

PEEL HALTON EMPLOYER SURVEY

2023

# Locating the New Normal in the Workplace

## Acknowledgements

The first acknowledgment must go to the hundreds of employers who made the effort to complete our survey. Every year, we appreciate that employers take time from their busy schedules to provide their insights through our annual survey on the issues which are most pressing in our local labour market. Post-pandemic, their contribution is that much more appreciated as the pressures on their time have been greater due to their challenges in recruiting new employees.

We would also like to express our sincere gratitude to the following individuals and organizations who contributed to the success of this survey.

## Advisory Committee

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

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## Dissemination Partners

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

ACCES Employment

Achêv

Association of Administrative Professionals

Brampton Board of Trade

Bronte BIA

Burlington Economic Development

Caledon Community Services

Caledon Economic Development

Canada Manufacturers and Exporters

(CME): Ontario

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Milton Chamber of Commerce

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Mississauga Board of Trade

Mississauga Economic Development

Newcomer Center of Peel

Oakville Chamber of Commerce

Oakville Economic Development Office

Ontario Business Improvement Area

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Ontario March of Dimes

Ontario Restaurant Hotel & Motel

Association (ORHMA)

Ontario Trucking Association

Peel Multicultural Council (PMC)

Peel Poverty Reduction Committee

Polycultural Immigrant and Community Services

Sheridan College

Skills for Change

The Centre for Skills Development & Training

Toronto Association of Business

Improvement Areas (TABIA)

YMCA-HBB

VPI

## Peel Halton Workforce Development Group

The Peel Halton Workforce Development Group (PHWDG) is a community-based, not-for-profit organization 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, Immigration, 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.

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An electronic version of this document as well as the survey questionnaire are available at: <https://www.peelhaltonworkforce.com/employer-surveys/>



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# Executive Summary

It is the 13th year that the Peel Halton Workforce Development Group (PHWDG) has administered an employer survey. In recent years, the survey has chosen specific workforce issues for its theme. This year, the focus of the survey was on identifying workforce or business trends experienced by employers, assessing labour shortages and skills gaps, learning about strategies used for recruitment, retention, and training, exploring views regarding new technologies, especially artificial intelligence, and probing further about policies related to remote work.

The survey was administered between September 7 and October 30, 2023, and primarily completed by employers from Peel and Halton, although a fair number of employers also came from other parts of the Greater Toronto Area. The survey was distributed electronically through email and social media outreach carried out by PHWDG and over 40 community partners, from chambers of commerce to community colleges to employment service providers. The average number of respondents per question was 292.

The survey is not a random sample, but its respondents are generally representative of the characteristics of employers in Peel and Halton, except in the case of a few categories:

- 36% of the survey respondents have 100 or more employees, compared to 2% of all establishments in Peel and Halton; similarly, firms with 1-4 employees make up a smaller proportion of the survey compared to their share of all establishments
- By industry, the survey share of Manufacturing firms is far higher, while the share of Transportation and Warehousing is far lower; the only other industries where there is a larger discrepancy are Educational Services, Professional, Scientific & Technical Services, and Retail Trade

- There are slightly more firms completing the survey from Oakville and Burlington, and fewer firms from Brampton, compared to their share of all firms across Peel and Halton

In terms of significant issues or challenges affecting businesses that have grown in prominence in the last year, by far inflation is top of mind for most employers, reflected by rising costs and pressures to increase wages. The high ratings for these two items were consistent across all categories of employers.

The item with the third highest score was recruiting for mid-level or senior-level occupations, and this was especially pronounced for firms with 20 or more employees, as well as for firms in the Professional, Scientific & Technical Services sector. Commuting challenges affecting employee attendance and/or transportation challenges affecting timely deliveries ranked fourth among increasing challenges.

Around half of the respondents indicated that they experienced labour shortages, slightly more among mid-level or mid-skilled occupations (54%) than among entry-level or low-skilled occupations (46%), while exactly half (50%) said so for senior-level or high-skilled occupations.

When asked what strategies they use to offset the impact of labour shortages, the most common answer involves having management and staff work more hours to make up for the shortfall. The third most frequently relied upon strategy is to recruit student interns or co-ops as a source of labour. From an economic development point of view, it is noteworthy that the fourth most frequent strategy is to postpone business expansion or take on new business.

**One-quarter of respondents indicate that they currently hire international students, although a third also say they are not considering this option.**

Among recruitment strategies, the most common is diversifying one's workforce, with half currently applying this approach, and nearly one-fifth considering it.

One-quarter of respondents indicate that they currently hire international students, although a third also say they are not considering this option. One-fifth say they are outsourcing work, but over a third say that this is not applicable/don't know, and a quarter say that they are not considering this option.

In terms of how employers modify the conditions of work to attract or retain employees, four strategies are already being implemented by 40% or more employers: flexible scheduling; increasing wages for current employees; offering hybrid or remote work; and increasing wages for new employees. While the option of a four-day week was not commonly offered, it was more likely to be currently offered or being considered the smaller the firm.

Two-thirds of employers currently encourage their employees to participate in on-the-job training and over half also offer training. Almost half say they work with educational institutions to offer co-ops, internships, or apprenticeships. Slightly more than a third offer tuition support to employees, provide paid time for engaging in learning programs, or encourage employees to acquire work-relevant micro-credentials.

**When asked about their degree of satisfaction with the skill level of their current employees, the responses clustered into two categories:**

**Slightly higher level of satisfaction**

- Teamwork and interpersonal skills
- Customer service skills
- Technical skills related to the occupation
- Ability to work independently

**Slightly lower level of satisfaction**

- Digital skills
- Critical thinking and problem-solving skills
- Leadership skills
- Adaptability, resilience, and stress management skills

**The following skills attracted the lowest levels of satisfaction when it comes to job candidates:**

- Adaptability, resilience, and stress management skills
- Critical thinking and problem-solving skills
- Potential leadership skills
- Level of commitment and reliability

Several questions explored the topic of changing technology, especially artificial intelligence. When asked about the timing of their adoption of new technology, a small number of firms are among the first to adopt. Around a third are early adopters (meaning adopting relatively early) and another third are in the early majority (more cautious), while smaller proportions wait for the technology to become mainstream or are very late adopters (if at all).

Three out of ten employers are studying or intend to study the potential use of artificial intelligence, whereas the rest are roughly equally divided between already adopting it (17%), feeling that the technology is not yet ready (17%), not believing that it will apply to their work (16%), or say it is not applicable or they don't know (21%).

To date, AI is hardly in use in the recruitment process (5%), but more than one-quarter (27%) of employers expect to start applying this technology in the next 12 months. One-third do not feel that AI can assist in screening job candidates, and another third (34%) think it is not applicable or do not know.

In comparison to a similar survey question asked in 2017, the proportion of employers who feel that technological change will not affect employment has stayed the same (around two-thirds saying either disruption but no change, or no impact), however, there has been a shift of around 13% from those predicting there will be more jobs to those predicted there will be fewer jobs.

In terms of how advancing technology is changing skill requirements in the workplace, knowledge of basic computer skills (word processing, spreadsheets, email) is virtually an absolute necessity in the eyes of employers.

**There is a second tier of skills which ranks between very important and somewhat important, which includes the following:**

- Creativity and innovation
- Advanced computer skills (e.g., working with operating systems, databases and file management)
- Finance and accounting
- Business and marketing

On the topic of remote work, slightly over a quarter of employers say their typical employee does not ever work remotely, which means almost 75% do some work remotely, with more than one-quarter spending half or more of their time working remotely. Having tracked the incidence of remote work over several years, the trend appears to be that while around half of employees spend most of their time at the workplace, around a third of employers have their typical employees working a hybrid arrangement (roughly splitting their time between the workplace and operating remotely).

In terms of their views about remote work policies, there is a larger level of agreement among employers that it is possible to make suitable hybrid work arrangements that satisfy their employee desires and the needs of their

organization and that the COVID experience showed that remote work could be just as productive as at work attendance.

Employers prefer in-person work as a way to develop and maintain a common corporate culture, to better onboard a new employee, and to achieve higher quality employee engagement and customer engagement. Employers on the other hand recognize that hybrid work is better for retaining current employees and recruiting new employees, as well as for providing a better work-life balance.

Through additional comments and follow-up interviews, employers acknowledged that it was very much a job seeker's market. Faced with that reality, these employers maintained the need for an overall human resources approach, whereby employees could feel appreciated and where they have opportunities to advance in their development and careers if they so choose.

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# Introduction

**This survey represents the 13th 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 theme. This year, the focus of the survey was on identifying workforce or business trends experienced by employers, assessing labour shortages and skills gaps, learning about strategies used for recruitment, retention, and training, exploring views regarding new technologies, especially artificial intelligence, and probing further about policies related to remote work.**

The survey was administered between September 7 and October 30, 2023. 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 large number of responses that this survey generates is a consequence of the efforts of many partners who send out the survey to their stakeholders and e-mailing lists.

## Methodology

In total, 444 employers started the survey, but that number was reduced to 355 after the survey was "cleaned up" – surveys with no substantive answers were eliminated. Also, where respondents provided contact information, their responses relating to their industry classification were checked and where necessary corrected. For the remaining questions, the average number of respondents per question was 292.

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 choose 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 different labour market issues were experienced by employers depending on their industry and the number of their employees.

## 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 (77%) 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 (and so choosing Peel and Halton Regions, instead of a specific municipality), 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 Oakville and Burlington are over-represented in the survey sample, while employers from Brampton are under-represented.

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.

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

Municipality	SURVEY		Actual in Peel/Halton
	Number	Percent	
Brampton	27	11%	33%
Mississauga	98	40%	35%
Caledon	5	2%	5%
Oakville	47	19%	11%
Milton	15	6%	5%
Halton Hills	10	4%	3%
Burlington	45	18%	8%
<b>TOTAL PEEL + HALTON</b>	<b>247</b>	<b>100%</b>	<b>100%</b>
Peel Region	17		
Halton Region	6		
City of Toronto	56		
Durham Region	5		
York Region	7		
Other (please specify)	14		
<b>TOTAL OUTSIDE PEEL + HALTON</b>	<b>105</b>		

Actual distribution of Peel and Halton employers from Statistics Canada, Canadian Business Counts, June 2023.

Table 2 profiles the distribution of survey responses by industry. Two calculations have been provided. Firstly, the actual number of all survey responses by industry, together with their percentage distribution (the first and second column of figures in Table 2). Then, the percentage distribution of the actual percentage distribution of employers in Peel and Halton, with the Management of Companies excluded to match the survey industry options (third column).

**For many industry sectors, the proportionate share of 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 (20.9% of the survey responses compared to 4.5% of all Peel and Halton employers)
- Transportation and Warehousing (5.4% of the survey responses compared to 20.9% of Peel and Halton all employers)



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

Industry	TOTAL SURVEY		Actual Percent of employers in Peel and Halton
	Number	Percent	
Accommodation and Food Services	12	3.4%	5.1%
Administrative & Support, Waste Management	9	2.5%	4.0%
Agriculture, Forestry, Fishing and Hunting	2	0.6%	0.3%
Arts, Entertainment and Recreation	12	3.4%	0.8%
Construction	24	6.8%	8.4%
Educational Services	22	6.2%	1.2%
Finance and Insurance	10	2.8%	3.0%
Health Care and Social Assistance	38	10.7%	8.6%
Information and Cultural Industries	7	2.0%	1.0%
Manufacturing	74	20.9%	4.5%
Mining, Quarrying, and Oil and Gas Extraction	0	0.0%	0.0%
Other Services (except Public Administration) †	36	10.2%	6.7%
Professional, Scientific & Technical Services	46	13.0%	17.1%
Public Administration	8	2.3%	0.1%
Real Estate and Rental and Leasing	6	1.7%	4.2%
Retail Trade	12	3.4%	8.5%
Transportation and Warehousing	19	5.4%	20.9%
Utilities	1	0.3%	0.0%
Wholesale Trade	16	4.5%	5.7%
<b>TOTAL</b>	<b>354</b>	<b>100.0%</b>	<b>100.1%</b>

Actual distribution of Peel and Halton employers from Statistics Canada, Canadian Business Counts, June 2023

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

We believe that the cross-tabulated comparisons provide insights into how different labour market issues were experienced by employers depending on their industry and the number of their employees.

