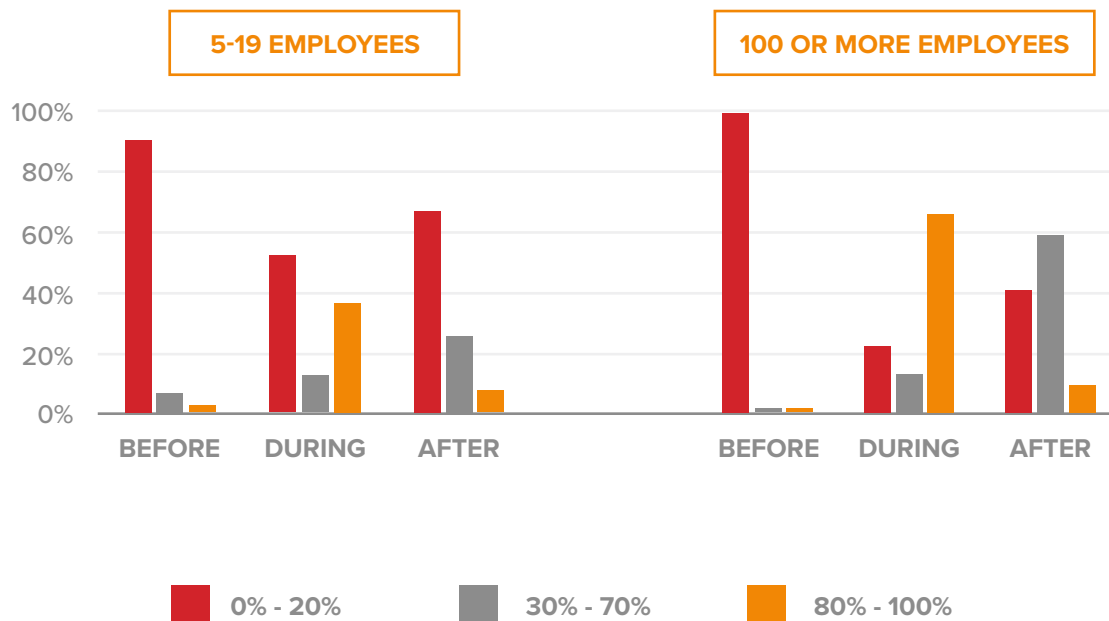
These impacts are far better to visualize when we collapse the responses into three choices: (1) Working from home 0% to 20% of the time; (2) Working from home 30% to 70% of the time; and (3) Working from home 80% to 100% of the time.

**Chart 13** shows the same results from **Chart 12** within these new ranges. The changes can be described as follows: prior to the pandemic, most non-essential employees did not work from home. During the pandemic, there was a rough split between either being in the workplace or working from home, with the majority working from home. In the post-pandemic period, one can expect many employees to return to the workplace, but a considerable number will work from home some of the time.



The experience of the pandemic and its impact on future expectations for working from home play out very differently depending on the size of the establishment and on the industry. **Chart 14** illustrates this difference between two different sizes of firms, those with 5-19 employees and those with 100 or more employees.

**Chart 14:** Percent of time working from home – before, during and after the pandemic, comparison between firms with 5-19 employees and 100 or more employees.



Before the pandemic, the profile for employees working from home was not all that different between firms with 5-19 employees and those with 100 or more employees. During the pandemic, a far larger proportion of employees in firms with 100 or more employees worked from home much of the time: 67% of employers said their employees worked from home 70% or more of the time, compared with 37% of employers with 5-19 employees. The expectations for the future are much different: 67% of employers with 5-19 employees expect their employees to be working from home for 20% or less of the time; among employers with over 100 employees, a significant majority expect a hybrid model, with 59% expecting that their employees will be working 30% to 70% of the time from home.

