

## Businesses in Canada and U.S. Offer Wage Outlook: 41% Expect Raises

### Only 1% See Wages Falling

**TORONTO, Feb. 14, 2018**—Wages across Canada and the United States are expected to go up in 2018, according to a survey of businesses fielded by Express Employment Professionals.

Bruce Hein, who runs an Express Employment Professionals office in Sarnia, Ontario, and Shane DeCoste, who manages an Express Employment office in Halifax, Nova Scotia, both spend their days focused on job markets that are thousands of kilometers apart, and both agree that wages will rise.

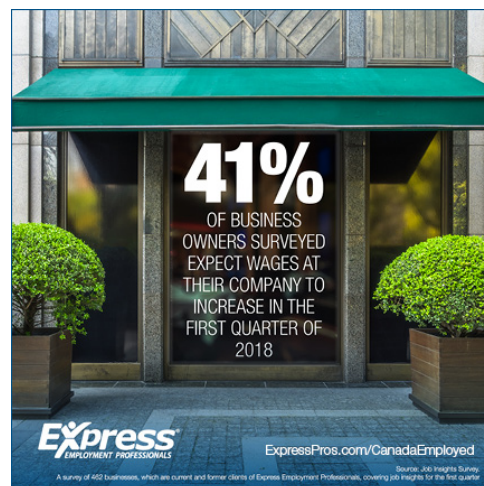
DeCoste says he knows, “as long as unemployment rates remain low we expect to see increases in wages throughout 2018,” and Hein notes that “businesses have had a very hard time recruiting talent the last few years, so naturally wages have increased to stay competitive and attract the right people.”

Last Friday, Statistics Canada reported that jobs in the nation fell by 88,000 in January. Part-time employment declined (-137,000), while full-time employment was up (+49,000). At the same time, the unemployment rate increased by 0.1 percentage points to 5.9 per cent—still a near record low.

The wage outlook for the first quarter of 2018 is encouraging, according to the survey fielded in December 2017. Respondents were asked, “Over the next three months, do you expect wages at your company to increase, decrease or stay the same?”

Forty-one (41) per cent said “increase,” 58 per cent said “stay the same,” and 1 per cent said “decrease.”

That is an improvement over the previous survey on the outlook for the fourth quarter of 2017. In that survey, only 34 per cent said “increase,” 65 per cent said “stay the same,” and again 1 per cent said, “decrease.”



DeCoste is carefully watching how employers respond to the realities of this job market.

“We’re approaching record low unemployment rates in Nova Scotia and as the job market tightens, employers are facing increased competition for qualified talent to fuel their growth,” he said.

“Employers that recognize this shift are adapting quickly and we’re noticing that qualified candidates are securing their next job much more quickly.”

In Sarnia, the trend is much the same.

“We have seen wages rise across the board over the last couple years, and not just for minimum wage jobs,” Hein said. “In fact, we didn’t have any clients paying minimum wage before the hike at the start of the year. It was too hard to find quality candidates, so companies willingly increased wages on their own. My hope is that Ontario’s wages will continue to rise within a healthy economy, despite the increased costs businesses are facing from Bill 148.”

“When 99 per cent of companies expect steady or rising wages, it’s welcome news. And when a growing number of businesses plan to increase wages, it’s very good news,” said Bob Funk, CEO of Express, and a former chairman of the Federal Reserve Bank of Kansas City. “Despite the many signs of economic health, many families feel their wages have risen too slowly over the last few years. But the tight labor market, economic confidence and lower taxes may finally lift wages for more workers.”

The survey of 462 businesses, which are current and former clients of Express Employment Professionals, was conducted in December 2017 to gauge respondents’ expectations for the first quarter of 2018.

If you would like to arrange an interview with Bob Funk to discuss this topic, please contact Kellie Major at (613) 222-7488 or email [kellie@mapleleafstrategies.com](mailto:kellie@mapleleafstrategies.com).

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#### **About Robert A. Funk**

Robert A. “Bob” Funk 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. Under his leadership, Express has put more than 6 million people to work worldwide. Funk served as Chairman of the Conference of Chairmen of the Federal Reserve and was also the Chairman of the Federal Reserve Bank of Kansas City.

#### **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](http://ExpressPros.com).