Otherwise, the only industries where the spread between the survey and the actual distribution by industry is greater than 4% are Educational Services, Professional, Scientific & Technical Services, and Retail Trade.

Table 3 profiles the survey respondents by number of employees. Once again, the distribution of all survey respondents is compared to the actual distribution present in Peel and Halton by size of establishments.

Very small enterprises (1-4 employees) account for two-thirds (67%) of all establishments with employees in Peel and Halton, but a much smaller proportion of survey respondents, at 9%. Instead, survey respondents tend to represent larger firms, and the largest size category, 100 or more employees, accounts for over a third (36%) of survey respondents, whereas this category only accounts for 2% of all employers in Peel and Halton. However, for the sake of this survey, we feel there is a healthy distribution

**Table 3: 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>				
<b>Actual number</b>	59104	19401	7624	1729
<b>Actual percent</b>	67%	22%	9%	2%
<b>DISTRIBUTION OF EMPLOYERS BY SIZE IN THE SURVEY</b>				
<b>Survey number</b>	32	97	95	125
<b>Survey percent</b>	9%	28%	27%	36%
<b>RATIO OF SURVEY RESPONDENTS TO ACTUAL</b>				
<b>Survey as percent of actual in Peel and Halton</b>	0.1%	0.5%	1.2%	7.2%

Actual distribution of Peel and Halton employers from Statistics Canada, Canadian Business Counts, June 2023

of responses by different size categories, allowing us to analyze the differences in responses between employers.

In analyzing the survey results, we will refer to differences in responses by various sub-categories (industry, number of employees, or geography) where there exist significant outliers. Sub-categories were selected based on enough responses in that category to ensure that the sample was robust. We defined outliers as scoring lower or higher (by 25% or more) than the average score for any response.

**The sub-categories used for cross-tabulation were as follows:**

**Number of employees:**

- 1-4 employees
- 5-19 employees
- 20-99 employees
- 100-499 employees
- 500 or more employees

**Industry sector:**

- Health Care & Social Assistance (abbreviated as Health/Social)
- Manufacturing
- Professional, Scientific & Technical Services (abbreviated as PST)
- Services (Accommodation & Food Services; Arts, Entertainment & Recreation; Retail Trade)
- Other Services

**Geography:**

- Peel
- Halton
- Toronto

In addition, several questions distinguished between different skill levels of occupations. The survey defined these skill levels as follows:

- **Entry-level or low-skilled workers:** Jobs that usually require a high school diploma or less, such as cashiers, shelf stockers, retail salespersons, cleaners, production workers, laborers
- **Mid-level or mid-skilled workers:** Jobs that usually require a trade certificate or a post-secondary diploma/degree, such as skilled tradespersons, technicians, technologists, and supervisors.
- **Senior or high-skilled workers:** Jobs that usually require a post-secondary diploma/degree, such as managers, professionals (e.g., accountants, engineers, lawyers), nurses, teachers

## Workforce or business changes

The first substantive question asked employers to identify workforce or business changes that they had experienced in the last six months. For each item, they were asked to indicate whether this change was:

- Increasing
- Decreasing
- Staying about the same

Each of the items listed in the table below was expressed in the survey; for the sake of comparing the results by way of a chart, each item is given an abbreviated form to reduce the space taken up by text.

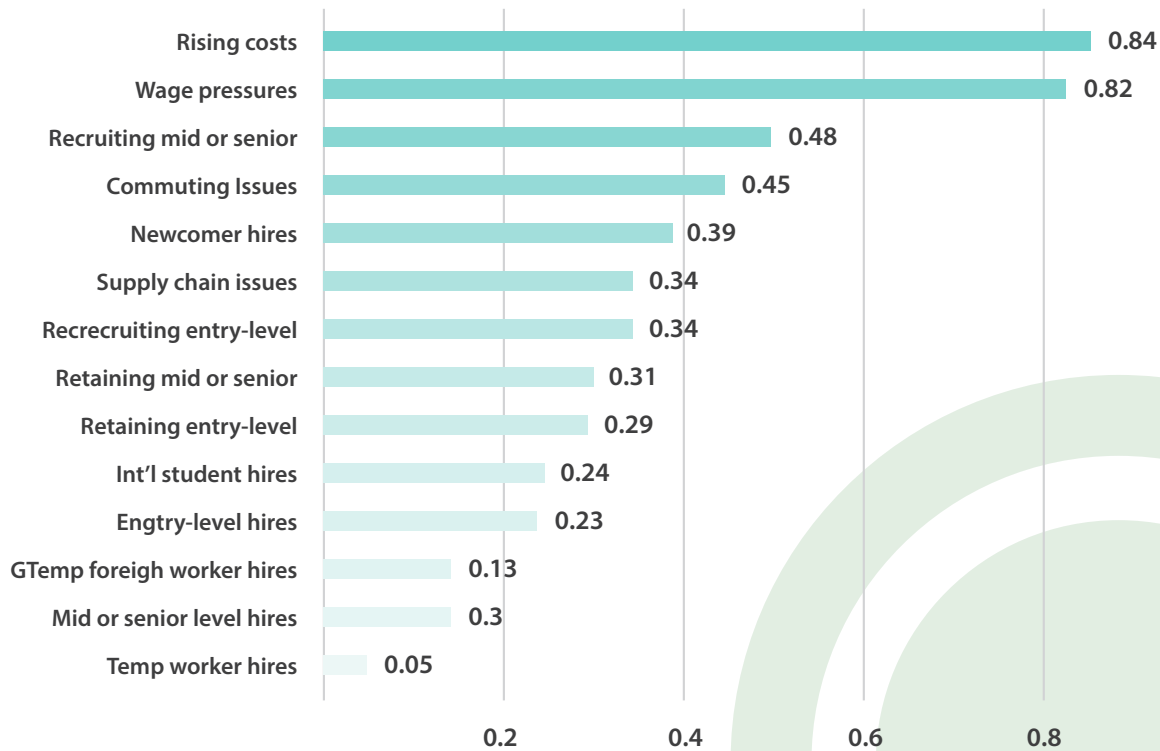
Survey item	Abbreviation
Number of new hires of entry-level workers	Entry-level hires
Number of new hires of mid-level or senior-level workers	Mid or senior-level hires
Challenges recruiting entry-level or low-skilled workers	Recruiting entry-level
Challenges recruiting either mid-level or senior-level workers	Recruiting mid or senior
Challenges in retaining entry-level or low-skilled workers	Retaining entry-level
Challenges retaining either mid-level or senior-level workers	Retaining mid or senior
The impact of rising costs or inflation on your organization	Rising costs
Pressure to increase wages	Wage pressures
Hiring workers from temp employment agencies	Temp worker hires
Hiring newcomers (immigrants who have arrived in Canada in the last five years)	Newcomer hires
Hiring international students	Int'l student hires
Hiring temporary foreign workers	Temp foreign worker hires
Challenges with supply chains (sourcing goods or services needed for our organization)	Supply chain issues
Commuting challenges affecting employee attendance and/or transportation challenges affecting timely deliveries	Commuting issues

To compare the results, a composite score has been created. For each response indicating the item is increasing, +1 is assigned; for each response indicating it is decreasing, -1 is assigned; for staying about the same, zero is assigned.

To compare the results, a composite score has been created. For each response indicating the item is increasing, +1 is assigned; for each response indicating it is decreasing, -1 is assigned; for staying about the same, zero is assigned. The numerical value of all responses for each item is added up and divided by the total number of responses (excluding those who answered not applicable or don't know). Chart 1 displays the results.

Chart 1 reveals issues that have risen in importance, as well as notable distinctions between these different items. Inflation is top of the mind: rising costs and pressures to increase wages lead the way in terms of impacts employers have been experiencing, and the high ratings for these two items were consistent across all categories of employers.

**Chart 1: Incidence of workforce or business changes**



The item with the third highest score was recruiting for mid-level or senior-level occupations, and this was especially pronounced for firms with 20 or more employees, as well as for firms in the Professional, Scientific & Technical Services sector.

Commuting challenges affecting employee attendance and/or transportation challenges affecting timely deliveries ranked fourth among increasing challenges; this was especially the case for firms with 5-19 employees, whereas it received a lower score among Professional, Scientific & Technical Services firms (which often rely more on remote work) and among Health Care & Social Assistance firms, who ranked increasing hiring of newcomers as their third highest item, ahead of recruiting for mid-level or senior level occupations, with commuting falling to fifth place.

**Two items scored highly for staying about the same, with 50% or more employers choosing this response for:**

- Number of new hires of mid-level or senior-level workers (56%)
- Challenges retaining either mid-level or senior-level workers (50%)

**Finally, the following items had more than 50% of employers say that this item was not applicable, or they did not know:**

- Hiring temporary foreign workers (70%)
- Hiring workers from temp employment agencies (52%)
- Hiring international students (51%)

Employers had also been given the option to add their items to the list. Around 20 respondents did so, in many cases elaborating on the themes already mentioned, notably rising costs. Three respondents specifically brought up the cost of housing as an impediment to recruiting workers, and another three cited the growing difficulties relating to commuting, including the impact of road construction.

In sum, the consequences of inflationary pressures on costs and wages have vaulted to the forefront of employer concerns, while concerns regarding recruitment and retention appear to be more focused on mid-level and senior-level occupations. For many employers, hiring temporary foreign workers, international students, or working from a temp employment agency does not appear to be a consideration.

There was also one instance where firms in a certain category scored much lower on whether they were experiencing a labour shortage: only 27% of firms in Other Services indicated that they were experiencing a labour shortage among entry-level occupations.

## Labour shortages

Around half of the respondents indicated that they experienced labour shortages, slightly more among mid-level or mid-skilled occupations (54%) than among entry-level or low-skilled occupations (46%), while exactly half (50%) said so senior-level or high-skilled occupations (Chart 2).

There were notable variations by employee-size and by industry:

**Labour shortages among entry-level occupations:**

- Service sector firms (62%)
- Firms with 500+ employees (59%)

**Labour shortages among mid-level occupations:**

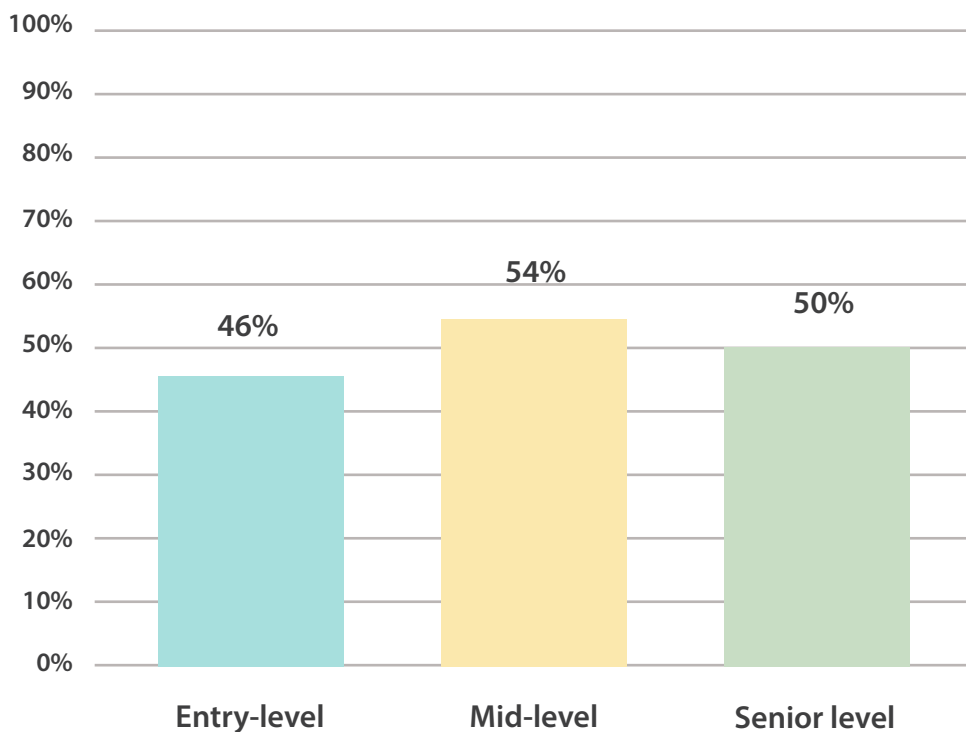
- Firms in Health Care & Social Assistance (69%)

**Labour shortages among senior level occupations:**

- Firms with 500+ employees (63%)
- Firms in Professional, Scientific & Technical Services (63%)

There was also one instance where firms in a certain category scored much lower on whether they were experiencing a labour shortage: only 27% of firms in Other Services indicated that they were experiencing a labour shortage among entry-level occupations.