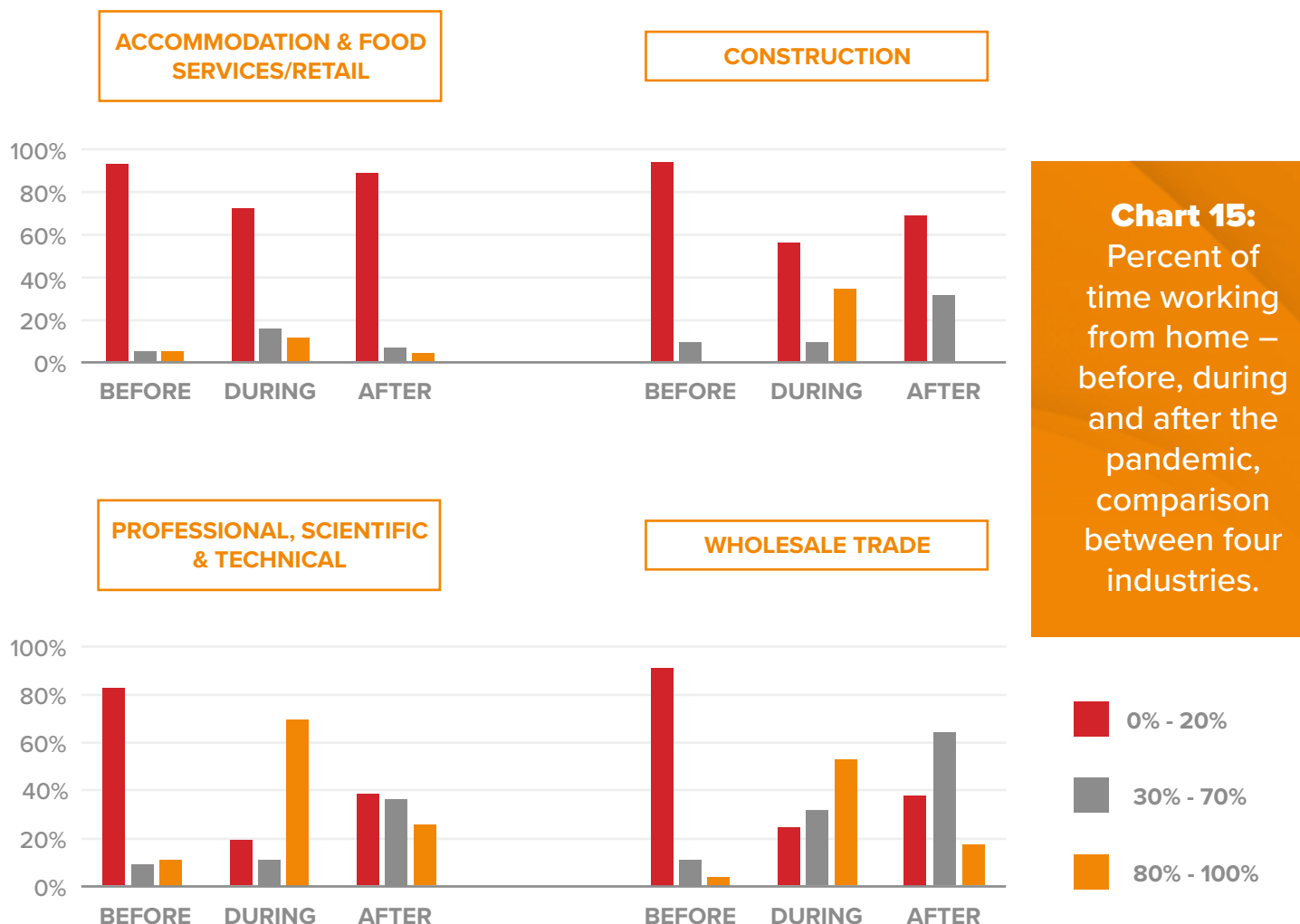
Such differences are also very apparent by industry. [Chart 15](#) illustrates this point by comparing these same dynamics between the following sectors: Accommodation & Food Services and Retail Trade; Construction; Professional, Scientific & Technical Services; and Wholesale Trade.

For all four of these industries, the profile for working from home was much the same before the pandemic; in every instance, more than 80% of the employees worked from home 20% or less of the time. When the pandemic hit, the impacts were very different. The proportion of employees who worked from home 80% or more of the time varied considerably:

- Accommodation & Food Services/Retail: 11%
- Construction: 34%
- Professional, Scientific & Technical Services: 70%
- Wholesale Trade: 50%


The degree to which employees in a given industry could work from home predicts the extent to which employers in that same industry foresee a higher incidence of working from home in the future. Thus, in the case of Accommodation & Food Services/Retail Trade, 73% of employees worked from home less than 20% of the time, and the prediction after the pandemic is almost as high as what existed before the pandemic.

In the case of Construction, some employees (34%) were able to work from home 80% or more of the time (these could include office staff, not only such occupations as tradespersons or labourers). After the pandemic, Construction employers foresee some employees (31%) working from home 30% to 70% of the time.



In the case of Professional, Scientific & Technical Services, 70% of employees worked 80% or more of their time from home during the pandemic. After the pandemic, employers foresee around a quarter of employees (26%) continuing working a larger amount of time from home, and another 36% working 30% to 70% of their time from home.

