

Canadian Job Outlook Slightly More Optimistic

Modest New Hiring Expected – Not Out of The Woods Yet Latest Hiring Trends from National Harris Poll

TORONTO, ON, July 8, 2020 – Businesses across Canada are slightly more optimistic for the latter half of the year with 24% of decision-makers now saying their company will increase employees – up from 18% earlier in the year.

This is according to a newly released survey conducted by The Harris Poll and commissioned by Express Employment Professionals.

A total of 49% of hiring decision-makers predict employment will "stay about the same/no change," while 18% now anticipate a decrease in employee count – significantly down from 37% expecting a decrease in the first half of the year.



This is a more promising outlook than the first half of 2020 when only 16% of hiring decisionmakers said their company planned to increase employees, 46% reported no change and 37% anticipating a decrease staff.

Melody McPhee, Express franchise owner in the Woodbridge/Vaughn region of Ontario, sees a similar trend.

"We expect an increase in hiring for the last six months of this year," she said. "As companies reopen, particularly for those that had to lay off staff, they are finding that not all of their people are returning. As a result, we are seeing an increase in direct hire openings."

Although hiring will be higher in the second half of 2020, "it won't be what it would have been without the pandemic," says Bruce Hein, Express owner in Sarnia, Ontario. "There isn't an organization that hasn't been affected by COVID-19, so I believe that while hiring will slowly increase, some companies will still be gun-shy about spending right away as we emerge from this."

Hein also notes that those companies still in recovery mode "will not be in a position to keep up with their usual hiring. Their priority will be ensuring their existing workforce is employed."

Curtis Debogorski, Express franchise owner in Red Deer, Alberta, expects to see a slight increase in hiring "based on businesses readjusting after the COVID-19 pause and the continued progression through the re-launch phases."

Deborgoski believes that the type of companies that will be able to increase hiring are those that have been able "to adapt or streamline their service/products to meet the demands of customers."

Jessica Culo, an Express franchise owner based in Edmonton, Alberta also expects an increase for the last half of the year.

"Typically, we see an increase in hiring during Q3 and Q4 and as confidence continues to improve," she said. "Government subsidies, including the Canadian Emergency Wage Subsidy, have helped with this. We expect to see trends 'somewhat' model typical seasonal trends. I think this is also contingent on Canada and Alberta continuing to flatten the curve, as we have been doing."

As cases continue to fall in Canada, Culo thinks that Canadians are feeling quite good about the ability to manage this pandemic.

"This helps to build confidence," she said. "With confidence will come spending, investing in people and hiring."

Niven Lee, Express franchise owner from Delta, BC, also expects a hiring increase as a result of seasonal demands and "pent up" demand, but he doesn't expect it to return to pre-COVID levels for the remainder of the year.

"We expect increased hiring but also due to the economic uncertainty, companies will choose to hire staff on a contingent basis until they are sure they can add to permanent headcount," Lee said.

Lee also anticipates that "some companies will only offer part-time work to build workforce redundancy and flexibility to prepare for anticipated second wave during the busy season."

Shane DeCoste, an Express owner from Halifax, Nova Scotia, also expects to see increased hiring and notes that businesses are already starting to rebuild their teams.

"We are hearing from businesses that require workers to return to work now as they rebuild. Many employees have decided not to return for various reasons. Employers are left no choice but to find new staff to join their teams," DeCoste said.

Businesses that are seeing a decrease in hiring are those "experiencing less demand for products and services they offer," he added. "This could be everything from suppliers of restaurants that are operating at reduced capacity to retail stores where consumer habits may have changed to online purchasing over the last couple of months."

DeCoste worries that there could be an artificial shortage of qualified workers available for work because of government support programs.

"Many in the workforce have taken a wait and see approach to further funding extensions. I'm concerned that unemployment increases will really come to light when government programs like Canadian Emergency Response Benefit end and many job seekers will find themselves in a much different job market than they left in March," he said.

Express CEO Bill Stoller says he sees signs of life in the workforce, which gives him hope that the worst is behind us.

"I am optimistic better days are ahead," he said. "We are not out of the woods yet, and the sooner businesses implement measures to protect their workers, the sooner they can safely bring employees back to work, benefiting both Canadian families and the economy."

Survey Methodology

The survey was conducted online within Canada by The Harris Poll on behalf of Express Employment Professionals between April 21 and May 6, 2020 among 501 Canadian hiring decision-makers (defined as adults ages 18+ in Canada who are employed full-time or self-employed or have been laid off, furloughed, or given a zero hour schedule in the past 60 days but worked full-time or were self-employed full-time prior, work at companies with more than 1 employee, and have full/significant involvement in

hiring decisions at their company). Data were weighted where necessary by company size to bring them into line with their actual proportions in the population.

If you would like to arrange for an interview to discuss this topic, please contact Adria Minsky at (416) 620-7111 or email <u>adria@mapleleafstrategies.com.</u>

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 825 franchises in the U.S., Canada and South Africa, and beginning in 2020 will expand to Australia and New Zealand. Since its inception, Express has put more than 8 million people to work worldwide.

About Express Employment Professionals

At Express Employment Professionals, we're in the business of people. From job seekers to client companies, Express helps people thrive and businesses grow. Headquartered in Oklahoma City, OK, our international network of franchises offer localized staffing solutions to the communities they serve, employing 552,000 people across North America in 2019. For more information, visit <u>www.ExpressPros.com</u>.