**Chart 2:** Percentage of respondents currently experiencing a labour shortage by occupational categories



## Strategies to manage the impact of labour shortages

Employers were asked the extent to which they made use of various strategies to deal with the impact of labour shortages. For the sake of comparing the results by way of a chart, each item is given an abbreviated form to reduce the space taken up by text.

Survey item	Abbreviation
Management working increased hours	Mgmt increased hours
Staff working increased hours	Staff increased hours
Using community employment agencies or settlement services to find job candidates or intern placements	Use community agencies
Reliance on temp employment agencies	Use temp agencies
Using educational institutions to recruit students as interns or co-op placements	Use interns/co-ops
Delays in providing goods or services	Delay goods/services
Postponing business expansion or taking on new business	Postpone expansion
Cutting back on the provision of goods or services	Cut back goods/services

Employers were asked to indicate the frequency with which they relied on a particular strategy. To compare results, a value was assigned to each response, as follows:

- Use often = 3
- Use sometimes = 2
- Use rarely = 1
- Never use = 0

These values were totaled for all responses and divided by the number of respondents who chose one of these responses. Chart 3 shows the results.

The most used strategies involve having management and staff work more hours to make up for the shortfall. The third most frequently relied upon strategy is to recruit student interns or co-ops as a source of labour. From an economic development point of view, it is noteworthy that the fourth most frequent strategy is to postpone business expansion

or take on new business. The strategy much less used is to turn to temporary employment agencies for help.

**When these responses were analyzed by employer sub-categories, there were no outliers when it came to relying on management or staff contributing more hours. However, other strategies did display more variation:**

### Using interns or co-ops

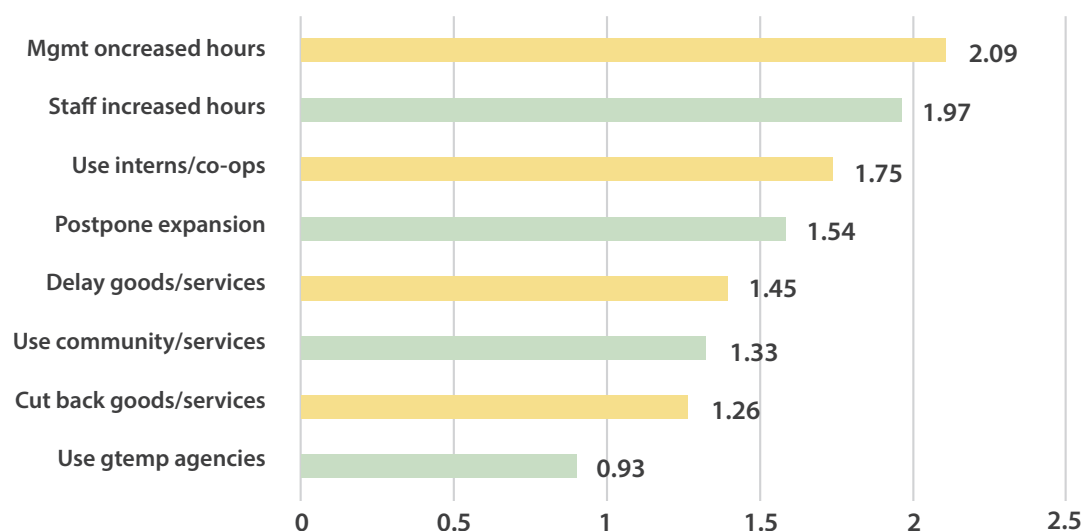
#### More likely

- Firms with 500 or more employees (score: 2.44) and Health Care & Social Assistance establishments (2.26)

### Postponing business expansion or taking on new business

#### More likely

- More likely to be used by firms with 10-19 employees (2.03)

**Chart 3: Level of reliance on strategies in response to labour shortages****Delays in providing goods or services****More likely**

- More likely to be used by Health Care & Social Assistance establishments (1.87)

**Using community employment agencies or settlement services to find job candidates or intern placements****More likely**

- Firms with 100-499 employees (1.69) and firms with 500 or more employees (2.00)

**Less likely**

- Firms with 1-4 employees (1.0) and 20-99 employees (0.90)
- Professional, Scientific & Technical Services firms (0.84)

**Cutting back on the provision of goods or services****More likely**

- Firms with 5-19 employees (1.75) and Service sector firms (1.69)

**Less likely**

- Professional, Scientific & Technical Services firms (0.86)
- Firms with 500 or more employees (0.95)

**Use of temp employment agencies****More likely**

- Manufacturing firms (1.30)
- Firms with 100-499 employees (1.26) and with 500 or more employees (1.23)

**Less likely**

- Firms with 1-4 employees (0.67) and with 5-19 employees (0.61)

One pattern which emerges is that larger firms (100 or more employees) will turn to other resources, from educational institutions to community agencies to temp employment services, to help fill labour gaps, whereas small firms are less likely to do so. Firms with 5-19 employees were more likely to postpone business expansion or cut back on the provision of goods or services.



## Recruitment strategies

Employers were presented with a list of recruitment strategies and asked whether:

- They currently are implementing
- Are considering implementing in the next 12 months
- Are not considering implementing in the next 12 months
- This option is not applicable, or they don't know

Once again, the options in the survey question are presented, with the abbreviations to be used in tables and charts.

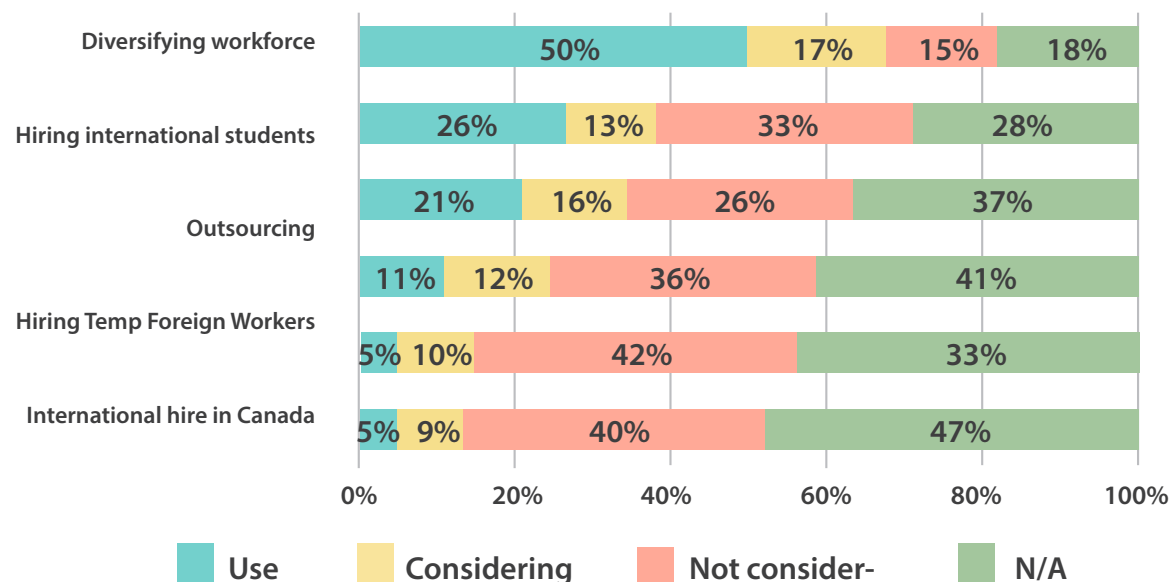
The responses have also been abbreviated:

- Use
- Considering
- Not considering
- N/A

Chart 4 presents the responses.

Survey item	Abbreviation
Diversifying your workforce (e.g. recruit youth, older workers, persons with disabilities, and so on)	Diversifying workforce
Hiring international students	Hiring international students
Hiring through the Temporary Foreign Worker Program (TFWP)	Hiring Temp Foreign Workers
Hiring employees internationally to work in Canada, including under the Digital Nomad program	International hire in Canada
Hiring employees internationally who will work remotely	International hire, remotely
Outsourcing tasks or short contracts to freelancers or other businesses	Outsourcing

Chart 4: Use of recruitment strategies



Diversifying one's workforce has a high level of usage – half of all employers are currently using, and another 17% are considering using this approach.

#### Two other strategies have a medium level of usage:

- One quarter (26%) of respondents indicate that they currently hire international students, although a third (33%) indicate they are not considering this option and a near third (28%) say it is not applicable or they don't know
- One-fifth (21%) say they are out-sourcing work, but over a third (37%) say that this is not applicable/don't know, and a quarter (26%) say that are not considering this option in the next 12 months

The other three options have very high proportions of responses where the answer is not applicable/don't know and that they are not considering this option.

The size of an establishment has a considerable bearing on the response. Table 5 shows the three top strategies currently being used, and the different responses based on the size of the establishment.

The current implementation of diversification of one's workforce and the current hiring of international students

is very much related to the size of the firm, whereas outsourcing is common among all firms except the very largest.

By industry, diversification has a high current uptake among the Service sector (69%), and Health Care & Social Assistance (60%). International students have slightly higher rates of current hiring in the Service sector (28%), Manufacturing (26%), and Professional, Scientific & Technical Services (25%). In terms of current outsourcing, Professional, Scientific & Technical Services have the highest percentage (33%), as well as high proportions who say they are considering this option (23%).

Similarly, 28% of Manufacturing firms say they are considering diversification, and among Service firms, which already have high rates of current hiring of international students, another 19% say they are considering this option in the next 12 months.

Among the lesser-used options, 21% of Professional, Scientific & Technical Services firms are considering making use of hiring employees internationally to work in Canada, including under the Digital Nomad program.