Employers in Wholesale Trade foresee a considerable shift of more employees working from home after the pandemic, with 61% applying the hybrid approach (30% to 70% of the time working from home) and another 16% working from home 80% to 100% of the time. (These responses represent 30 employers, which is a fairly good sample size.)



## Employer Views Regarding Remote Work

Employers were asked to indicate their level of agreement or disagreement with a series of statements about remote work and its implications for the organization. The statements used in the survey are provided below, together with the abbreviated version for reporting purposes.

### Description in Survey | Abbreviation

Employees working remotely were as productive if not more productive compared to working on-site.

As Productive

We foresee cost-savings to the company if more employees work remotely more often.

Foresee Cost-Savings

We have concerns regarding maintaining a team spirit and/or our corporate culture if there is a high incidence of working remotely.

Concern for Team Spirit

We have concerns regarding our ability as a team to innovate or problem-solve if there is a high incidence of working remotely.

Concern for Innovating

We have concerns about properly on-boarding new hires if there is a high incidence of working remotely.

Concern for On-Boarding

We have concerns regarding the implications for health, safety, WSIB and other insurance consequences as a result of more work done remotely.

Concern for Insurance Issues

While we were able to manage for a while, some of our employees have neither the proper working space and/or equipment to work remotely over the long-term.

Concern for Home Workspaces

**Chart 16** illustrates the results, which represent a composite score for each item, where a value was ascribed to each response as follows:

*Strongly agree* | +2

*Somewhat agree* | +1

*Neither agree nor disagree* | 0

*Somewhat disagree* | -1

*Strongly disagree* | -2

All the values for one item were added up and divided by the number of respondents who provided an answer (that is, excluding those who replied, “Do not know/Not applicable.”)

**Chart 16:** View on remote work.



Overall, employers were more likely to express concerns about remote work, as opposed to identifying benefits. The biggest concern was maintaining a team spirit and a corporate culture. A composite score of “1.0” would mean the average response was exactly equal to the value we ascribed to “Somewhat agree.” This statement was the only statement where the composite score was above 1.0. A higher degree of concern was expressed with regards to the ability to properly on-board new recruits and with regards to the ability of the staff as a team to innovate or solve problems.

There was less concern expressed about the adequacy of having proper workspaces or equipment at home or about insurance issues related to employees working from home. Employers also only gave relatively weak agreement to the statements that employees were as productive or more productive working from home, or that remote work contributed to cost-savings for the organization.

There were no clear patterns in responses to this question when analyzed by size of the organization. By industry, some variations did emerge:

- For the top three concerns, regarding impacts on team spirit, on-boarding and innovating, this was a greater concern for Construction and Manufacturing firms, and less a concern for organizations in Health Care & Social Assistance.
- Organizations in Educational Services were more likely to agree that workers were equally or more productive, yet at the same time also had the highest level of agreement with the view that homes often did not provide the best workspace or technology that was needed for the job.



## Employer Expectations for Hiring Youth

In terms of employment, youth was the demographic hardest hit by the pandemic, as the places which employ the largest proportions of youth (restaurants, retail stores, bars, recreational facilities) were the ones most likely to be closed by the lockdowns. The survey sought to identify what employers anticipated in terms of their hiring of youth in the coming months. In order to provide a context, employers were first asked to what extent they hired youth in the pre-pandemic period, in terms of a number of employment categories. They were then asked their hiring intentions for these same categories, for the coming months. **Table 10** shows the percentage of employers who had hired youth in the pre-pandemic period, as well as the percentage who expected to hire youth in the coming months. The difference between the post-COVID and pre-COVID periods is provided in the last column.

