2015 Peel Halton Employer Survey

Peel Halton
Employer Survey
Local Insights for a Better Workforce

Peel Halton Workforce Development Group

Peel Halton Workforce Development Group
2015 Peel Halton Employer Survey

We would like to make the Employer Survey an annual event, to track trends and provide up-to-date local labour market intelligence. The more employers that participate in the survey, the more reliable are the results. Moreover, with a larger number of respondents, comparisons can be made about the workforce practices of different industries and of different size firms.

This Employment Ontario project is funded by the Ontario government.

EMPLOYMENT ONTARIO

Summary of Survey Findings

The fifth annual employer survey for Peel and Halton resulted in 484 responses, with a generally representative sample of firms by geography, industry and number of employees. There is an over-representation of manufacturing firms and a definite over-representation of firms with more than 20 employees – this being a survey about employment, an over-representation of larger employers is not a bad thing. Indeed, the survey generated the participation of 7% of the 1547 firms with over 100 employees in Peel and Halton.

Part of the attempt to characterize employers included segmenting them by the different factors that drive their business decisions.

91% cited ensuring customer satisfaction and good customer service as a very important factor

87% similarly cited keeping costs under control

The two lowest ranking business drivers were:

23% choosing promoting innovation and/or research

41% choosing feeding our talent pipeline for the future

When it comes to job readiness, the greatest gap is in relation to soft skills, something that would appear in employers' minds to be overcome by work experience (and/or possibly training). Nine out of ten employers agree or strongly agree that job candidates have the potential, but lack the experience or training. Concerns regarding soft skills score twice as highly as concerns regarding technical skills.

Seventy percent of employers are willing to spend time with education partners to explain their needs. Firms in the Knowledge Sector (half of whom are in the Educational Services field), firms with over 100 employees and firms citing the promotion of innovation as an important business driver are particularly willing to engage.

Employers often feel that individuals looking for work do not have the motivation, the attitude, or the interpersonal skills requirements for the job. Sixty-one percent said it was often or almost always a concern.

Community college grads are seen as having slightly better preparation for the workplace (technical skills, workplace familiarity), and university students score slightly better on soft skills and potential for advancement and leadership. When it comes to motivation and teamwork, the two are scored almost equally. Fifty-one percent of employers feel college students are better prepared with respect to technical skills, while 47% feel that university Bachelor degree students have greater leadership potential.

The retirement of the baby boom generation still does not register as a major concern for most employers. Only two of ten employers say they are feeling its impact currently, and another three of ten say they expect to feel it within the next five years. Sixty percent of firms in the Services sector do not expect that the baby boom retirement will affect them.

Employers go outside their firm to hire most often when a vacancy has opened up, a specific technical skill is required, the business is expanding, or more skilled individuals are needed. Employers aim to meet specific business needs – they are less motivated to consider personal characteristics such as bringing in maturity, youth or diversity, or to seek to change their corporate culture.

Forty-one percent of firms in Peel and Halton already rely on newcomers (arrived in Canada in the last five years) as an important source of new hires, and that is more likely the case the larger the firm. Seventeen percent of Professional, Scientific and Technical Services firms state that they will be relying on newcomers less.

For entry-level service and production worker jobs, employers quite readily accept the prospect of hiring newcomers. For occupations such as technical occupations, skilled trades, administrative and clerical positions, and professionals, employers are more likely to seek evidence of considerable relevant experience before hiring a newcomer. Around a third of employers state that they would not hire newcomers for sales and marketing occupations, supervisory and manager positions, and as senior leaders and executives.

Slightly over half of employers have not heard of Express Entry, the new federal government procedures for admitting economic immigrants into Canada, in operation since January of this year. When the program is explained, the reaction is very lukewarm.

Over half of employers are not comfortable hiring someone without an in-person assessment or without a probationary employment period.

Sixteen to nineteen percent of firms use the following government-funded services or programs: no fee recruiting services; wage subsidies for the unemployed; training subsidies; and summer student hire subsidies. These programs are more often used by larger firms. Medium-sized firms (5-19 and 20-99 employees) and Service sector firms are most interested in being contacted to learn more about these services and programs.

The following list identifies some specific variations to survey responses by various employer categories:

1-4 employees

- More likely to rely on part-time and temporary workers
- Less likely to cite as very important such business drivers as innovation or feeding the talent pipeline
- Have a lower level of concern with the technical skills of job candidates

100+ employees

- Greater concern for meeting regulatory and legislative requirements
- Less concern regarding the soft skills of job candidates

Manufacturing

- Greater emphasis on innovation
- Higher levels of frustration with technical skills, and less with soft skills
- Give higher scores for the technical skills of community college graduates and at the same time give higher scores for the leadership potential of university graduates
- Slightly more likely to rely on newcomers as an important source of new hires

Professional, Scientific and Technical Services

- Slightly less concerned with cost considerations as a business driver
- Higher levels of frustration with soft skills, technical skills and lack of work experience
- More likely than other employers to have concerns regarding a job applicant's English writing skills or conversational or higher functioning English speaking skills
- More likely to rank university grads higher in terms of their soft skills and their potential for advancement and for leadership

Knowledge sector

- Higher premium on innovation

Services sector

- Greater premium on customer service
- Less importance placed on innovation
- Give higher scores for the technical skills of community college graduates and do not rank university graduates as highly for their soft skills and career potential

Employers in Caledon, Halton Hills and Milton are somewhat more likely to express concerns about attracting job applicants due to their remote locations or poor public transit, and Caledon and Halton Hills in particular complain that they often do not get enough applicants for a job posting.

Table of contents

Introduction: survey overview and profile of respondents

This survey is the 5th annual survey carried out by the Peel Halton Workforce Development Group. This year's effort resulted in a survey sample of 484 employers, continuing the trend in a growing number of employers participating in this survey. The large response is due to the unprecedented number of partners who promote the survey with employers – 40 organizations in total[1]. It is also likely that employers themselves have found that the survey contributes to their understanding of the local labour market, as half of the employers who participate in the survey request a copy of the survey results.[2]

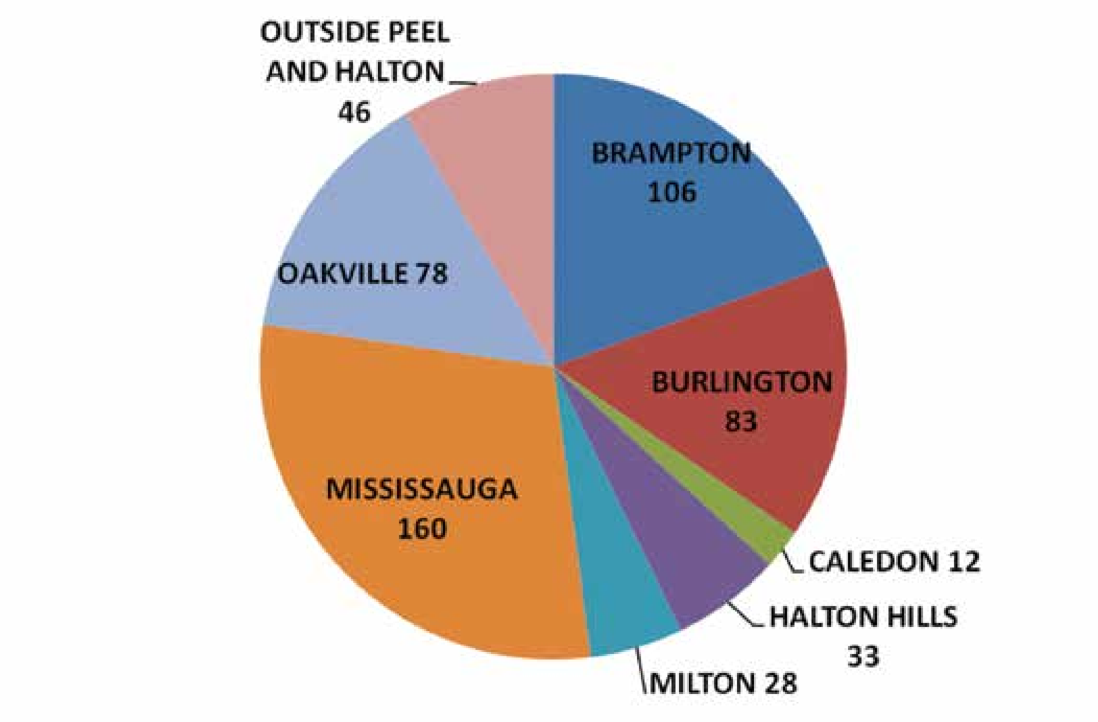
Strikingly, almost two-thirds (63%) of the survey respondents say they are participating in the survey for the first time – this despite the fact that the survey outreach is typically done the same way each year, through the employer e-mail lists of the partners, as well as by sending the survey link to the nearly half of employers from the previous year's survey who provided their e-mail addresses. This pattern applies despite the employee size category – the larger firms (20-99 and 100+ employees) are only very slightly more likely to indicate that they are filling out the survey for the first time.