**Table 5: Current use of strategy based on size of firm**

	1-4	5-19	20-99	100-499	500+
Diversifying workforce	32%	45%	49%	57%	66%
Hiring international students	15%	14%	24%	40%	46%
Outsourcing	27%	23%	27%	24%	7%

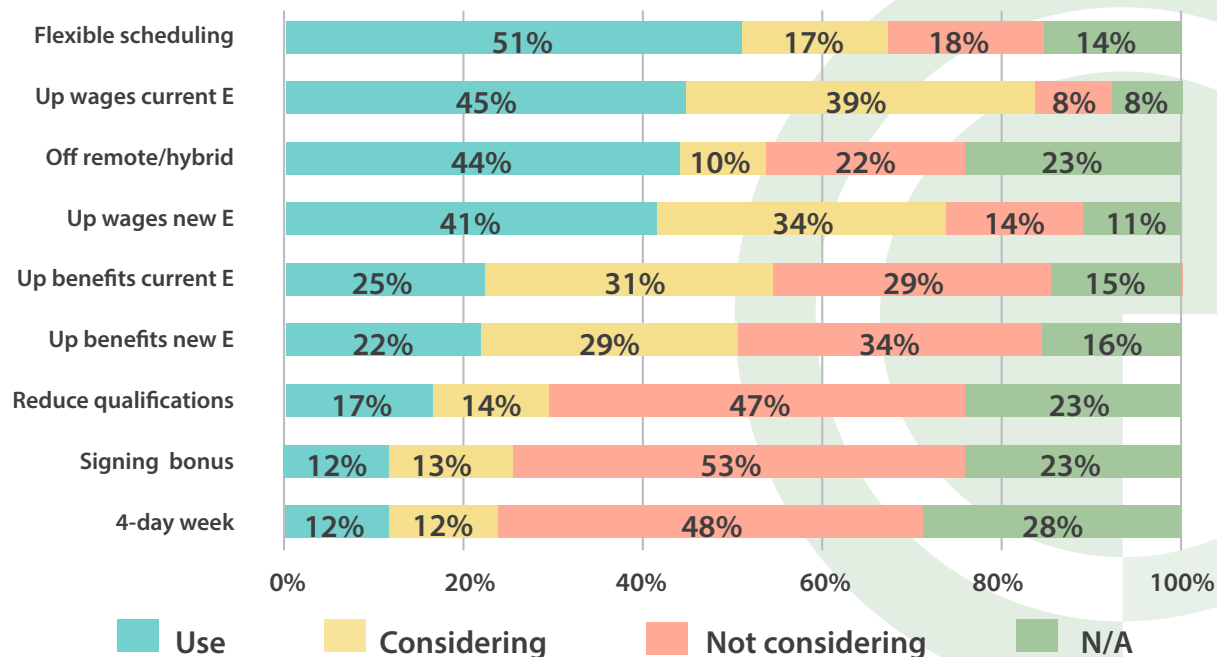
## Strategies relating to the conditions of the job to improve recruitment and retention

These strategies involve how the conditions of work (wages, benefits, work arrangements) are leveraged to attract or retain employees. The table below listed the options cited in the survey and the abbreviated form used in the presentation of the results.

Survey item	Abbreviation
Increasing wages offered to new employees	Up wages new E
Increasing wages offered to existing employees	Up wages current E
Increasing benefits offered to new employees	Up benefits new E
Increasing benefits offered to existing employees	Up benefits current E
Reducing qualification requirements to fill vacant positions	Reduce qualifications
Offering signing bonuses or incentives to new employees	Signing bonus
Offering option to work at least some hours remotely and/or hybrid work	Offer remote/hybrid
Offering flexible scheduling	Flexible scheduling
Allowing for a four-day week for full-time employees	4-day week

Chart 5 presents the results.

**Chart 5:** Strategies relating to the conditions of work



While the option of a four-day week was not commonly offered, it was more likely to be currently offered or being considered the smaller the firm.

#### These strategies cluster into three groups:

##### High support:

- Four strategies in this category are already being implemented by 40% or more employers:
  - Flexible scheduling
  - Increasing wages for current employees
  - Offering hybrid or remote work
  - Increasing wages for new employees

Notably, in the case of increasing wages for current as well as new employees, very high proportions (34% to 39%) are also considering these options over the next 12 months.

##### Medium support:

- Two strategies fall into this category:
  - Increasing benefits for current employees
  - Increasing benefits for new employees

Interestingly, there are also high proportions (29% to 31%) indicating that they are considering this option, as well as high proportions (29% to 34%) not considering these options.

##### Low support and high negatives:

- Three strategies fall into this category:
  - Reduce qualifications for hiring
  - Offer a signing bonus
  - Offering a four-day work week

This category attracts very high proportions (around 50%) indicating that they are not considering these options.

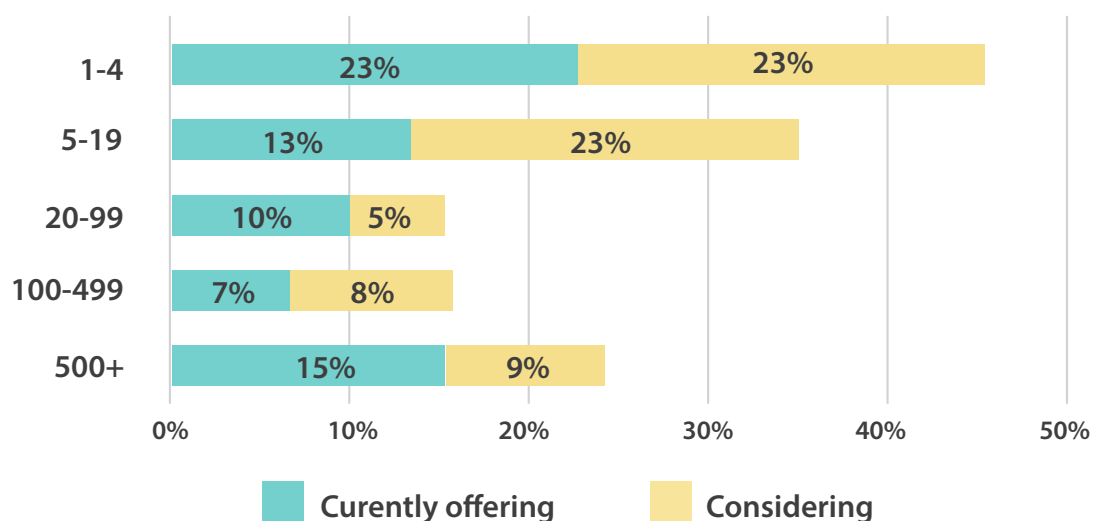
There are some variations by employer categories. While the option of a four-day week was not commonly offered, it was more likely to be currently offered or being considered the smaller the firm (Chart 6).

##### In terms of offering remote work, this option increases with the size of a company:

- 1-4 employees: 38% were currently using
- 5-19 employees: 41%
- 20-99 employees: 46%
- 100-499 employees: 43%
- 500+ employees: 65%

This option was also especially likely to be used by Professional, Scientific & Technical Services firms (71%).

**Chart 6: Employers either currently offering or considering a four-day week, by size of firm**



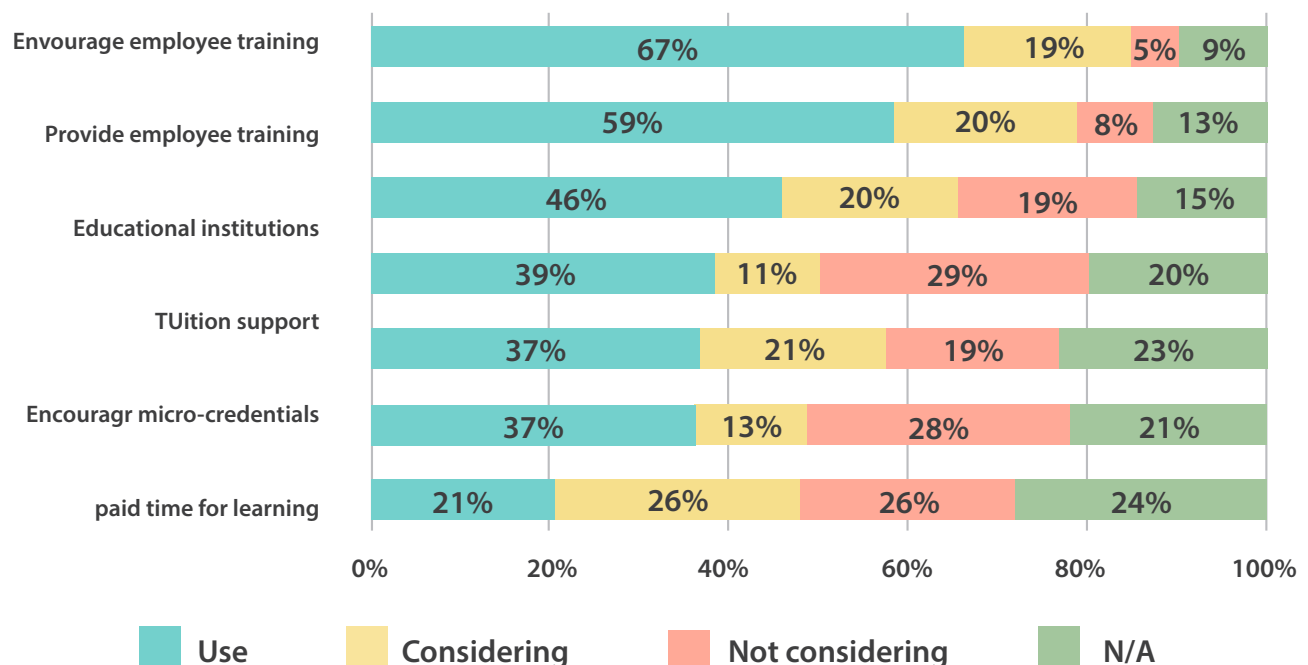
## Strategies relating to training and development

This question examined the extent to which different forms of training and development were used to advance skills within the workforce. The options and their abbreviated forms are presented below.

Survey item	Abbreviation
Applying for government training programs to upskill or reskill current employees	Govt training programs
Working with educational institutions to offer co-ops, internships, or apprenticeships	Educational institutions
Providing tuition support to employees to take courses or programs	Tuition support
Providing employees with paid time to engage in learning programs	Paid time for learning
Providing training to employees to advance within our organization	Provide employee training
Encouraging employees to participate in on-the-job training	Encourage employee training
Encouraging employees to acquire micro-credentials to improve job-related competencies	Encourage micro-credentials

Chart 7 presents the results.

**Chart 7: Reliance on training and development strategies**



**While a smaller proportion of employers say they currently make use of government training programs, this option attracted the largest percentage of employers saying they were considering this in the next 12 months (30%).**

Most employers (67%) currently encourage their employees to participate in on-the-job training and a large proportion also offer training (59%). Almost half (46%) say they work with educational institutions to offer co-ops, internships, or apprenticeships. Slightly more than a third offer tuition support to employees (39%) or provide paid time for engaging in learning programs (37%), and a similar number (37%) encourage employees to acquire work-relevant micro-credentials. While a smaller proportion of employers say they currently make use of government training programs, this option attracted the largest percentage of employers saying they were considering this in the next 12 months (30%).

**There are differences in the attention given to training and development between categories of employers:**

- The likelihood that an employer is currently providing some form of training and development support increases as the size of the firm increases
- In terms of industries, firms in the Health Care & Social Assistance sector are most likely to provide some form of training and development support; in second place

are Manufacturing firms and Professional, Scientific & Technical Services firms; third place would be Service Sector firms; and a more distant fourth are Other Services firms.

## Level of satisfaction with skill level of current employees

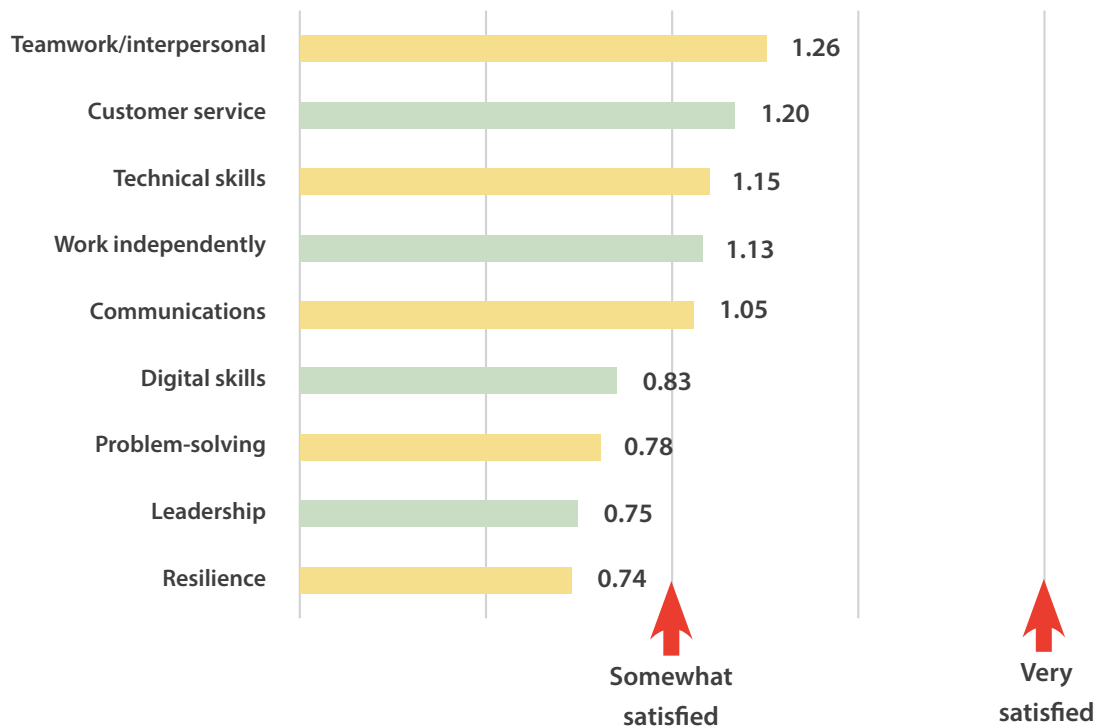
Employers were asked to indicate their level of satisfaction regarding a list of skills among their current employees. To compare results, a value was assigned to each response, as follows:

- Very satisfied = 2
- Somewhat satisfied = 1
- Somewhat dissatisfied = -1
- Very dissatisfied = -2

These values were totalled for all responses and divided by the number of respondents who chose one of these responses. Chart 8 shows the results, following the table listing the skills and their abbreviated form.