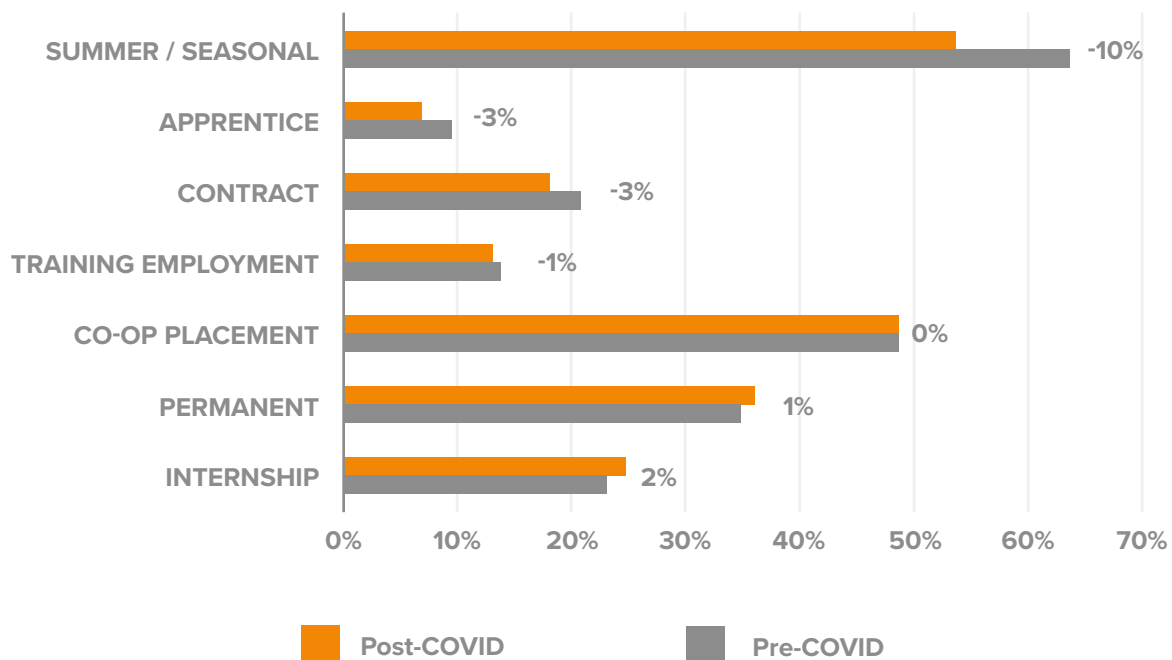
<b>Table 10:</b> Hiring of youth, pre- and post-pandemic	PRE-COVID	POST-COVID	DIFFERENCE
Summer or other seasonal employment	64%	54%	-10%
Permanent employment	35%	36%	1%
Contract (shorter-term) employment	21%	18%	-3%
Registered apprentice	10%	7%	-3%
Co-op placement related to education	49%	49%	0%
Internship	23%	25%	2%
Placement related to a training or employment program	14%	13%	-1%

Overall, there is only a small difference in each of the categories, except for a considerable difference in hiring intentions for summer or seasonal employment. Chart 17 illustrates these results, listing the job categories in order of the greatest decline to any increase, between hiring intentions and past hiring practices.

There was no discernable pattern in terms of hiring intentions by size of establishment. When the data is analyzed by industry, some exceptions stood out:

- All industries expected to hire fewer summer or seasonal jobs, except for Transportation & Warehousing, where 11% more employers expected to hire compared to their pre-pandemic numbers
- Two sectors in particular showed increases in two categories
  - For permanent hires, more employers expected to hire among Professional, Scientific & Technical Services (+8%) and Educational Services (+5%)
  - For co-op placements, more employers expected to hire among Professional, Scientific & Technical Services (+7%) and Educational Services (+12%)
- The biggest decline in any hiring category was for summer or seasonal jobs among Professional, Scientific & Technical Services (-23%)

**Chart 17: Hiring of youth, pre- and post-pandemic**



# Vaccination Policy

Workplace policies regarding vaccinations have become an issue that employers have to contend with. The survey offered employers a number of options to choose from to indicate what is their current policy. These options are listed below, together with their abbreviated versions for reporting.

## Description in Survey | Abbreviation

Require that all workers be vaccinated.

**Mandatory**

Provide an incentive for workers to be vaccinated (for example, bonus or time off.)

**Incentive**

Encourage workers to get vaccinated, but we do not provide an incentive.

**Encouragement**

Leave it to employees to decide whether they get vaccinated or not.

**Employee Choice**

We have not decided on a workplace vaccination policy yet.

**No Policy**

The issue of workplace vaccination is not a relevant concern to our company.