The respondents represented a good cross-section of employers, by geography, industry and size.

[1] This year those partners included: ACCES Employment; Advantage Mississauga; Brampton Board of Trade; Brampton Economic Development Office; Burlington Economic Development Office; Caledon Chamber of Commerce; Caledon Community Services; Caledon Economic Development Office; Canadian Supply Chain Sector Council (CSCSC) ; Centre for Education & Training; Centre for Skills Development and Training; City of Mississauga; College Boreal; COSTI; Dixie Bloor Neighbourhood Centre; Family Services of Peel; Goodwill Career Centre; Halton Economic Development Office; Halton Hills Economic Development Office; Halton Hills Chamber of Commerce; Halton Region Employment; HRPA Peel; Humber Community Employment Services; Job Skills; John Howard Society of Peel Halton Dufferin; Mississauga Board of Trade; Mississauga Economic Development Office; Oakville Chamber of Commerce; Ontario March of Dimes; Ontario Trucking Association; Polycultural Immigrant & Community Services; Region of Peel; Sheridan College; The Employers Choice; TRIEC (Toronto Region Immigrant Employment Council); VPI Mississauga; VPI Georgetown; YMCA (Halton) Career Development & Learning Centre; YMCA Halton; YMCA Peel.

[2] The content of the survey was greatly enhanced thanks to the input of an advisory committee which contributed to the design of the questions. The committee was made up of the following individuals: Michelle Browne (City of Mississauga); Beth Clarke (Toronto Region Immigrant Employment Council); Rosa Lokaisingh (Mississauga Board of Trade); Moya Mackinnon (Centre for Education & Training); Cameron Moser (Sheridan College); Sue Sadler (ACCES Employment); Jeanette Schepp (Human Resources Professionals Association – Peel Chapter); Seema Taneja (Peel Newcomer Strategy Group).

Chart 1: Distribution of survey respondents by geography*



*Total is greater than the number of survey respondents, as some employers identified more than one location.

Table 1 compares the distribution of survey responses by geography to the distribution of jobs as a share of all jobs in these seven municipalities.

Table 1: Distribution of survey responses by geography

	Share of survey responses	Share of jobs in Peel and Halton[3]
Brampton	21%	28%
Burlington	17%	10%
Caledon	2%	3%
Halton Hills	7%	3%
Milton	6%	5%
Mississauga	32%	40%
Oakville	16%	10%

[3]The jobs figure is taken from the 2011 National Household Survey. The figures represent jobs having a usual place of work (that is, jobs physically present in these municipalities), and are taken from the Commuting Flow table, Statistics Canada Cat. No. 99-012-X2011032.

There is a broad concordance between the survey distribution of employers and the actual distribution of jobs by municipality, with the largest discrepancy being a slight under-representation of Mississauga.

Table 2 profiles the survey responses by industry. The number of survey responses by industry, as well as the percentage share of the total survey population by industry is presented, which is compared to the actual percentage distribution by industry of all establishments in Peel and Halton having employees.[4] As well, these industries are clustered into sectors, which will be used at times to analyze and compare survey responses from groups of employers sorted by these broad clusters.

Table 2: Distribution of survey respondents by industry

SECTORS & INDUSTRIES	# SURVEY	% SURVEY	% ACTUAL
MANUFACTURING	96	19.8%	5.6%
PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES	62	12.8%	14.6%
KNOWLEDGE SECTOR	64	13.3%	5.4%
Educational Services	32	6.6%	1.1%
Finance and Insurance	16	3.3%	3.2%
Information and Cultural Industries	8	1.7%	1.1%
Public Administration	8	1.7%	0.0%
SERVICE SECTOR	71	14.7%	16.3%
Accommodation and Food Services	25	5.2%	5.2%
Arts, Entertainment and Recreation	14	2.9%	0.8%
Retail Trade	32	6.6%	10.3%
SUPPLY CHAIN	48	9.9%	24.6%
Transportation and Warehousing	32	6.6%	16.9%
Wholesale Trade	16	3.3%	7.7%
OTHER	143	29.4%	33.5%
Administrative & Support, Waste Management	19	3.9%	4.6%
Agriculture, Forestry, Fishing and Hunting	3	0.6%	0.4%
Construction	22	4.5%	8.4%
Health Care and Social Assistance	46	9.5%	7.6%
Management of Companies and Enterprises	2	0.4%	1.1%
Mining and Oil & Gas Extraction	1	0.2%	0.1%
Other Services (except Public Administration)	37	7.6%	7.8%
Real Estate and Rental and Leasing	8	1.7%	3.4%
Utilities	5	1.0%	0.1%

[4]*This data is retrieved from Statistics Canada, Canadian Business Patterns, June 2015.*

By and large, there is a relatively good match between the survey sample and the actual distribution of employers by industry in Peel and Halton, except for three discrepancies:

- The survey has a much higher proportion of manufacturing firms;
- The survey also has a higher proportion of firms in its Knowledge Sector category, almost entirely the consequence of having a higher proportion of survey respondents in the Educational Services field;
- The survey has a much lower proportion of respondents in the Supply Chain sector, primarily on account of a lower proportion of respondents in the Transportation & Warehousing industry.

These are not fatal imbalances, but need to be kept in mind when considering results presented for the entire sample. In instances when only the results of a specific industry or cluster are represented (for example, Manufacturing), the extra number of respondents only increases the robustness of the findings.

One further note regarding industry classification: in advance of analyzing the survey results, each respondent's entry was reviewed and the selected industry classification was verified by checking the company's name and/or e-mail address, where that information was provided. In fact, 234 respondents provided contact information whereby their industry selection could be verified. In 53 cases, the industry classification was in error, almost a quarter of the time.

There are different patterns of distribution of firms by employee size for each of the industry clusters.

Table 3: Distribution of firms by employee size

	Manufacturing	Professional, Scientific, Technical	Knowledge Sector	Service Sector
1-4 employees	3%	6%	6%	5%
5-19 employees	20%	42%	36%	42%
20-99 employees	46%	38%	21%	41%
100+ employees	30%	15%	38%	12%

Manufacturing firms tend to be larger (more than 20 employees), while firms in both Professional, Technical and Scientific Services and in the Services Sector tend to be in the in the mid-range (5-99 employees). The Knowledge sector has two clusters of firm size: very large (100+ employees: this would include municipal governments, community colleges and large financial institutions) as well as smaller firms (5-19 employees).

One further comparison for assessing the representativeness of the survey population is to compare the distribution of respondents by number of employees to the actual figures.

Table 4: Distribution of survey respondents by number of employees

	NUMBER OF EMPLOYEES			
	1-4	5-19	20-99	100+
Actual number	44,052	17,027	6,741	1,547
Actual percent	63.5%	24.5%	9.7%	2.2%
Survey number	70	150	141	109
Survey percent	14.9%	31.9%	30.0%	23.2%
Survey as percent of actual	0.2%	0.9%	2.1%	7.1%

Table 4 illustrates the distribution of all establishments by number of employees.[5] By far, the survey is over-represented by employers with a greater number of employees, and under-represented by firms with very few employees. For an understanding of local labour market dynamics, this is not a bad thing. Indeed, survey respondents with more than 100 employees represent 7.1% of all employers in Peel and Halton with over 100 employees. This is a very high survey response rate for this employment-rich category of employers.

Employers were asked to estimate the percentage breakdown of their workforce by different types of employment, permanent and temporary, and full-time and part-time. The estimated proportions are listed in Table 5. The first data column provides the responses for all firms, and is followed by the distributions by employee size and by industry cluster.

Table 5: Categories of employment types, by size of firm and by industry cluster

	ALL	1-4 employees	5-19 employees	20-99 employees	100+ employees	Manufacturing	Professional, Scientific, Technical	Knowledge Sector	Service Sector
Permanent full-time	56%	40%	57%	60%	59%	76%	62%	50%	42%
Permanent part-time	17%	23%	18%	15%	14%	7%	11%	19%	27%
Temporary full-time	14%	19%	15%	12%	15%	10%	17%	14%	15%
Temporary part-time	13%	18%	9%	13%	11%	7%	10%	17%	16%

[5] In the case of the survey, the figure represents Full Time Equivalent employees. The number of actual employers comes from Statistics Canada, Canadian Business Patterns, June 2015.