Survey item	Abbreviation
Communication skills	Communications
Teamwork and interpersonal skills	Teamwork/interpersonal
Leadership skills	Leadership
Critical thinking and problem-solving skills	Problem-solving
Adaptability, resilience and stress management skills	Resilience
Ability to work independently	Work independently
Technical skills related to the occupation	Technical skills
Digital skills	Digital skills
Customer service skills	Customer service

**Chart 8: Composite score for level of satisfaction regarding skill sets of current employees**



The average response for each skill is within a relatively narrow range (0.74 to 1.26), but there are two clusters:

**Slightly higher level of satisfaction**

- Teamwork and interpersonal skills
- Customer service skills
- Technical skills related to the occupation
- Ability to work independently

**Slightly lower level of satisfaction**

- Digital skills
- Critical thinking and problem-solving skills
- Leadership skills
- Adaptability, resilience, and stress management skills

**Among variations by categories of employers:**

- Firms with 1-4 employees tend to rate their satisfaction with certain skills more highly than all the other categories, namely communications skills; teamwork and interpersonal skills; and leadership skills
- Professional, Scientific & Technical Services firms rate their employees much higher in terms of their digital skills; critical thinking and problem-solving skills; adaptability, resilience, and stress management skills; and leadership skills
- Manufacturing firms have a lower level of satisfaction with the leadership skills of their employees
- Service Sector firms have a lower level of satisfaction with the critical thinking and problem-solving skills of their employees

Overall, the order of the ranking of skills between current employees and job candidates is very similar, except for digital skills, which is ranked lower among current employees, while it receives the highest ranking . . .

## Level of satisfaction with the skill level of job candidates

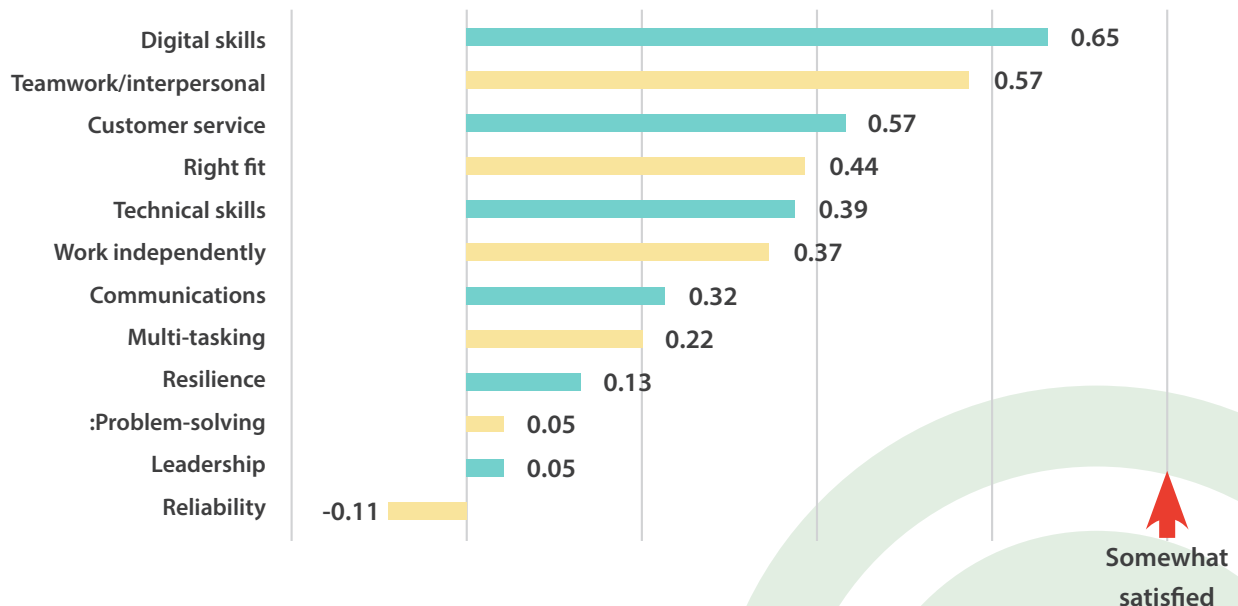
The same question was posed to employers about their satisfaction with the skill level of job candidates. There were a few tweaks to this question:

- Instead of leadership skills, the skill was described as “potential leadership skills” (abbreviated to “leadership”)

- Three additional skills were added to the list:
  - Organizational skills, flexibility, and ability to multi-task (abbreviated to “multi-tasking”)
  - Level of commitment and reliability (abbreviated to “reliability”)
  - Alignment with our corporate values and being the right fit with our organization (abbreviated to “right fit”)

Chart 9 presents the responses.

**Chart 9: Composite score for level of satisfaction regarding skill sets of job candidates**



The first thing to note about Chart 9 is that the scale has shifted leftwards. The highest value for job candidates for a skill, 0.65 for digital skills, is lower than the lowest rating for any skill among current employees (0.74 for resilience). Overall, the order of the ranking of skills between current employees and job candidates is very similar, except for digital skills, which is ranked lower among current employees, while it receives the highest ranking among job candidates. This does not mean that digital skills had a high ranking, only that relative to the judgment about all the other skills, digital skills managed to outpace the other

skills, but the level of satisfaction for the digital skills of job candidates was still lower than that for current employees.

**Four skills of job candidates are assessed quite low (on average, neither satisfied nor dissatisfied, the positive and negative scores canceling each other out):**

- Adaptability, resilience, and stress management skills (0.13)
- Critical thinking and problem-solving skills (0.05)
- Potential leadership skills (0.05)
- Level of commitment and reliability (-0.11)



**There are significant variations in responses when analyzed by employer categories:**

**By industry:**

- Both Professional, Scientific & Technical Services firms and Other Services consistently rate their job candidates considerably higher than the average rating
- Manufacturing especially rates its job candidates lower (except in the category of resilience, where they rank them higher); for most skills, the Service Sector firms also rank them lower (especially for reliability and for leadership potential), but do rank them higher for customer service skills
- Firms in Health Care & Social Assistance have lower ratings for half the skills (for example, teamwork, potential leadership, ability to work independently), yet higher for other skills (technical skills, digital skills, customer service, and the right fit)

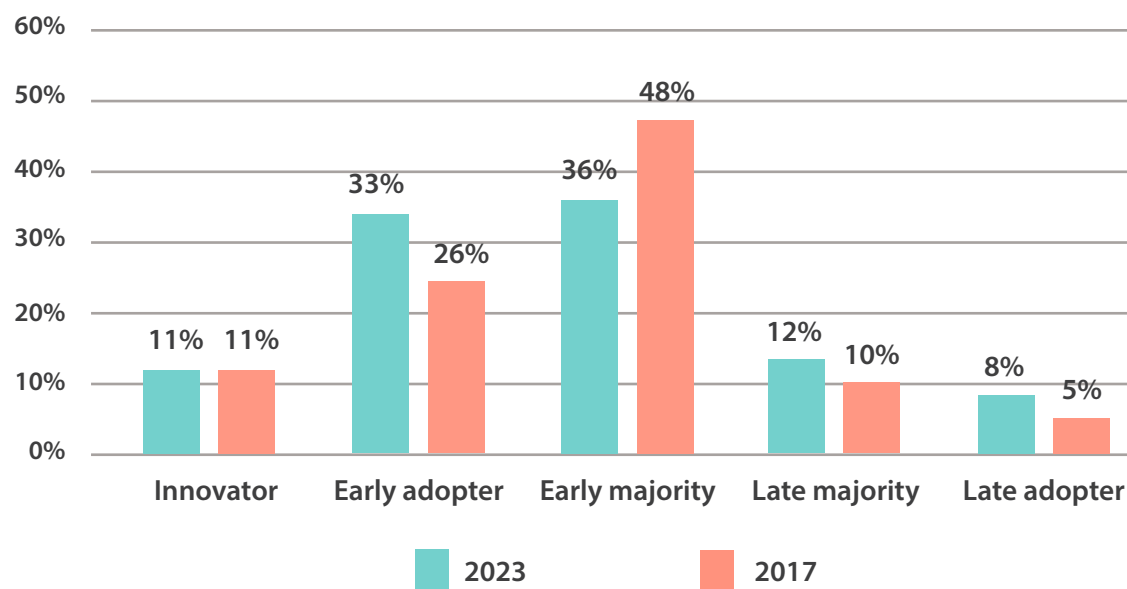
- Firms with 5-19 employees consistently rank job candidates in all categories lower
- Firms with 100-499 employees and 500 or more employees rank job candidates higher in almost all categories

## Impact of new technology

The next set of questions probed employers regarding their adoption of changing technology and the impact this has on employment levels and skill requirements. To begin with, employers were asked to rate their company's adoption of new technology, in terms of the following categories:

In 2017, the Peel Halton Employer Survey also asked a set of questions regarding the impact of technology, so it is possible to compare this year's responses to the views expressed six years ago.

<b>Innovator</b>	We tend to be the first to adopt innovation; we have a high-risk tolerance, and we want to be at the front of technological change
<b>Early adopter</b>	We're not first, but we adopt new technology relatively early; we want to see how the new technology works out for others first; we are somewhat less risk-oriented
<b>Early majority</b>	We tend to be more cautious, but we are open to new ideas
<b>Late majority</b>	We adopt new technologies once they become mainstream; we tend to be rather skeptical of new technology
<b>Late adopter</b>	We trust in the way we have done things in the past and adopt new technologies at a much later stage, if at all

**Chart 10: Distribution of employers by timing of technological adoption, 2017 and 2023**

Overall, the general distribution of firms by timing of technological adoption is relatively similar between 2017 and 2023: fewer firms at the front and back end of adoption, and a large proportion of firms that are in the second or third stage of adopting. What is different is that in 2023, fewer firms are in the third stage (early majority), with more adopting soon (early adopters), together with a slight increase in those adopting later.

One-quarter of firms with 500 or more employees identify themselves as Innovators, far higher than the proportion for any other employee size category, yet 13% of these firms claim they are Late Adopters, also higher than any other size category, just edging Manufacturing (12%).

Professional, Scientific & Technical Services firms (21%) and Service Sector firms (20%) have high rates of being Innovators. While not a single Health Care & Social

Assistance firm claimed to be an Innovator, more than half (54%) identified themselves as Early Adopters.