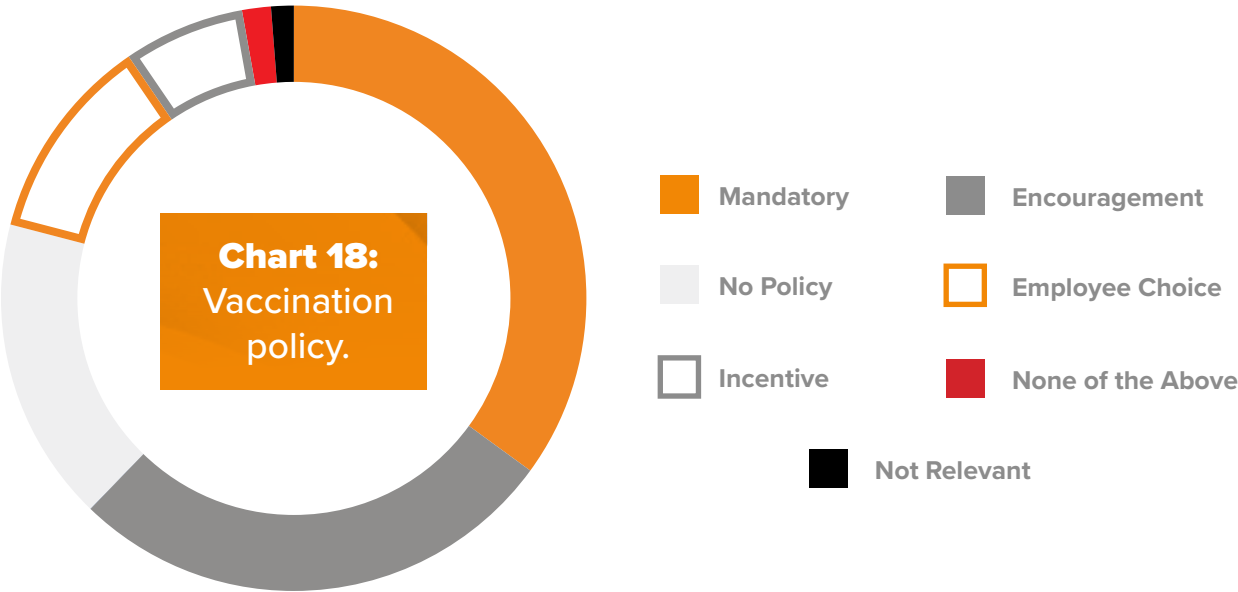
**Not Relevant**

None of the Above.

**None of the Above**

**Table 11** provides the responses from all employers (listed in order of most responses). **Chart 18** illustrates the data.

Table 11: Vaccination policy.	
RESPONSE	PERCENT
Mandatory	34%
Encouragement	26%
No Policy	16%
Employee Choice	11%
Incentive	6%
None of the Above	2%
Not Relevant	1%



One third of employers are mandating that employees be vaccinated. Another third is either encouraging them to vaccinate (26%) or are providing an incentive (6%). Less than a third have either no policy (16%) or are leaving the decision to their employees (11%).

There are significant differences in responses by employer sub-categories:

- On the issue of mandatory vaccinations, there is a clear trend by size of establishment, as follows:
  - Firms with 1-4 employees: 58% mandate vaccinations
  - Firms with 5-19 employees: 41%
  - Firms with 20-99 employees: 25%
  - Firms with 100 or more employees: 19%
  
- There are also variations by industry regarding mandatory vaccinations:
  - Health care & Social Assistance sector: 53% mandate vaccinations
  - The following have lower rates of mandating vaccinations: Transportation & Warehousing – 15%; Manufacturing – 23%; Wholesale Trade – 23%; Accommodation & Food Services/Retail – 25%
  
- Those sectors which do not mandate vaccinations often have higher rates of encouraging employees to get vaccinated
  
- Two sectors in particular are more likely to say they have not decided on a policy yet: Transportation & Warehousing – 26%; Construction – 24%; compared to 16% for all employers

## Training Needs

Employers were asked to allocate an imaginary, unrestricted training budget across four training categories. The categories are listed below, with the accompanying abbreviated versions:

Pre-employment programs which prepare job candidates to be more job-ready, in terms of soft and/or technical skills.

### Preparing Job Candidates

Raising the skill level of your existing workforce to adjust to the post-pandemic economy and new ways of working.

### Upskilling Current Employees

Training current workers for new skills to take on new functions or a different occupation.

### Reskilling Current Employees

Improving the skills of supervisors and managers to increase job retention, develop stronger teams and raise productivity.


### Strengthen Supervisors / Managers

**Table 12** presents the results. By and large, employers allocated the budget equally to all categories, with a slight exception in providing a larger allocation towards upskilling current employees and a correspondingly smaller proportion to reskilling current employees.