There is a clear difference in the mix of employee categories between firms with 1 to 4 employees and everyone else – these very small firms are more likely to rely on part-time or temporary workers than the other firms. Manufacturing firms have the highest proportion of full-time, permanent workers, and the Services Sector has the least, having instead a large proportion of permanent part-time workers. The Knowledge Sector has a high proportion of part-time workers, both permanent and temporary.

Factors driving business decisions

This year the survey sought to understand the characteristics of employers by focusing on the factors that affect their business decisions. This was done by way of the following question:

We wish to understand the factors that influence your business decisions. How would you rank the following factors when it comes to influencing your hiring decisions?

These factors were the following (the factors are listed in full, as they appeared in the survey, and their abbreviated form for the sake of reporting is listed in the second column):

WORDING IN SURVEY	ABBREVIATED FORM
Promoting innovation and/or research	Innovation
Seeking to deliver a quality product or service	Quality
Keeping costs under control	Costs
Having regard for legislative and regulatory requirements	Regulatory
Accommodating growth/expansion	Growth
Ensuring customer satisfaction and good customer service	Customer
Reflecting the expectations of our customers or our community	Expectations
Feeding our talent pipeline for the future	Talent

Respondents were asked to indicate for each factor whether it was "Very Important," "Somewhat Important," or "Not That Important." They were also asked not to identity more than three factors as being very important.

Two methods have been used to evaluate the results. The first one assigns a "+2" value to every "Very Important" response, a "+1" value to every "Somewhat important" response, and a "0" value to every "Not That Important" response, adds up these numbers and divides by the total number of respondents for that factor. (In this calculation, the highest possible score is "2.0.") The second method simply identifies the percentage of respondents who assigned "Very Important" to that factor out of all respondents providing an answer. Table 6 provides the scoring of all respondents for each method.

Table 6: Scoring regarding importance of select factors in business decisions

FACTOR	CUMULATIVE SCORE	PERCENT "VERY IMPORTANT"
Customer	1.90	91%
Quality	1.87	87%
Costs	1.62	63%
Expectations	1.46	52%
Growth	1.37	44%
Regulatory	1.32	46%
Talent	1.31	41%
Innovation	0.94	23%

Customer satisfaction & good customer service ranked highest, with 91% businesses stating it as "very important" when identifying factors that affect their business decisions.

By far, the two most important drivers when it comes to business decisions identified by the survey are a focus on customer satisfaction and a focus on service or product quality. Lowest on the list is the notion of promoting innovation or research, while the other five factors occupy a broad middle ground of importance.

There are some interesting variations when one starts dissecting the survey respondents into different groupings.

Very small firms (1-4 employees) are even less likely to be driven by innovation, feeding their talent pipeline, or concerns regarding regulatory requirements. And while some of them rank growth as important, the majority rank it lower than other size firms.

On the other hand, very large firms (100+ employees) are more likely to place greater emphasis on meeting legislative and regulatory requirements.

Manufacturing firms rank innovation somewhat higher and place lower importance on reflecting the expectations of their customers or their community.

Firms in the Professional, Scientific and Technical Services field are slightly less concerned with cost considerations.

Knowledge Sector firms are more likely to place a premium on innovation and somewhat more likely to consider their talent pipeline.

Service Sector companies are less likely to consider innovation as a driver, and more likely to put emphasis on customer satisfaction and somewhat more like on costs.

Frustrations with hiring process

Respondents were asked to indicate their level of agreement or disagreement with a series of statements about the hiring process and the work readiness of job candidates. The full statements are provided below, as well as their abbreviated forms:

WORDING IN SURVEY	ABBREVIATED FORM
My frustration with hiring is the lack of technical (specific to that job) skills among many job candidates.	Technical skills
My frustration with hiring is the lack of soft skills (communications skills, taking the initiative) among many job candidates.	Soft skills
A major reason why many job candidates are not qualified is because they do not have relevant work experience.	Work experience
I sense that many job candidates might have potential, but they require some training or some work experience.	Have potential
While a job candidate may have potential, I cannot afford to wait until that individual acquires the necessary skills on the job.	Cannot wait
I am frustrated with the time it takes to find a suitable candidate.	Takes too long
My frustration with hiring is the length of time it takes for my establishment to choose a suitable candidate and to make a job offer.	Company takes too long
In most cases, the education system does not understand what employers need in a job candidate.	Education system
I would be happy to spend some time with a high school, college or university explaining what my company needs that the education system could deliver.	Spend time helping

Respondents were asked to choose one of the following levels of agreement, and for the purposes of scoring, a value is assigned to each response:

Disagree strongly	-2
Disagree somewhat	-1
Agree somewhat	+1
Agree strongly	+2

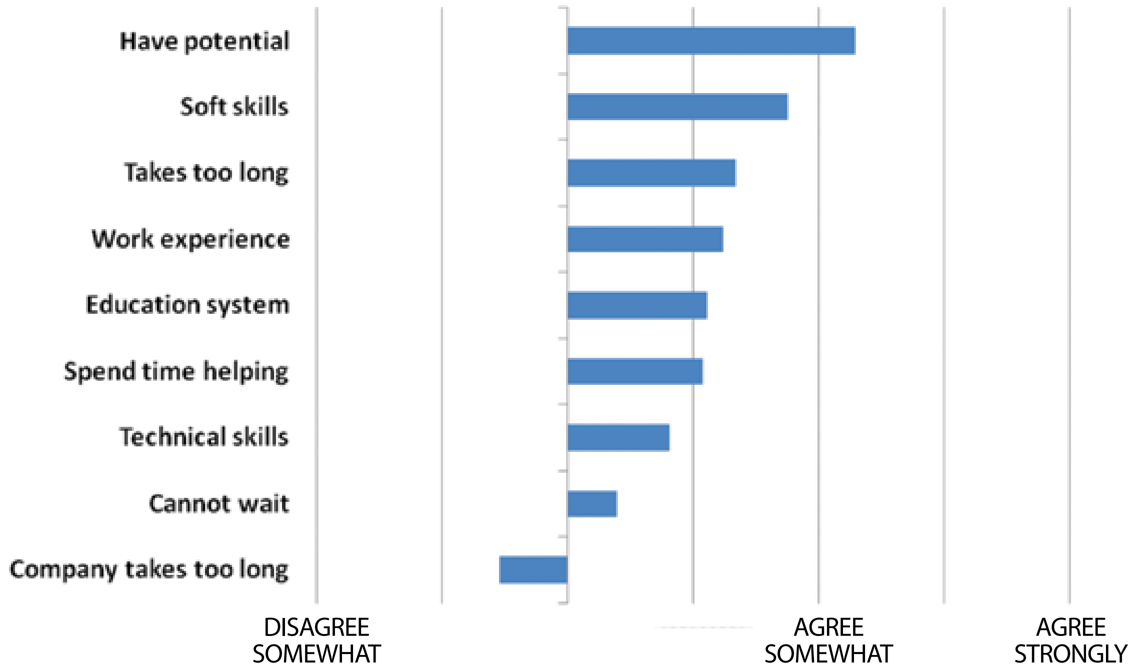
The values are totalled and divided by the total number of responses. For the sake of sharing the results, the percentage of respondents who chose "Agree strongly" for each statement is also provided.

Table 7: Hiring frustrations

STATEMENT	CUMULATIVE SCORE	PERCENT "VERY IMPORTANT"
Have potential	1.15	39%
Soft skills	0.88	35%
Takes too long	0.67	32%
Work experience	0.62	24%
Education system	0.56	23%
Spend time helping	0.54	25%
Technical skills	0.41	21%
Cannot wait	0.20	18%
Company takes too long	-0.27	12%

Chart 2 illustrates the comparative cumulative scores from all respondents.

Chart 2: Hiring frustrations



Two statements garner the highest degrees of agreement:

- I sense that many job candidates might have potential, but they require some training or some work experience (89% either agree or agree strongly);
- My frustration with hiring is the lack of soft skills (communications skills, taking the initiative) among many job candidates (78% either agree or agree strongly).

When it comes to job readiness, the greatest gap is in relation to soft skills, something that would appear in employers' minds to be overcome by work experience (possibly training). It is noteworthy that concerns regarding soft skills (0.88) score twice as highly as concerns regarding technical skills (0.41).