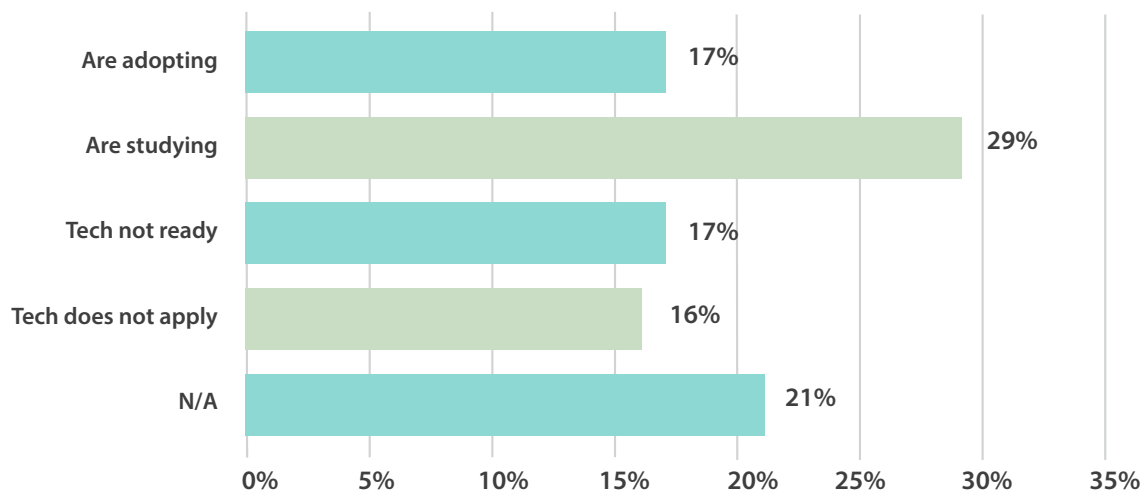
Employers were next asked specifically regarding the adoption of artificial intelligence, through the following question:

Considering the recent emergence of various artificial intelligence applications, such as ChatGPT or Bing's AI Chat, AI image generators such as DALL-E, as well as advancements relating to face recognition technology or AI robotics, what has been your organization's reaction to these developments? (Please select only one answer.)

Three out of ten employers are studying or intend to study the potential use of AI, whereas the rest are roughly equally divided between already adopting it (17%), feeling that the technology is not yet ready (17%), not believing that it will

Survey item	Abbreviation
We have or are currently adopting AI technology as part of our operations	Are adapting
We currently are studying or intend to study the potential use of these technologies in our operations	Are studying
We don't think these applications are at a stage when they can be of much use to our work	Tech not ready
We don't see how these technologies can or will apply to the kind of work we do	Tech does not apply
Don't know/not applicable	N/A

**Chart 11: Adoption of AI technologies**



apply to their work (16%), or say it is not applicable or they don't know (21%).

Smaller firms (1-4 employees and 5-19 employees) are more likely to have said they have already adopted AI (21% to 22%), while among industries, a very high 39% of

Professional, Scientific & Technical Services firms say they have adopted AI. Very large firms (500 or more employees) are most likely to say they are studying or intend to study AI's potential use (53%). Among those indicating that they do not see how AI technology will apply to their work, the proportion declines the bigger a firm is, such that this belief

To date, AI is hardly in use in the recruitment process (5%), but more than one-quarter (27%) of employers expect to start applying this technology in the next 12 months.

is held by 22% of firms with 1-4 employees and just 7% of firms with 500 or more employees.

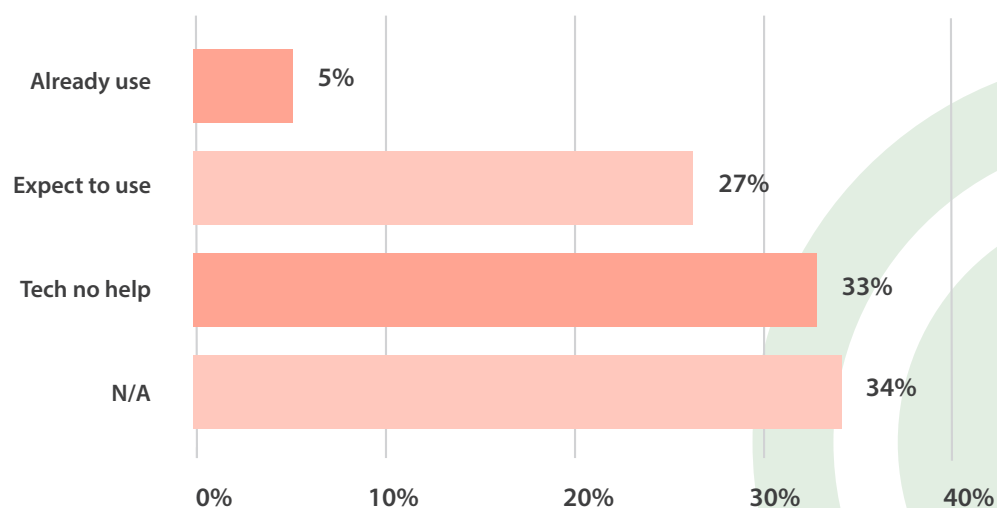
**Employers were further asked which statement best reflected their use of AI technology in the recruitment process:**

Chart 12 shows the responses.

To date, AI is hardly in use in the recruitment process (5%), but more than one-quarter (27%) of employers expect to start applying this technology in the next 12 months. One-third do not feel that AI can assist in screening

Survey item	Abbreviation
We already use some form of AI as part of our job candidate screening process	Already use
We expect we will start implementing some form of AI in the next 12 months to screen job candidates	Expect to use
We do not feel that AI can assist us in screening job candidates	Tech no help
Not applicable/Don't know	N/A

**Chart 12: Adoption of AI in the recruitment process**



job candidates, and another third (34%) think it is not applicable or do not know.

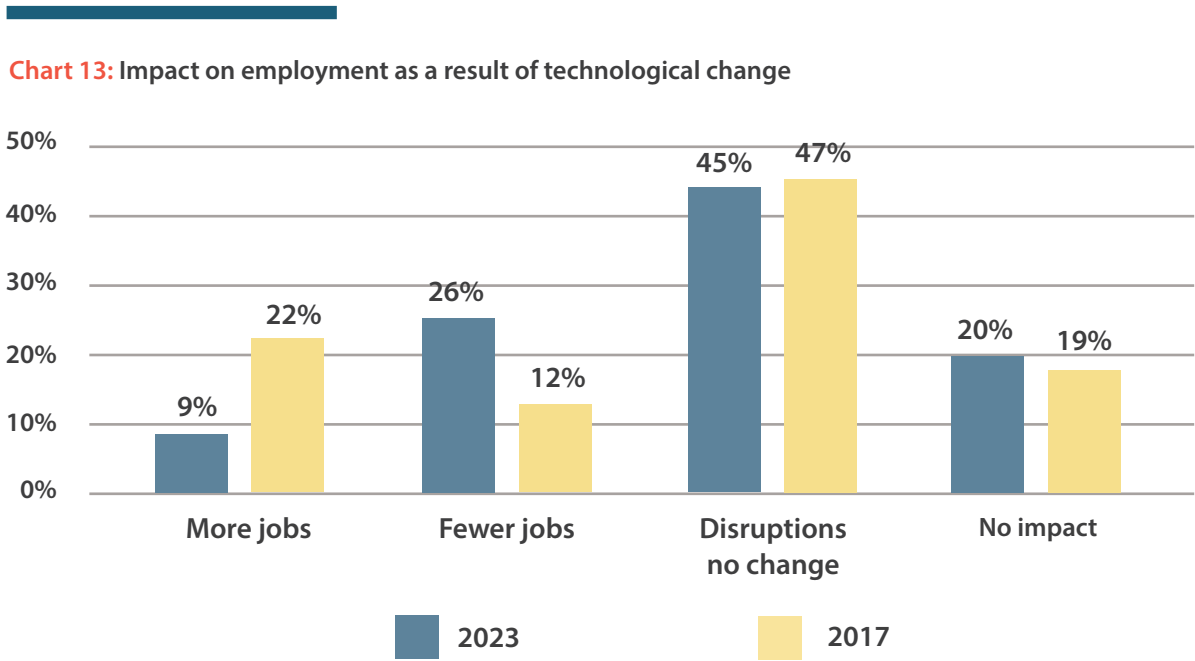
The only significant variation by employer category is among firms with 500 or more employees, where 10% already use AI in recruitment, double the rate for firms with 1-499 employees (5%). These large employers are also least likely to say that they do not feel that AI can assist them in screening job candidates (14%), compared to 36% for firms with 1-499 employees.

Next, employers were asked about their opinions regarding the impact of technology on levels of employment. Once

again, they were provided with a series of statements and were asked which one reflected their views. A very similar question was asked in 2017, although for some of the options, the statements varied slightly. The table below shows the statements as they appeared in 2023 and 2017, as well as the abbreviations used in the subsequent chart.

While the proportion of employers who feel that technological change will not affect employment has stayed the same (around two-thirds saying either disruption but no change or no impact), there has been a shift of around 13% from those predicting there will be more jobs to those predicted there will be fewer jobs.

2023 survey	2017 survey	Abbreviation
Technological advancements will not have much impact on employment levels in the near future	Not impact employment	No impact
Technological advancements will reduce employment soon or in the medium term	Negatively impact employment or cause mass unemployment	Fewer jobs
Technological advancements will cause disruptions, with some jobs lost but other jobs gained, but the net result will be roughly the same number of jobs	Cause disruptions, with some jobs lost but other jobs gained, with the net result being the same or more jobs	Disruptions, no change
Technological advancements will increase employment by introducing new jobs to the economy	Increase employment by introducing new jobs to the economy	More jobs



Service Sector firms in particular feel that there will be fewer jobs because of technological change, with half (50%) choosing this option, compared to 23% for all other employers. The categories that feel employment will grow because of technological change are employers with 500 or more employees (27%, compared to the average of 9%) and Health Care & Social Assistance (15%).

**Finally, on this topic of technological change, employers were asked about the importance of various skill needs because of technological advancements. To produce a composite score for each skill, the following values were assigned to each assessment:**

- Very important = 2
- Somewhat important = 1
- Not important to us = 0

The values for all responses were added up and divided by the total number of responses, to produce an average rating.

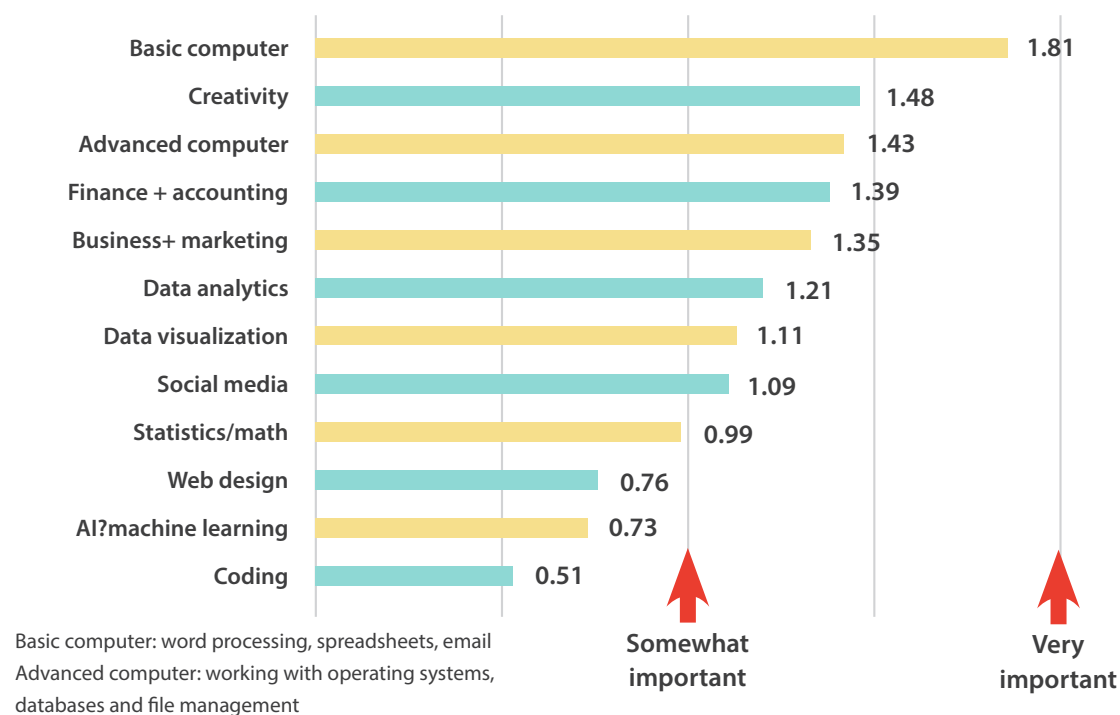
**Clearly, knowledge of basic computer skills (word processing, spreadsheets, email) is virtually an absolute necessity in the eyes of employers. There is a second tier of skills which ranks between very important and somewhat important, as follows:**