**Table 12:** Allocation of hypothetical training budget.

TRAINING CATEGORY	PERCENT
Preparing Job Candidates	25%
Upskilling Current Employees	28%
Reskilling Current Employees	21%
Strengthen Supervisors / Managers	26%

There were some variations by category of employer:

- Firms with 1-4 employees were somewhat more likely to prioritize upskilling current employees (32%), while large firms with 100 or more employees gave a higher priority to strengthening supervisors/managers (32%)
  - There was less variation by industry; the only notable exception was in the case of Wholesale Trade, where employers saw less need for preparing job candidates (19%) and instead emphasized strengthening supervisors/managers (30%)
- 

## Employer Opinions on the Suitability of Micro-Credentials for Different Skills Development

Micro-credentials have emerged as a proposed option for training and education purposes. In the survey, micro-credentials were described in the following way:

*A micro-credential represents a short-term form of postsecondary education training for specific skills and competencies that can address a specific need and/or can be stacked together with further training to achieve a credential or certificate. On average, this would represent 40-50 hours of training.*

Employers were asked to assess the suitability of a micro-credential approach for a range of skill categories, choosing one of three options:

- A micro-credential course could be a great help for this skill
- A micro-credential course could help somewhat for this skill
- One would need training of greater length for this skill

**Table 13** presents the responses. Employers generally felt that micro-credentials could be a great help with each skill category mentioned, with 47% to 59% choosing this response. They especially felt that employability skills could benefit from this approach.

Perhaps more revealing is the distribution of those who felt a particular skill would need training of a greater length. Two skills in particular were singled out by employers, with nearly one in five saying that technical/vocational skills (19%) and leadership skills (18%) needed a greater investment of time.

There were limited variations in responses by employer categories. Some of these responses, for example, in relation to the need for longer training, may be a reflection of the overall skill requirements of a particular industry. For example, Accommodation & Food Services/Retail had a smaller proportion of employers (8%) who felt there would be a need for longer training for technical/vocational skills, compared to the 26% of employers in Health Care & Social Assistance who felt this way about training for technical/vocational skills in their sector.

For some answers, it felt that the responses were more a reflection of the importance of the skill to that industry, as opposed to the suitability of micro-credentials as a way of training for that skill. For example, in relation to customer service skills, 72% of Accommodation & Food Services/Retail employers felt a micro-credential approach would be a great help; the responses of all other industries fell within a lower range of 33% to 55% thinking a micro-credential approach would be a great help for this skill.



**Table 13:** Suitability of micro-credentials for different categories of skill development.

	Would Be a Great Help	Would Help Somewhat	Need Longer Training
Basic digital skills (familiarity with a keyboard and office software.)	55%	40%	5%
Employability skills (punctuality, taking direction, reliability.)	59%	33%	8%
Customer service skills.	54%	36%	10%
Technical/vocational skills that are specific to the occupation they are being hired for.	54%	27%	19%
Working in a group (communications skills, teamwork, managing conflict)	50%	41%	9%
Working independently (problem-solving, taking the initiative, self-directed.)	51%	38%	11%
Health and safety awareness and practices.	47%	44%	10%
Leadership skills (the ability to supervise, manage and motivate workers in the post-pandemic environment.)	47%	35%	18%

Excludes the responses of those employers who answered "Do not know/not applicable"

## Employer Ratings of Their Organization's Diversity and Inclusion Policies

The final substantive question in the survey asked employers to rate their diversity and inclusion policies. This question was asked in the context of the many social issues which had attracted considerable attention in the recent two years. The survey expressed this context in the following way:

*The period just before and during the pandemic saw a greater focus being placed on the circumstances of specific population groups as a result of such moments as the #MeToo movement, the blockades by Indigenous Peoples and the further revelations relating to residential schools, and the Black Lives Matter protests. As well, marginalized groups were disproportionately harmed by the COVID pandemic, as were youth, who experienced very high unemployment rates and a reduced ability to participate in experiential learning opportunities. Throughout this period, persons with disabilities have continued to experience poor labour market outcomes.*

The policy areas which were to be assessed were as follows (with the accompanying abbreviated versions):

Formal policies for diversity and inclusion | **Formal Policies**

Recruitment of new employees | **Recruitment**

Career advancement | **Advancement**

Retention of staff | **Retention**

Mentoring | **Mentoring**

Recognizing and addressing mental health and wellness in the workplace | **Mental Health**

Cultural competence/cross-cultural communication | **Cultural Competence**

Processes to hold managers accountable for adhering to diversity and inclusion | **Accountability**

Tracking progress in implementation of diversity and inclusion goals | **Tracking Implementation**

Tracking the contribution of diversity and inclusion to corporate performance | **Tracking Contribution**

Employers were asked to rate their organization's performance on a scale of "1" to "7," where "1" meant "Needs a lot of improvement" and "7" meant "Very good." The responses of all employers providing a rating were added together and divided the total number of employers providing a rating for that item. The result would be an average score, somewhere between "1" and "7".