For some of these issues, different categories of employers have a greater or lesser concern. Table 8 highlights where these differences arise.

Table 8: Variations relating to concerns by different employer categories

STATEMENT	EMPLOYERS WHO HAVE A GREATER CONCERN	EMPLOYERS WHO HAVE LESS OF A CONCERN
Technical skills	Manufacturing Professional, Scientific, Technical Innovation firms	1-4 employees Services Sector
Soft skills	Professional, Scientific, Technical Knowledge Sector	100+ firms Manufacturing
Work experience	Professional, Scientific, Technical	Services Sector
Cannot wait	1-4 employees	

Seventy percent (70%) of employers say they would be willing to spend time with education partners to explain their needs. Firms in the Knowledge Sector (half of whom are in the Educational Services field), firms with over 100 employees and firms citing the promotion of innovation as an important business driver are particularly willing to engage.

In the hiring process, concerns regarding soft skills score twice as highly as concerns regarding technical skills.

Issues affecting recruitment

Respondents were asked to rate the extent to which various issues were a frequent concern when it came to the recruitment of job candidates.

The options as presented in the survey are listed below, together with the shortened version used in Chart 3 to illustrate the results:

SHORT VERSION	OPTION IN SURVEY
Few applicants	Not enough applicants
Lack education	Applicants not meeting educational qualification requirements
Lack experience	Applicants not meeting work experience requirements
Lack skills	Applicants not meeting technical skills requirements
Lack motivation	Applicants not meeting motivation, attitude, or interpersonal skills requirements
Work barriers	Inability to compete with other employers due to nature of work (seasonal, shift work, irregular hours, job content)
Pay barriers	Inability to compete with other employers due to pay and benefits
Travel barriers	Inability to compete with other employers due to remote location / poor public transit
Conversational Eng	Applicants' ability to converse in everyday conversational English
Assess past work	Ability to assess an applicant's previous work experience
Cdn business culture	Applicants' familiarity with Canadian business culture, practices
Higher functioning Eng	Applicants' ability to converse at a higher functioning English
English writing	Applicants' English writing skills
Assessing education	Assessing applicants' educational credentials
Credential recognition	Getting recognition of applicants' professional designations
Promotion barriers	Inability to compete with other employers due to lack of career advancement opportunities

Each response has been scored the following way:

Almost never a concern	"0"
Sometimes a concern	"1"
Often a concern	"2"
Almost always a concern	"3"

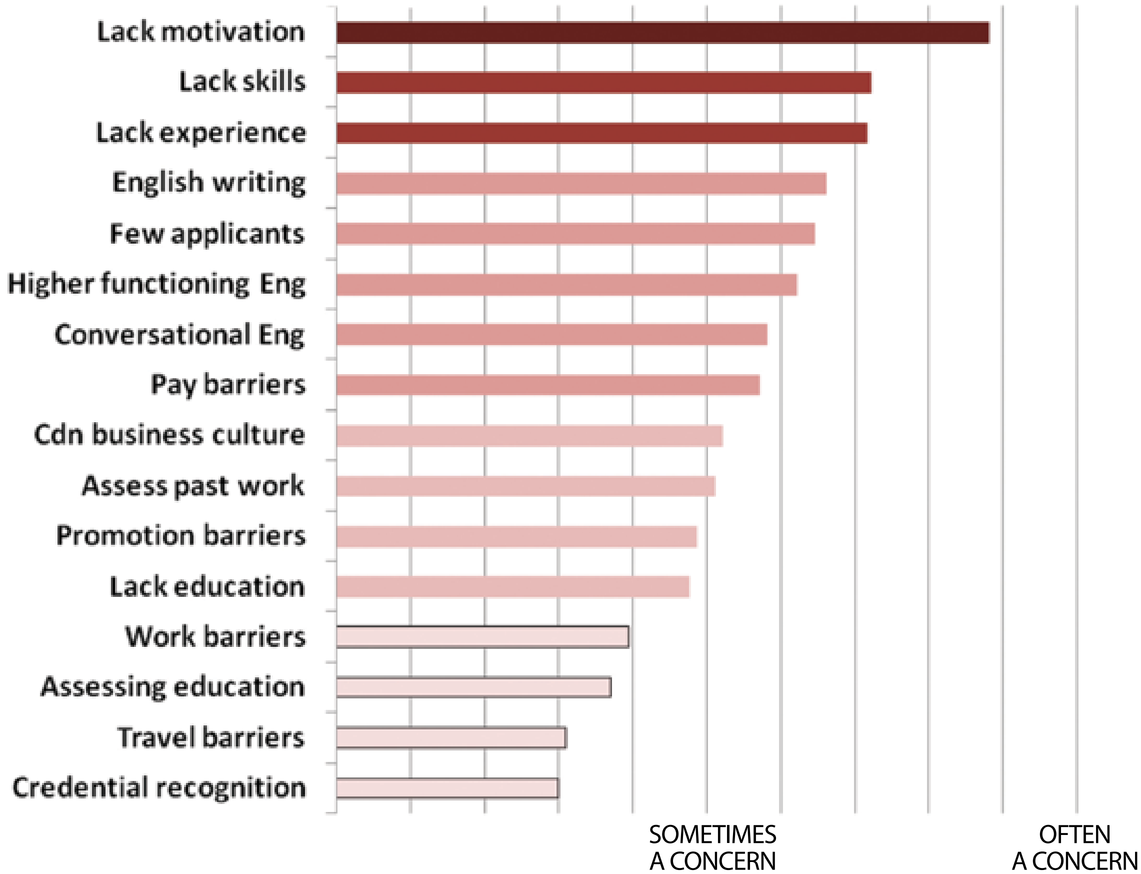
By far the greatest issue that arises with result to the recruitment process is applicants not meeting motivation, attitude, or interpersonal skills requirements. The average score of 1.76 places it close to "2," which is "Often a concern." In fact, 61% said it was often or almost always a concern, the only item where more than half of the survey respondents expressed such a high level of concern.

The second and third most frequent concerns are:

- Applicants not meeting technical skills requirements (1.44)
- Applicants not meeting work experience requirements (1.43)

By their scoring, these two items fall more or less half way between "Sometimes a concern" and "Often a concern."

Chart 3: Frequency of concerns arising during recruitment process



The four issues attracting the least concerns are:

- Getting recognition of applicants' professional designations
- Inability to compete with other employers due to remote location / poor public transit
- Assessing applicants' educational credentials
- Inability to compete with other employers due to nature of work (seasonal, shift work, irregular hours, job content)

The greatest issue that arises with the recruitment process is that applicants are not meeting the motivation, attitude, or interpersonal skills requirements, with 61% of employers stating that it was often or almost always a concern!

Table 9 illustrates where these concerns are more frequently or less frequently experienced by different employer categories. As well, for this question, geographic variations have been included, because of the questions regarding travel/remote locations and newcomer issues.

Table 9: Variations regarding the frequency of concerns by different employer categories

CONCERN	EMPLOYERS WHO HAVE A GREATER CONCERN	EMPLOYERS WHO HAVE LESS OF A CONCERN
Few applicants	Caledon Halton Hills	
Lack education	Innovation firms	Halton Hills Services Sector
Work barriers	Services Sector	
Travel barriers	Caledon Halton Hills Milton	Burlington
Conversational Eng	Professional, Scientific, Technical	Halton Hills Burlington
Assess past work		Caledon
Cdn business culture		Halton Hills Milton Services Sector
Higher functioning Eng	Professional, Scientific, Technical	Halton Hills Milton
English writing	Professional, Scientific, Technical	Halton Hills Services Sector
Assessing education	Knowledge Sector Innovation firms	Halton Hills
Credential recognition	Innovation firms	Burlington Halton Hills Milton Services Sector
Promotion barriers	1-4 employees Knowledge Sector	

Caution: Caledon had a small number of employer respondents

It is noteworthy that with regards to the top three concerns, lack of motivation, lack of technical skills and lack of work experience, that all employers more or less equally expressed concerns regarding these issues, that is, there were no outliers, either with greater or less frequency of concern.

In terms of geographic differences, travel barriers are a greater concern for employers in Caledon, Halton Hills and Milton, while a lower concern for those in Burlington. Various issues related to newcomer job candidates (conversational English, credential recognition) are of less concern to employers in locations where there are far fewer newcomer employees.