- Creativity and innovation (1.48)
- Advanced computer skills (e.g., working with operating systems, databases, and file management) (1.43)
- Finance and accounting (1.39)
- Business and marketing (1.35)

**Only four skills fell slightly below “somewhat important”:**

- Statistics and mathematics (0.99)
- Web design (0.76)
- Skills relating to artificial intelligence/machine learning (0.73)
- Coding skills (0.51)

**Chart 14: Importance assigned to future skills needs in response to technological advancements**



#### The variations by categories are fewer but noteworthy:

- Firms with 1-4 employees and firms in Other Services are more likely to give a higher rating to web design and social media management skills
- Firms with 500 or more employees give a higher rating to coding skills, skills relating to AI and machine learning, and data analytics skills
- Health Care & Social Assistance firms give lower ratings to coding skills, data analytics skills, and statistics and mathematics
- Manufacturing firms give a lower rating to web design and social media management skills
- Professional, Scientific & Technical Services firms give a higher rating to coding skills, skills relating to AI and machine learning, data visualization, and web design
- Service Sector firms give a lower rating to coding skills, and skills relating to AI and machine learning

## Remote work

The next set of questions probed the practices and opinions of employers regarding remote work. The first question was a screening question, asking employers in principle, regardless of their remote work policies, whether their organization has employees who could do their work remotely. Table 6 shows the responses, including for the various categories of employers.

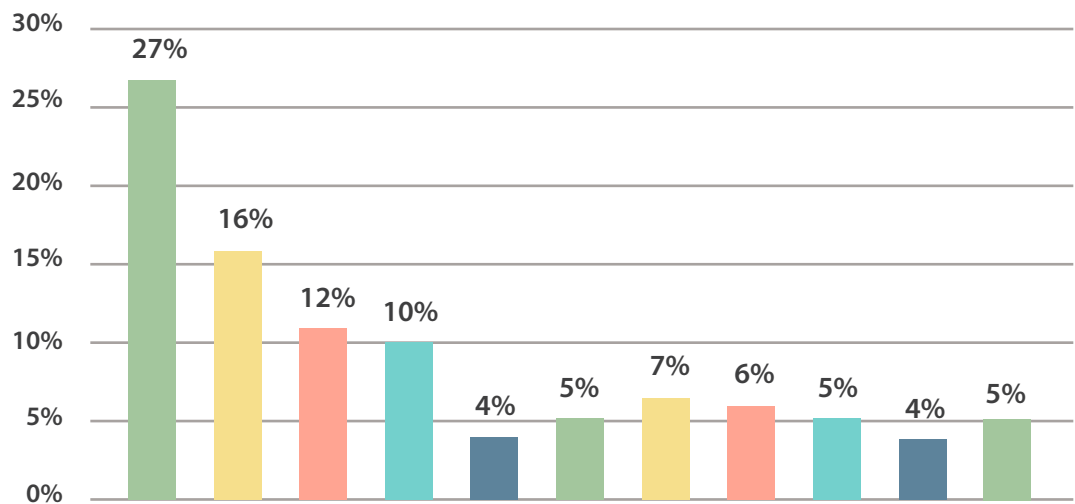
Every category of employers, regardless of size or industry, has some proportion of employees who could work remotely. The smallest percentages were among firms with 1-4 employees or 5-19 employees, yet even in this group, the lowest score was 67% indicating that they had employees who could work from home. Service Sector firms, which typically involve providing a service to a client, still registered 71% saying that they had employees who could work from home. This reflects the fact that even among these industries, some portion of employees are providing back-office support, likely for administration, finance, marketing, or sales.

**Table 6: Employers who have employees who could work remotely**

CATEGORY	YES	NO	DON'T KNOW
ALL RESPONDENTS	79%	19%	2%
1-4 employees	69%	27%	4%
5-19 employees	67%	32%	1%
20-99 employees	81%	18%	1%
100-499 employees	88%	10%	1%
500 or more employees	97%	3%	0%
Health Care & Social Assistance	81%	19%	0%
Manufacturing	75%	24%	2%
Other Services	80%	16%	4%
Professional, Scientific & Technical	87%	13%	0%
Service Sector	71%	25%	4%

While slightly over 25% do no work remotely (0%), the fact is that almost 75% do some work remotely, with more than one-quarter spending half or more of their time working remotely.

Chart 15: Percent of time working remotely



The next question asked what percentage of a typical employee’s time is carried out remotely. Chart 15 displays the responses expressed as a percentage of their time, where 0% means there is no remote work and 100% means that all of a typical employee’s time is spent working remotely.

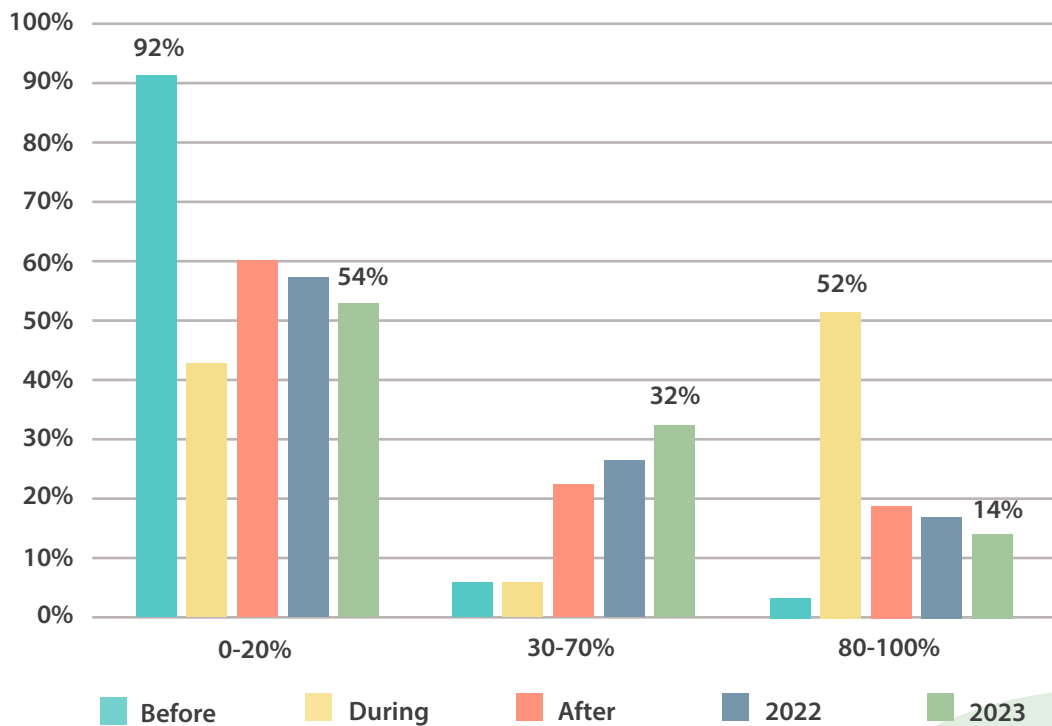
While slightly over 25% do no work remotely (0%), the fact is that almost 75% do some work remotely, with more than one-quarter spending half or more of their time working remotely.

This question has been asked several times now since COVID first struck in 2020. During the pandemic, we asked not only about the current incidence of remote work, but also about what had been the practice before COVID, and what employers were predicting once COVID ended. In 2022, the survey also asked about the current incidence of remote work. As a result, we have five distinct time frames for responses, as follows:

BEFORE	Incidence of remote work before COVID
DURING	Incidence of remote work during COVID
AFTER	Predicted incidence of remote work after COVID
2022	Incidence of remote work in 2022
2023	Incidence of remote work in 2023



**Chart 16:** Percentage of time working remotely, before COVID, during COVID, predicted after COVID, 2022 and 2023



**In order to make comparisons easier, the percentage distribution of remote work has been clustered into three groups:**

- 0% to 20% of time spent working remotely
- 30% to 70% of time spent working remotely
- 80% to 100% of time spent working remotely

Before COVID (BLUE bar), employers indicated that 92% of workers were spending 0% to 20% of their time working remotely, essentially, only a very small proportion were spending much time at all working from home. During COVID (RED bar), 52% of employees were working 80% to 100% remotely.

The predicted distribution of remote work (GREY bar), the actual distribution in 2022 (ORANGE bar) and the actual distribution in 2023 (GREEN bar) and roughly in the same range, with the following observation: “hybrid” work, splitting time between the workplace and working remotely has been slowly rising, with now almost a third (32%) of workers in that category. Slightly over half (54%) of employees are mainly working in the workplace (0% to 20% remote work), and those largely working remotely (80% to 100% of remote work) is around 14%, or one in seven employees.

Both firms with 1-4 employees (26%) and 500 or more employees (24%) have about the same proportion of employee's time being spent working largely remotely (that is, 80% to 100% of the time remotely).

There are notable variations in the incidence of remote work by different employer categories. Chart 17 shows the percentage distribution of remote work by number of employees. Some observations:

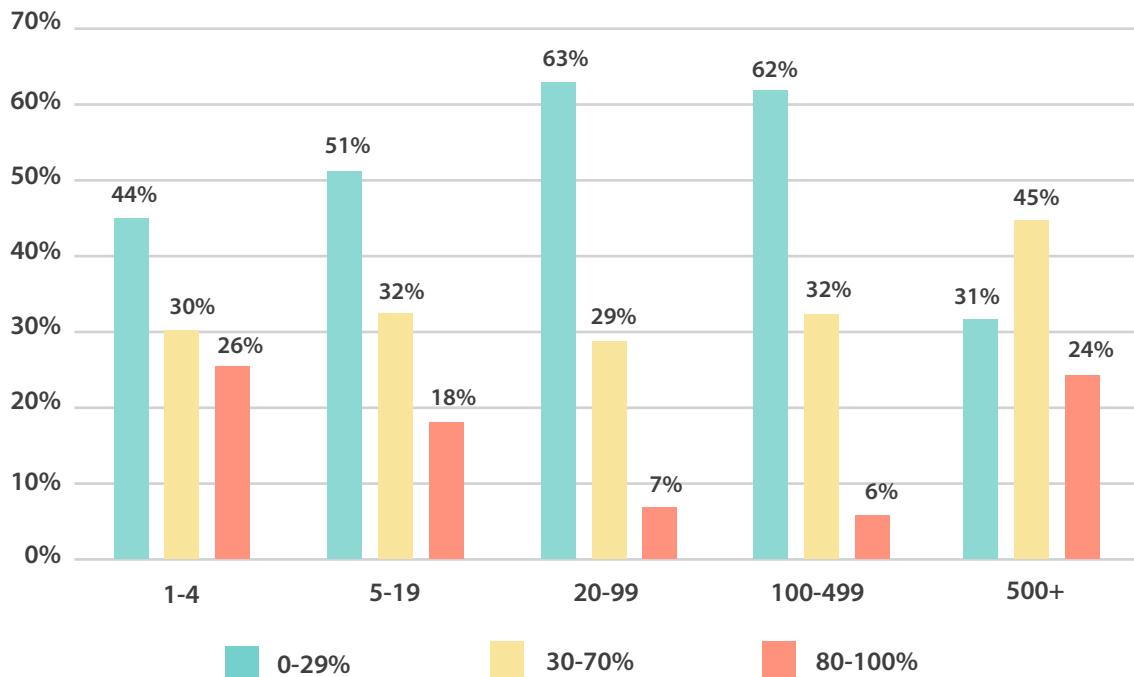
- Most firms have high proportions of employees primarily working in the workplace (44% to 63%), except for firms with 500 or more employees, who register 31%
- The incidence of hybrid work (working 30% to 70% of the time remotely) is roughly the same with most

categories (29% to 32%), except for firms with 500 or more employees, where the incidence is 45%