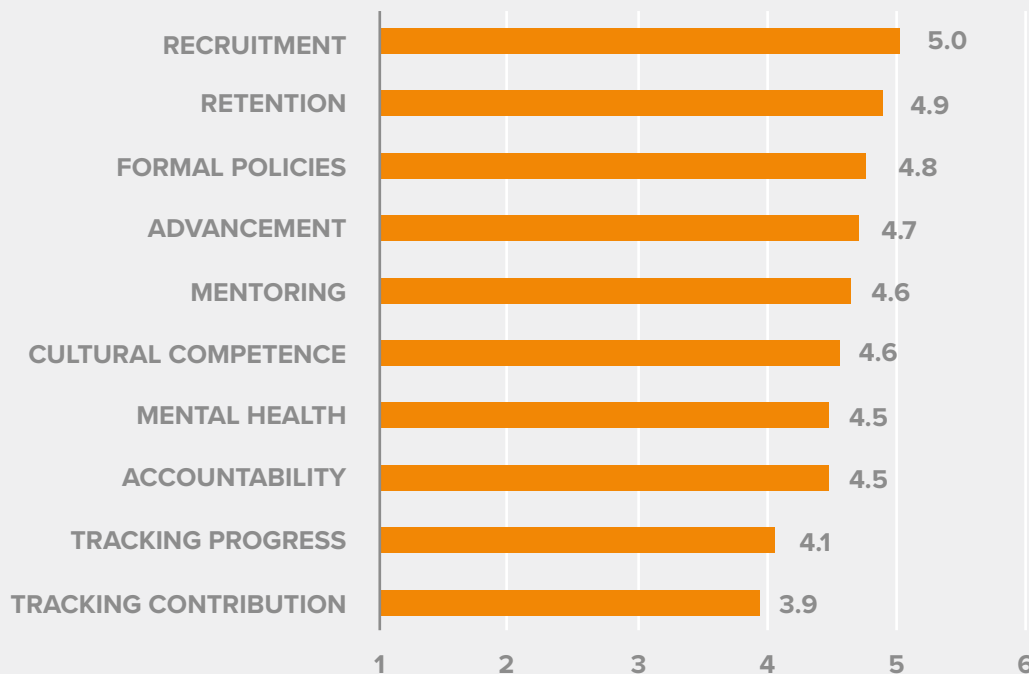
The responses for all employers are presented in **Chart 19**. Overall, employers rate their organization's performance positively, but not especially high, with most activities rated between 4.5 and 5.0 on a scale of 1 to 7. Their highest ratings are for their performance in relation to recruitment, retention, formal policies and career advancement.

The activities receiving the lowest ratings are:

- Tracking progress in implementation of diversity and inclusion goals
- Tracking the contribution of diversity and inclusion to corporate performance

Diversity and inclusion advocates would say that tracking these metrics are important for two reasons:

- 1) To assess an organization's performance over time; and
- 2) To demonstrate that diversity and inclusion has not only benefits to those population groups seeking better outcomes, but that these efforts also benefit the performance of an organization.



**Chart 19:**

Employer ratings of their organization's activities in relation to diversity and inclusion ("1" = "Needs a lot of improvement"; "7" = "Very good")

When these results are analyzed by industry, the one notable observation is that employers in the Educational Services sector consistently rank their performance across each of these categories higher than any other industry, while employers in the Construction industry usually rank their performance lower than any other industry.

## 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. Just over 50 comments were received covering a very wide range of topics, with several prominent themes, the most common being the difficulty in finding job candidates:

- A large number of employers (ten in total) note that the ability to find job candidates has become even more challenging than usual.
- A considerable number of responses (nine in total) complained about the CERB benefits and how these have acted as a disincentive to work. A typical comment was: “Workers are barely applying for jobs as there is very little incentive to work due to the free benefits everyone is eligible for.” CERB has been replaced by a different program (CRB – Canada Recovery Benefit), while has stricter eligibility requirements and generally provides less assistance, yet CERB remains a sore point for some employers.
- Another group of employers (five in total) complained about the poor work ethic and lack of motivation among current job candidates.
- Several employers (four in total) commented on the diversity and inclusion question in the survey, noting that their own policy is to hire the best candidate for the job and that in their view a diversity approach runs counter to that goal.

Last year, when respondents had also been asked to provide additional comments, a significant number spoke about the need for additional financial support or about concerns regarding the future viability of their business. This year, only a couple of responses referred to these concerns.