Community college graduates are seen as having slightly better preparation for the workforce (technical skills, workplace familiarity).

Comparison of graduates from community colleges and universities

Respondents were asked to compare community college diploma graduates with university Bachelor degree graduates on a range of work-relevant abilities. For each item, employers were given a range of possible assessments which are listed below together with the rating assigned for scoring purposes.

College grads much better prepared	"+2" for college
College grads somewhat better prepared	"+1" for college
Both equally prepared	"0"
University Bach. grads somewhat better prepared	"+1" for university
University Bach. grads much better prepared	"+2" for university

The table below lists both the full length and abbreviated forms for each statement.

SHORT VERSION	OPTION IN SURVEY
Technical skills	Work-related technical skills
Workplace familiarity	Familiarity with workplace and work expectations
Communication skills	Communication skills
Problem-solving	Analytical and problem-solving skills
Teamwork	Interpersonal and teamwork skills
Motivation	Motivation and initiative
Career potential	Potential for career advancement
Leader potential	Potential for leadership role

The first point to make about the results listed in Chart 4 is that they show a rather narrow band of differences – the highest score comes in at 0.55 in favour of university graduates for leadership potential. That ranks as half-way between "No difference" and "University Bachelor graduates somewhat better prepared."

That being said, these results do show a consistent set of perceptions: community college graduates are seen as having slightly better preparation for the workplace (technical skills, workplace familiarity), and university graduates score slightly better on soft skills and potential for advancement and leadership. When it comes to motivation and teamwork, the two are scored almost equally.

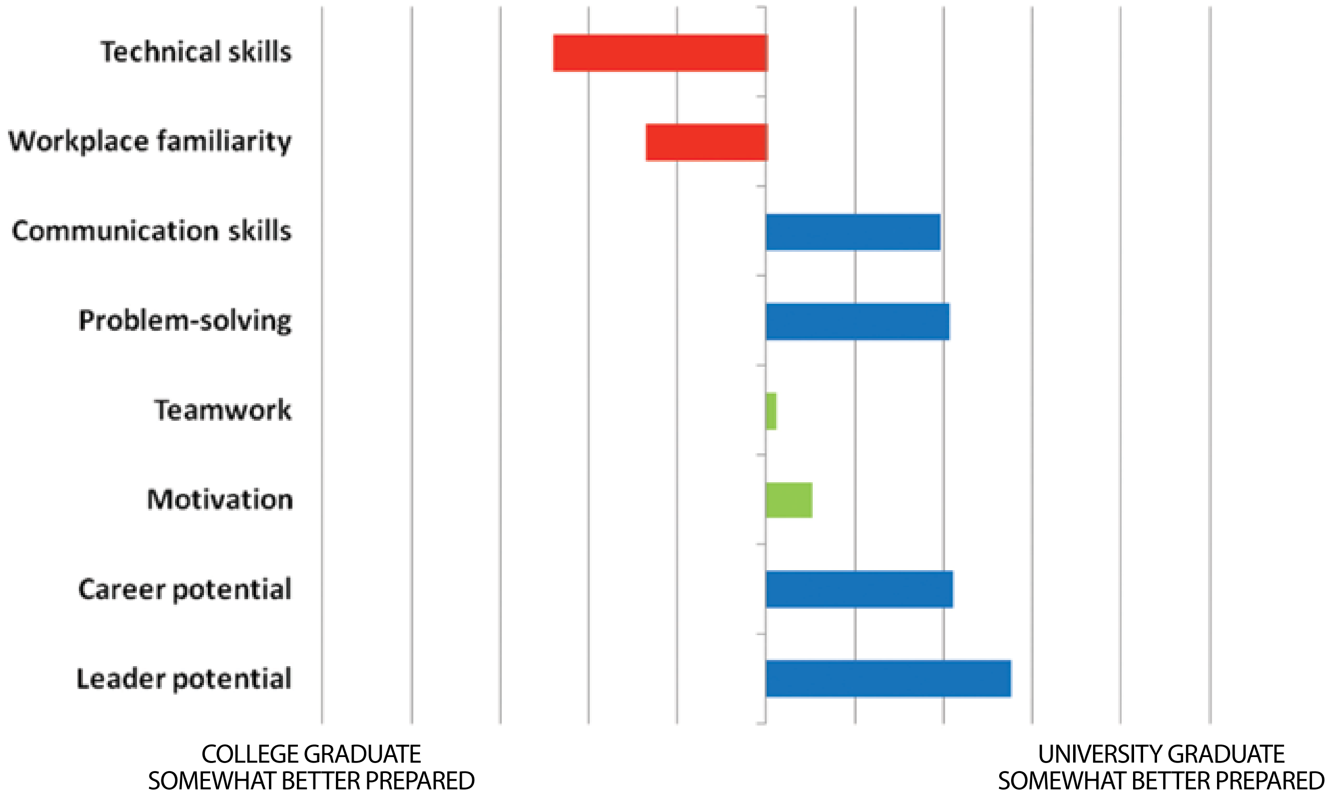
Table 10 summarizes the results. The two most divergent results: 51% of employers feel college students are better prepared with respect to technical skills, while 47% feel that university Bachelor degree students have greater leadership potential

University graduates score slightly better on soft skills and potential for advancement and leadership.

Table 10: Preparedness of candidates by educational background

	College better prepared	Both the same	Bachelor better prepared
Technical skills	51%	38%	11%
Workplace familiarity	35%	55%	10%
Communication skills	7%	55%	39%
Problem-solving	12%	45%	43%
Teamwork	18%	64%	18%
Motivation	15%	65%	21%
Career potential	9%	48%	43%
Leader potential	8%	45%	47%

Chart 4: Comparison of community college and university Bachelor grads



The variations in scoring are entirely a feature of which industry is involved:

- Professional, Scientific and Technical Services firms are considerably more likely to rank university graduates higher in terms of their soft skills and their potential for advancement and for leadership
- The Services Sector gives higher scores for the technical skills of community college graduates and does not rank university graduates as highly for their soft skills and career potential;
- Manufacturing firms also give higher scores for the technical skills of community college graduates and at the same time give higher scores for the leadership potential of university graduates.

Innovation firms give slightly higher soft skills scores for university grads and slightly lower technical skill scores for community college grads

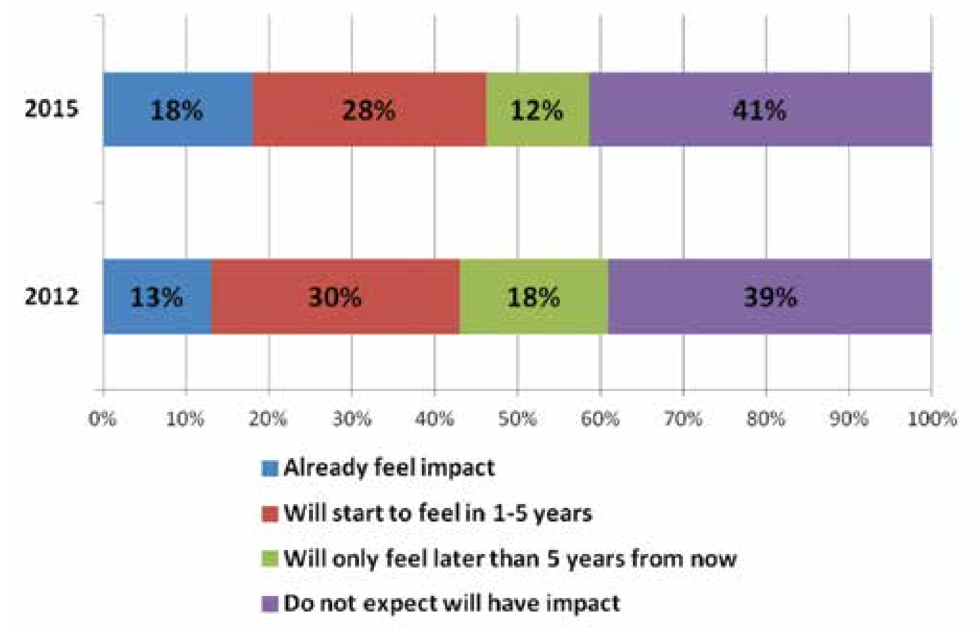
Impact of baby boom retirements

Employers were offered four assessments of how the retirement of baby boom generation workers might affect their organization, as follows:

- I am already feeling the impact of the retirement of the baby boom generation
- I expect in the next one to five years to start feeling the impact of the retirement of the baby boom generation
- I only expect to start feeling the impact of the retirement of the baby boom generation beyond five years from now
- For a number of reasons, I currently do not feel nor do I expect the baby boom retirement will have an impact on my organization

The distribution of responses is presented in Chart 5, together with a comparison to the results for this same question asked in 2012.