- Both firms with 1-4 employees (26%) and 500 or more employees (24%) have about the same proportion of employee's time being spent working largely remotely (that is, 80% to 100% of the time remotely)

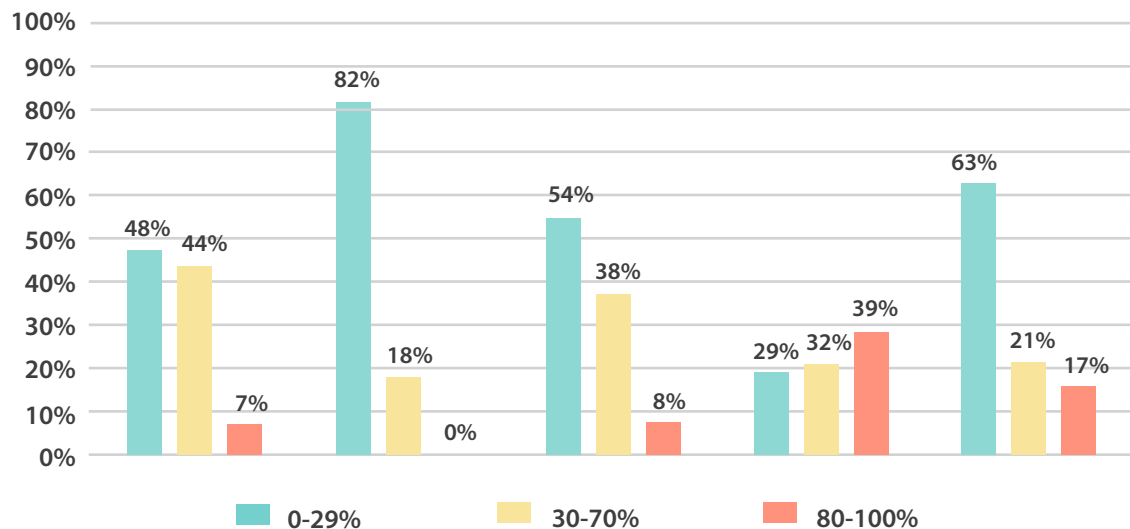
Manufacturing in particular has a much lower incidence of employees working remotely, followed by the Service Sector. Professional, Scientific & Technical Services firms

**Chart 17:** Incidence of remote work by number of employees



The variations are greater by industry (Chart 18).

**Chart 18: Incidence of remote work by industry**



Health/SA = Health Care & Social Assistance Mfg = Manufacturing PST = Professional, Scientific & Technical Services

have a high proportion of their employees working most of the time remotely (39%), while Health Care & Social Assistance has a high proportion working hybrid (44%), followed by Other Services firms (38%) and Professional, Scientific & Technical Services firms (32%).

Employers were next asked to indicate their level of agreement with a series of statements regarding remote work. These statements are listed below, together with their abbreviated form.

Survey item	Abbreviation
Even before COVID, our organization allowed for some amount of remote work.	Before COVID, some remote
The COVID experience showed that remote work could be just as productive as at work attendance.	Remote work as productive
Remote work during COVID was a public health necessity, but now it is time to return to regular at-work attendance.	Time to return to workplace
Initially, during COVID it felt like remote work was manageable, but over time we have come to believe that full-time attendance at work is better for the organization.	Full-time attendance better
We believe it is possible to make suitable hybrid work arrangements that satisfy our employee desires and the needs of our organization.	Suitable hybrid possible

**We believe it is possible to make suitable hybrid work arrangements that satisfy our employee desires and the needs of our organization.**

A composite score for each statement was calculated, based on assigning the following values to the answer options:

- Strongly agree = +2
- Somewhat agree = +1
- Neither agree nor disagree = 0
- Somewhat disagree = -1
- Strongly disagree = -2

The numbers were added up and divided by the total number of respondents who provided an answer. Chart 19 shows the composite score for each statement.

**Overall, two statements received a fair amount of agreement:**

- We believe it is possible to make suitable hybrid work arrangements that satisfy our employee desires and the needs of our organization

- The COVID experience showed that remote work could be just as productive as at work attendance

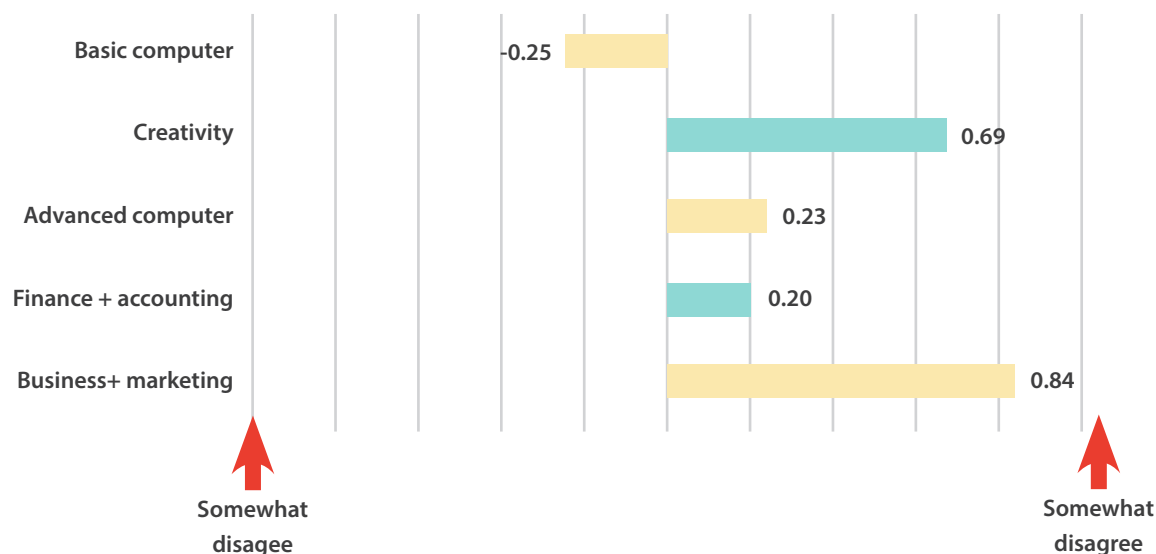
**One statement had a slight level of disagreement:**

- Even before COVID, our organization allowed for some amount of remote work

**Two statements had mild levels of agreement:**

- Remote work during COVID was a public health necessity, but now it is time to return to regular at-work attendance
- Initially, during COVID it felt like remote work was manageable, but over time we have come to believe that full-time attendance at work is better for the organization

**Chart 19: Level of agreement with statements about remote work**



#### Different employer categories have different perspectives:

- Firms with 5-19 employees, 500 or more employees and especially Professional, Scientific & Technical Services firms had already allowed some remote work before COVID
- Firms with 500 or more employees in particular feel that remote work was shown to be as productive as at work attendance
- Firms more likely to say it is time for full-time attendance are those with 20-99 employees, 100-499 employees and Manufacturing firms; while firms with 500 or more employees are more likely to disagree, and to a lesser extent, firms with 1-4 employees

- Firms with 500 or more employees and Professional, Scientific & Technical Services firms are most optimistic that suitable hybrid work arrangements can be devised that satisfy both employees and the needs of the organization

Finally, employers were asked to compare remote work, in-person attendance and hybrid work on several dimensions. There were four dimensions where in-person attendance was rated much better, three dimensions where hybrid work was rated much better, and two where in-person attendance was rated better, but only by a small margin. Table 7 shows the percentage distribution for each dimension.

**Table 7: Employer ratings comparing remote, in person and hybrid work arrangements**

DIMENSION	Remote better	In-person better	Hybrid better	About the same
<b>EMPLOYERS RATE IN-PERSON ATTENDANCE MUCH BETTER</b>				
The ability to develop and sustain a common corporate culture	3%	58%	13%	7%
The ability to on-board new employees	4%	55%	13%	10%
The level of employee engagement with their work	6%	43%	22%	11%
The quality of the customer experience/the quality of the interaction with a customer	6%	42%	15%	16%
<b>EMPLOYERS RATE HYBRID WORK MUCH BETTER</b>				
The ability to attract new job candidates	20%	9%	43%	8%
The degree to which employees can find the right work-life balance	19%	14%	42%	6%
The ability to retain current employees	19%	19%	36%	8%
<b>EMPLOYERS RATE IN-PERSON ATTENDANCE ONLY SLIGHTLY BETTER</b>				
The productivity level of employees	12%	29%	23%	17%
The number of hours worked by employees each week	12%	27%	20%	21%

**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.**

Employers prefer in-person as a way to develop and maintain a common corporate culture, to better on-board a new employee, and to achieve higher quality employee engagement and customer engagement. Employers recognize that hybrid work is better to retain current employees and recruit new employees, as well as to allow a better work-life balance.

For no statement did remote work receive the highest score, although it did place a respectable second for the three statements where hybrid work received the highest score.

Thus, while employers might prefer that more employees spend more time working in the workplace and not remotely, they appear to be accommodating employees through hybrid work arrangements.

## 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. Close to 30 comments were received covering a very wide range of topics. Around six employers emphasized how difficult it was to find suitable new employees. Several others offered additional comments regarding remote work (for example, “offering hybrid work is a great way to retain staff,” or that determining a place of work policy requires balancing the needs of employees, clients, and the business), or specific concerns regarding insufficient investment in the education or training systems for specific occupations (for example, healthcare workers, skilled tradespersons, jobs in the security field).**

A couple of employers felt the survey was unclear or did not quite apply to their circumstances, and another handful commented that it was a good survey and offered thanks that this research was being carried out.

## 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. Close to a dozen employers were interviewed.**

One lesson from these follow-up interviews is that each employer has a unique story. For one, it might be that their operations have been upgraded and rely on new technology, and it is difficult to find employees who are familiar with this technology. Or that the warehouse attached to their manufacturing plant finds it difficult to recruit employees because as a smaller operation, they need their warehouse staff to carry out multiple functions, while the neighbouring mammoth logistics companies vacuum up the available job candidates, in part by limiting their responsibilities to a single task.

More than once the dire staff shortages in the health care sector came up; employers in this field are extremely worried that not enough students are choosing health care occupations as a career path.

In general, employers were feeling the pressure to raise wages, knowing that job candidates are dealing with rising costs due to inflation, and that recent graduates seek to repay their student debt. The more skilled an occupation, the more leverage in the labour market job candidates appear to have.

Because a good portion of the survey focused on practices to attract and retain employees, the interviews often veered towards human resources management approaches. Regardless of the various HR practices explored through the survey (that is, wage policy, benefits policy, remote work policy, training policy), for several employers the issue was not one specific tactic or another, but rather an overall philosophy or approach: how to make work an environment where the individual employee feels appreciated and fulfilled. For these employers, it involves developing a business culture where employees

feel their best interests are always a consideration on the part of management, and that they have opportunities to progress, in terms of acquiring skills, doing meaningful work, and having a sight line toward career opportunities.

## Conclusion

**Compared to the previous year, the pace of hiring appears to have slowed and the severe job candidate shortages have eased somewhat, although most employers would say that it remains a labour market that still favours employees and job candidates. The rise in the cost of living has generated new pressures on employers, particularly through the demand to increase wages.**

Employers have initiated or are planning to initiate a variety of strategies to enhance their ability to attract and retain employees, by widening the pool of individuals they recruit, by changing the conditions of work (schedule, pay, benefits) and by encouraging training, to position themselves as employers of choice.

Policies relating to remote work are part of this consideration. While employers might prefer that employees more often carry out their work activities at the workplace, they know that they need to balance their own preferences with those of most employees, who much prefer hybrid or remote work options.

2023

## PEEL HALTON EMPLOYER SURVEY

### Locating the New Normal in the Workplace

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