

New Survey: Wages Expected to Rise or Hold Steady as Labour Pressures Mount

35% of Businesses Expect Wage Increases; No Cuts Expected

TORONTO, June 27, 2018 – There's good news for Canadian workers as Canada Day approaches. According to a new survey, business owners expect wages to rise or stay the same in the third quarter.

"We are definitely experiencing a tight labour market, and demand for quality workers exceeds supply across all sectors," said Ted Maksimowski, an Express Employment Professionals franchise owner in Hamilton, Burlington and Brantford, Ontario. "Increased wages caused by the tight labour market, combined with legislated minimum wage increases in Ontario, will most certainly lead to higher wage increases than we have seen in previous years."

He predicts businesses will continue to see labour cost increases.

"To get and keep quality workers, business owners are going to have to adjust to the new reality in which talent is king," Maksimowski said.

In Halifax, Nova Scotia, local Express franchise owner Shane DeCoste sees a similar trend.

"The job market in Halifax is exceptionally tight right now," DeCoste said. "We have seen wages increase steadily over the last year, especially at entry level where labour shortages are the most severe, and we expect this trend to continue."

According to DeCoste, employers who position themselves with the right pay rates become employers of choice.

"Workers are changing jobs at a rapid pace to capitalize on higher wages with employers that are responding to the talent shortage," DeCoste explained. "As a result, employers are making hiring decisions more quickly, as many entry level workers are entertaining multiple job offers."

While local circumstances may vary, there is one thing virtually all business agree on: wages are not going down.

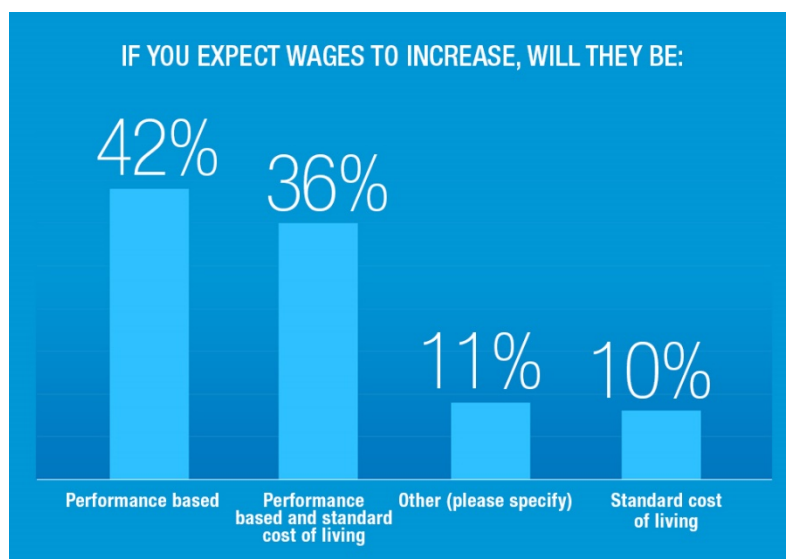
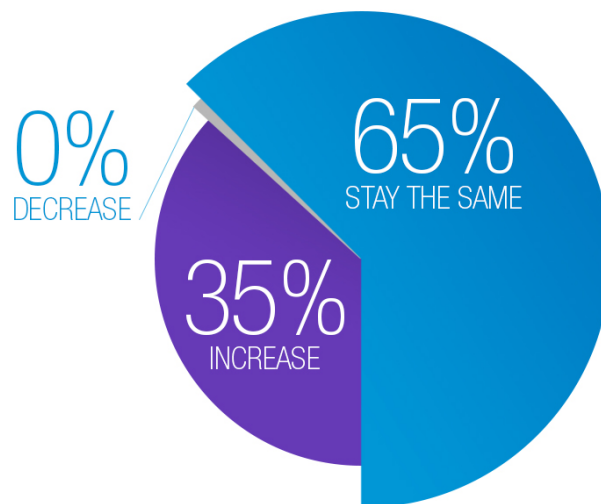
According to the most recent survey of North American businesses fielded by Express, owners expect their wages to rise or stay the same in the third quarter.

- 65 percent expect wages to stay the same
- 35 percent expect wages to increase
- 0 percent expect wages to decrease

A previous survey found a similar outlook for the second quarter.

- 59 percent expected wages to stay the same in the second quarter
- 40 percent expected wages to increase
- 1 percent expected wages to decrease

OVER THE NEXT THREE MONTHS, DO YOU EXPECT WAGES AT YOUR COMPANY TO INCREASE, DECREASE, OR STAY THE SAME?



Forty-two (42) percent of business expect those raises to be performance based, 10 percent say they will be based on the standard cost of living, and 36 percent say both considerations will be a factor.

“This is great news for workers,” said Bill Stoller, the CEO of Express. “In the fight for talent, workers are increasingly in the driver’s seat—able to expect and demand competitive wages. Companies will have to make a strong case to prospective employees, who are now more empowered.”

The survey of 439 businesses, which are current and former clients of Express Employment Professionals, was conducted in May 2018 to gauge respondents' expectations for the third quarter of 2018.

If you would like to arrange for an interview to discuss this topic, please contact Ana Curic at (613) 858-2622 or email ana@mapleleafstrategies.com.

About Bill Stoller

William H. "Bill" Stoller is chairman and chief executive officer of Express Employment Professionals. Headquartered in Oklahoma City, the international staffing company has more than 800 franchises in the U.S., Canada and South Africa. Since its inception, Express has put more than 6 million people to work worldwide.

About Express Employment Professionals

Express Employment Professionals puts people to work. It generated \$3.4 billion in sales and employed a record 540,000 people in 2017. Its long-term goal is to put a million people to work annually. For more information, visit ExpressPros.com/CA.