Chart 5: Impact of baby boom retirements



There has been a small shift in the proportion of employers who are feeling the impact of the baby boom retirements, with almost one fifth (18%) choosing this statement, an increase of 5% from three years. There has been a corresponding decrease in those who think they will only feel the impact more than five years from now.

There are notable differences by industry category:

- The Knowledge Sector scores highest for already feeling the impact (25%); it also scored highest three years ago (this sector includes Educational Services and Public Administration)
- The Manufacturing Sector scores highest in anticipating it will feel the impact one to five years from now – it also scored highest in this category last time
- The Services Sector scores very high in feeling that it will not feel an impact (60%), which stands to reason given how many youth work in the many entry-level positions in these industries
- The Professional, Scientific and Technical Services firms also maintain that they will likely not feel the retirement impact (45%).

Reasons for external recruitment

This question focused on the reasons why employers would recruit outside of their organizations to fill gaps in their workforce. The following table provides the list of statements about which employers were asked to indicate their level of agreement or disagreement.

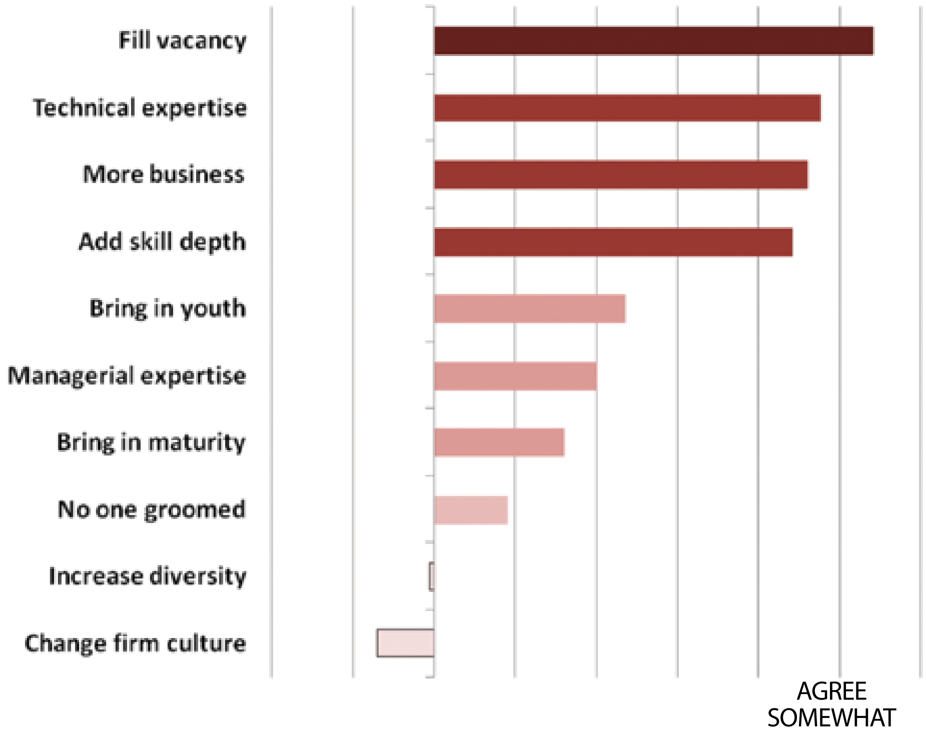
SHORT VERSION	STATEMENT IN SURVEY
Technical expertise	To gain a particular technical expertise
Managerial expertise	To gain managerial expertise
No one groomed	No one has been groomed internally for the position
Add skill depth	To add to the depth of skills among our workforce
Increase diversity	To increase the diversity of our workforce
Redirect firm culture	To redirect our organizational culture
Fill vacancy	To fill a gap caused by an employee who has left
Bring in maturity	To bring maturity and experience into our workforce
More business	To meet increasing demand for our goods or services
Bring in youth	To bring youth and energy into our workforce

As with similar questions, a value is assigned to each response:

Disagree strongly	-2
Disagree somewhat	-1
Agree somewhat	+1
Agree strongly	+2

The values are totalled and divided by the total number of responses.

Chart 6: Reasons for external recruitment

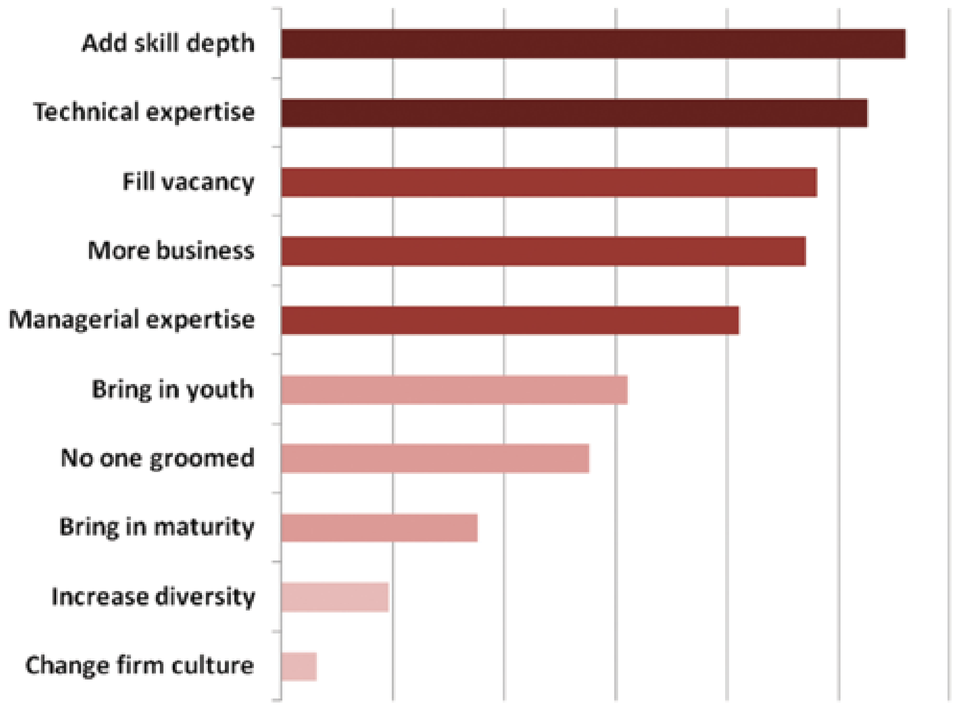


External recruitment happens to fill a need: a vacancy has opened up, a specific technical skill is required, the business is expanding, or more skilled individuals are needed. Employers aim to meet specific business need – they are less motivated to consider personal characteristics such as bringing in maturity, youth or diversity, or to seek to change their corporate culture.

In terms of specific employer categories, smaller firms (1-4 employees and 5-19 employees) show lower levels of agreement on most of these statements, most likely because they have fewer reasons for hiring, having a much smaller workforce. At the other end of the size spectrum, firms with 100 or more employees show considerably higher levels of agreement with almost every one of these statements.

It is relevant to illustrate this greater degree of agreement for these various statements on the part of firms with more than 100 employees, as the order of importance of these statements also changes, with adding skill depth and technical expertise surpassing filling a vacancy as prime motivators.

Chart 7: Reasons for external recruitment, firms with 100+ employees



Firms that cite innovation, growth or talent acquisition also express higher levels of agreement with most of these statements, demonstrating how human capital is a greater consideration.