The remaining comments were disparately dispersed among other subjects, including comments on the design of the survey itself (that is was too long or that it did not reflect the needs of their particular organization).

## 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.

As in the case of the comments volunteered at the end of the survey, the employers interviewed highlighted the difficulties they experienced in recruiting employees, particularly for entry-level positions. All of them expressed the view that, since the pandemic, it has been even harder to recruit for these positions than before. Most of them indicated that the incidence of “ghosting” had also increased, that is, where a job candidate agrees to a job interview but then does not show up at the appointed time. In addition, individuals who are hired may start work and decide to quit within a few hours. One employer described her recent recruitment efforts:

**“** *I had scheduled Zoom interviews with 41 job candidates. Fifteen of them appeared for their on-line interview appointment. Of those, I hired two, one for a full-time position and one for a part-time position. Within a week, one of them quit and I had to fire the other one.* **”**

A number of the employers had increased their wages recently, in an effort to make their job openings more attractive. In several cases, however, employers felt they were at a disadvantage in comparison to their competition. For example, one employer seeking to hire general labourers felt they could not match the wages being offered by large, highly profitable multinationals such as Amazon or Walmart. In another case, an assisted living residence which employs personal support workers felt very disadvantaged because the province was providing incentives for PSWs to be hired in retirement homes. Their residence serves individuals with cognitive impairments and so they do not qualify for these bonuses. Their budget, including for staffing, is provided by the province, and they are unable to match the hourly wage rates being offered by elderly care facilities. In another case, a private child care facility felt they could not match the wages being offered by child care centres managed by their local school board.

Employers were asked what they thought might be the reasons for the increased difficulty in recruiting workers since the pandemic. Several of them felt that the pandemic caused a shift in people's thinking. Some had an opportunity to re-think their life goals as a result of having some time away from work during the pandemic. For those living in a family household, perhaps the experience of living on one income instead of two and of spending more time raising their children may have given them the reason not to return to work. Others, on the other hand, may have decided to take up a different career.

This phenomenon of a greater difficulty in recruiting workers since the pandemic is hardly limited to Peel and Halton or to the Greater Toronto Area. A Bank of Canada survey found that employers are reporting labour shortages and somewhat higher retirement and quit rates compared to pre-pandemic times.<sup>1</sup> The increase in quit rates has been dubbed “The Great Resignation” in the United States and the New York Times columnist and Nobel Prize economist Paul Krugman has speculated that “the experience of the pandemic may have led many workers to explore opportunities they wouldn’t have looked at previously.”<sup>2</sup> A recent Human Resources survey in the United Kingdom indicated that almost half of employers have job vacancies that are hard-to-fill and more than one in four employers expect the number of vacancies that are difficult to fill to increase in the next six months.<sup>3</sup>

The employers who were interviewed are looking at specific sub-categories of the labour force to find new workers. Employers in manufacturing or in logistics are trying to demonstrate to youth the benefits of opportunities in their sectors. A landscaping design firm is seeking to encourage newcomers to take apprenticeships in the skilled trades. A furniture manufacturer emphasizes the creative and fulfilling nature of their customized, natural wood design and manufacturing work. In all these respects, these employers are seeking to attract jobseekers to a career, not just a job.

## Conclusion

Last year, it was apparent that the impact of the pandemic was a once-in-a-lifetime disruption that caused widespread upheaval for businesses and workers alike. This year, the reverberations from the pandemic continue, as employers have increased expectations relating to the skills of their current workers and of job candidates, foresee a greater reliance on some employees working from home some of the time, and currently are experiencing significant challenges in recruiting and retaining workers.

In their responses to the survey questions, employers demonstrate both an optimism and an uncertainty about the coming months – given the past 18 months, that is to be expected. Compared to the previous year’s survey, there is a greater sense of looking towards the immediate future as opposed to dealing with the residual impact of the immediate past. That itself suggests that we may finally be turning the corner on COVID.

<sup>1</sup> Mark Rendell, “Businesses report labour shortages, higher expectations of inflation in Bank of Canada survey,” *The Globe and Mail*, October 18, 2021.

<sup>2</sup> Paul Krugman, “Working Out: Is the Great Resignation a Great Rethink?” *New York Times*, November 5, 2021.

<sup>3</sup> CIPD, *Labour Market Outlook Autumn 2021* [https://www.cipd.co.uk/Images/labour-market-outlook-autumn-2021\\_tcm18-103227.pdf](https://www.cipd.co.uk/Images/labour-market-outlook-autumn-2021_tcm18-103227.pdf).