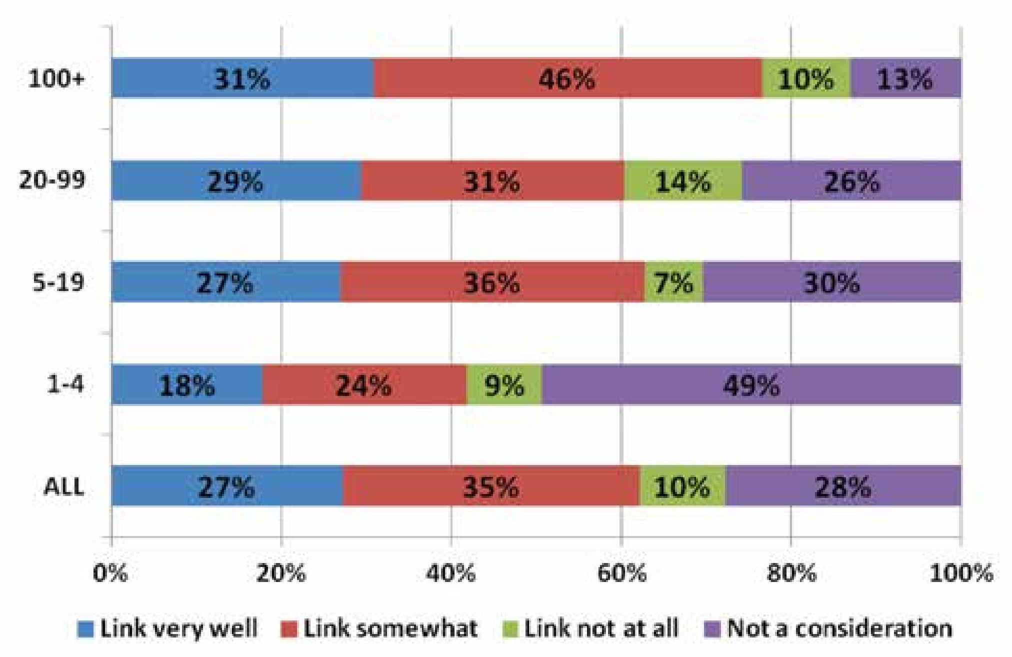
When it comes to increasing diversity as a reason for recruiting externally, Knowledge Sector firms and firms promoting innovation are notably more likely to agree with this statement.

Service Sector firms show less agreement that the average for motivators such as seeking technical expertise, wishing to change the corporate culture or aiming to draw in more youth and energy.

Succession planning and company's diversity and inclusion goals

The next question explored the following set of issues: how well does your company's succession planning strategy link up with your company's diversity and inclusion goals? Over 60% of the respondents indicated that they linked up very well or somewhat well, but that very much was a feature of size: over three-quarters (76%) of firms with over 100 employees said so, compared to only a third (33%) of firms with 1 to 4 employees (Chart 8). In the case of small firms, half (49%) say this issue is not a consideration, possibly because there is less succession planning.

Chart 8: Link between succession planning and diversity and inclusion goals, by size of firm



Knowledge Sector firms are far more likely to say these issues link up very well (39%), as do firms for whom feeding their talent pipeline is an important business driver (34%).

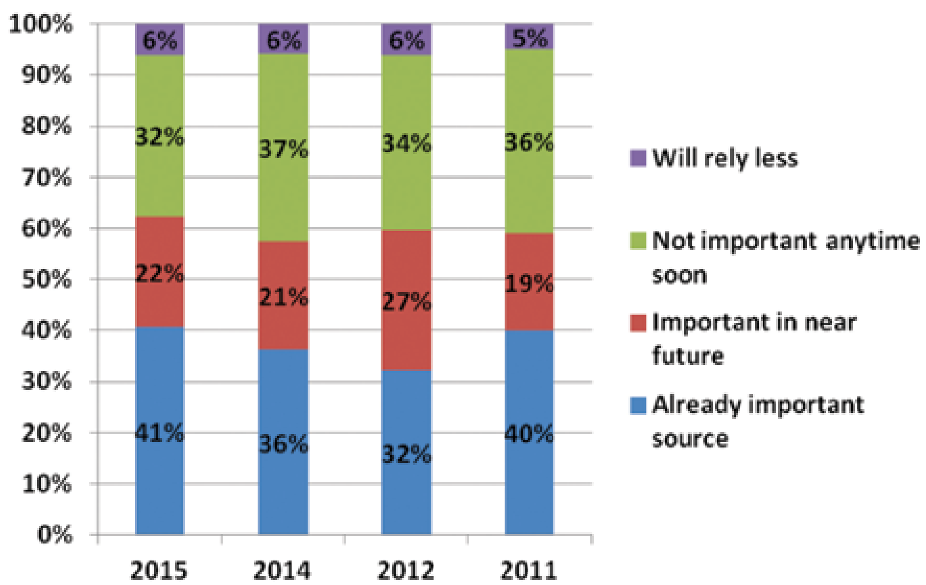
Significance of newcomers in hiring

Employers were asked to choose the statement that best reflected the role that newcomers play in their hiring decisions:

- Newcomers have already become an increasingly important source of new hires for our company;
- We foresee that in the near future newcomers will become an increasingly important source of new hires for our company;
- Newcomers are not a particularly significant source of new hires for our company and we do not foresee this changing any time soon;
- We expect that we will be relying less on newcomers as a source of new hires for our company.

Chart 9 presents the results, together with comparisons with 2011, 2012 and 2014. There has been a very high level of consistency in the responses that employers have given to this question over the last five years.

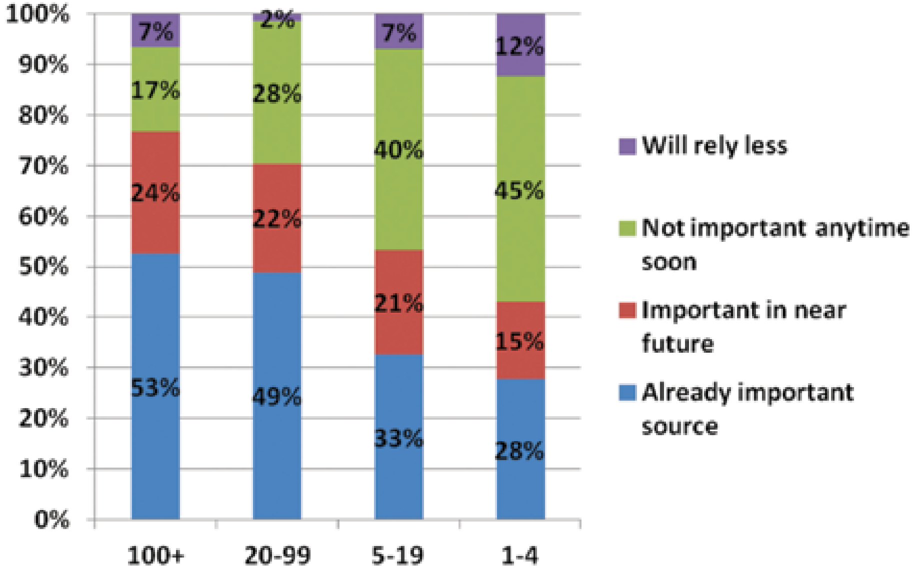
Chart 9: Significance of newcomers in hiring (2011, 2012, 2014 and 2015)



.

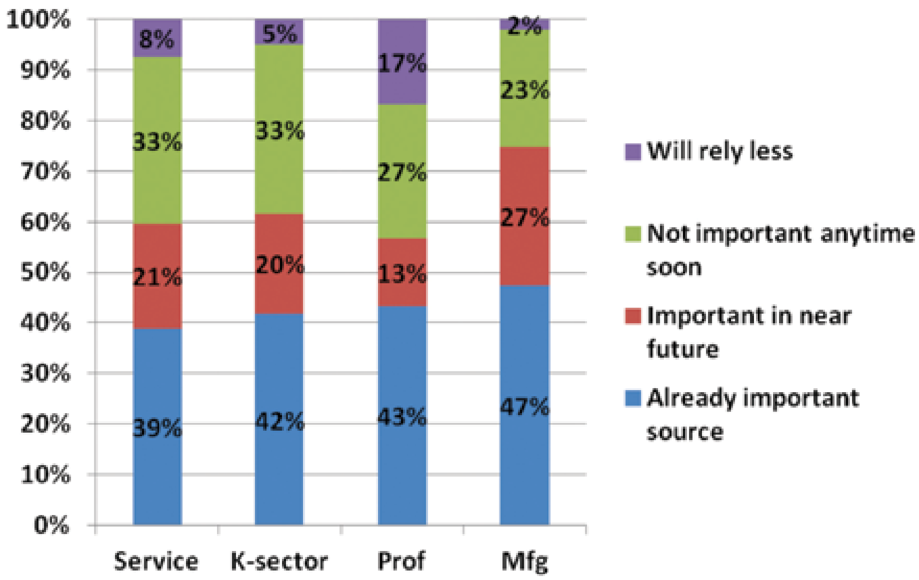
Larger firms are more likely to already rely on newcomers as well as to expect to rely on them in the near future.

Chart 10: Significance of newcomers in hiring, by employee size



Larger firms are far more likely to already rely on newcomers as well as to expect to rely on them in the near future. Manufacturing firms are also most likely to already rely on newcomers as an important source of new hires (47%), just somewhat higher than the other sectors profiled, and they are far more likely to express the view that newcomers will become an important source soon.

Chart 11: Significance of newcomers in hiring, by sector



What warrants attention is that 17% of Professional, Scientific and Technical Services firms state that they will be relying less on newcomers. This should be of concern to those who support newcomers in their job search and career placement activities.

Jobs for which newcomers are considered

Respondents were asked to indicate whether they would give consideration to hiring newcomers in relation to specific categories of occupations. They were provided with four options:

YES

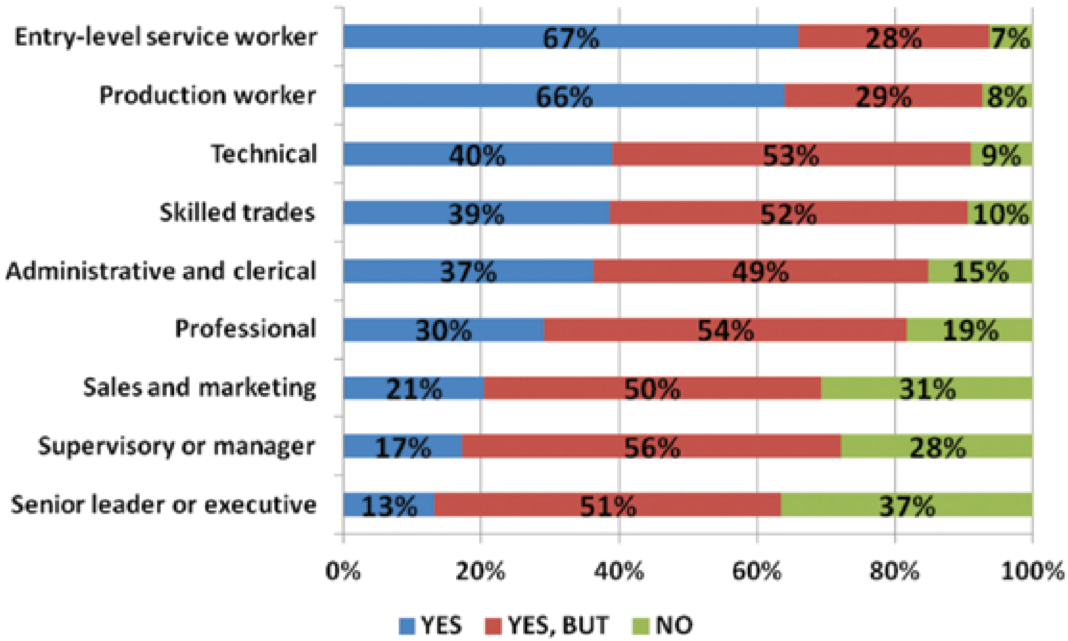
YES, BUT only with considerable relevant experience

NO

DOESN'T APPLY to my company

The resulting responses are only tabulated on the basis of the first three answers, the last answer indicating that this occupation is not available in this firm. The answers are profiled in Chart 12.

Chart 12: Jobs for which newcomers are considered



For entry-level service and production worker jobs, employers quite readily accept the prospect of hiring newcomers, two-thirds of them providing an unqualified "Yes" and the vast majority of the rest desiring considerable relevant experience. Less than 10% decline to hire newcomers.

There is a second cluster of occupations where around a third of employers readily say "Yes" but a larger group, around half, chose the qualification of requiring considerable relevant experience. These occupations include technical occupations, skilled trades, administrative and clerical positions, and professionals. For this group around 10-20% decline to consider newcomers.

Finally there are three occupations where around a third of employers state that they would not hire newcomers. These occupations are: sales and marketing occupations, supervisory and manager positions, and senior leaders and executives. Around half of employers would hire, with the proviso of considerable relevant experience, and only 10-20% offer an unqualified "Yes" to hiring newcomers.

Given that in the previous question, a considerable proportion of Professional, Scientific and Technical services firm had indicated that they were likely to rely less on newcomers, it should come as no surprise that this sector also frequently had the highest "No" hiring of newcomer responses for many of the occupations in question.

But the real indicator for this decline to hire newcomers was the issue of the extent to which they were an important source of new hires. Chart 13 highlights the percentage of employers indicating they would not hire a newcomer for a specific occupation, based on the following three categories:

- Those who indicated newcomers already are an important source for hiring or they expect they soon will be (important now or soon in the chart);
- Those who do not foresee newcomers becoming an important source for new hires anytime soon (not important anytime soon);
- Those who indicated they would be relying on newcomers less in the future (will rely less).

Chart 13: Percentage of employers who would not consider hiring a newcomer, by occupational categories and by degree to which newcomers are an important source of new hires

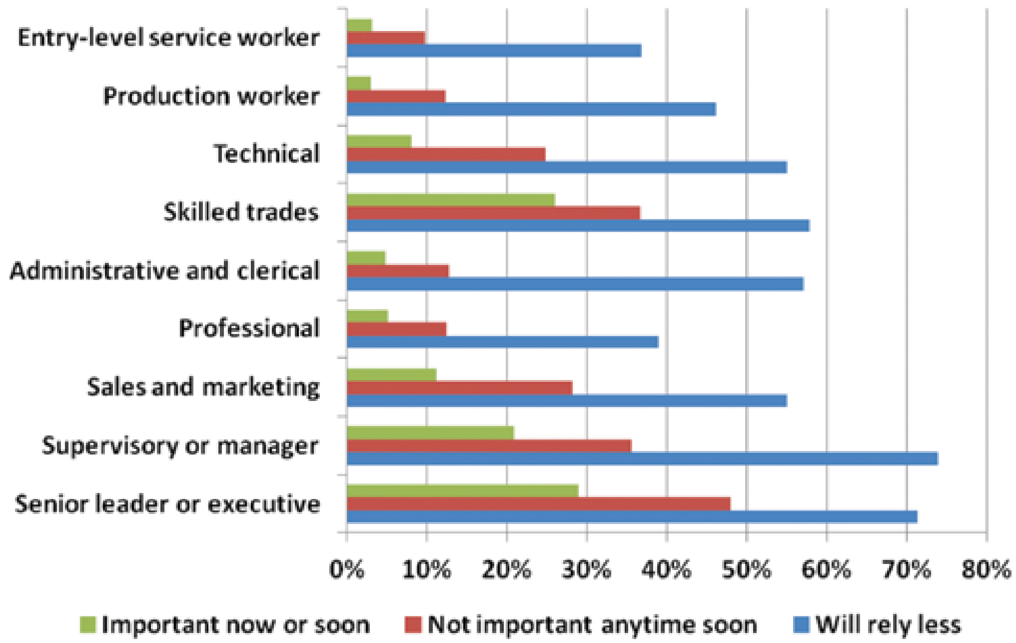


Chart 13 provides a different perspective on these responses. By far, those who indicated they would be relying less on newcomers have very high "No' scores when it comes to hiring, even 40% saying they would not hire newcomers for entry-level positions, rising to over 70% saying "No" to newcomers for supervisory, managerial, senior leader or executive occupations. Those who do not anticipate newcomers being an important source of new hires also provide relatively high levels of "No" answers, often just below or just above the 30% mark.

That being said, even among those who do rely on newcomers now or who soon expect to do so, there are higher "No" hiring responses for three occupations: skilled trades; supervisory or manager; and senior leader or executive.

Familiarity with new immigration procedure, Express Entry

The next question sought to gauge employers' familiarity with the new procedures for admitting economic immigrants to Canada. Without providing details, the question simply asked in a straight-forward manner whether employers had heard of the changes:

Are you familiar with the new procedures for processing newcomers to Canada applying through the economic category, called Expression of Interest, or "Express Entry," which took effect on January 1, 2015?

This new procedure had been in place for at least six months when this question was asked, and this same question was asked last year regarding the proposed new procedures.

Table 11: Familiarity with Express Entry by degree to which newcomers are an important source of new hires

	ALL 2014	ALL 2015	Already important source	Will become important	Not important	Expect will rely less on
Yes, I am familiar with it	7%	15%	20%	13%	12%	11%
I have heard of it, but I am not clear on the details	25%	29%	27%	40%	25%	26%
No, I haven't heard of it	69%	55%	53%	47%	64%	63%

Last year, two-thirds of employers had not heard of this program. This year, that figure has dropped to slightly over half. Knowledge of the program generally declines the less newcomers are or are expected to be an important source of new hires.

The next question provided more details about how Express Entry operates, as follows:

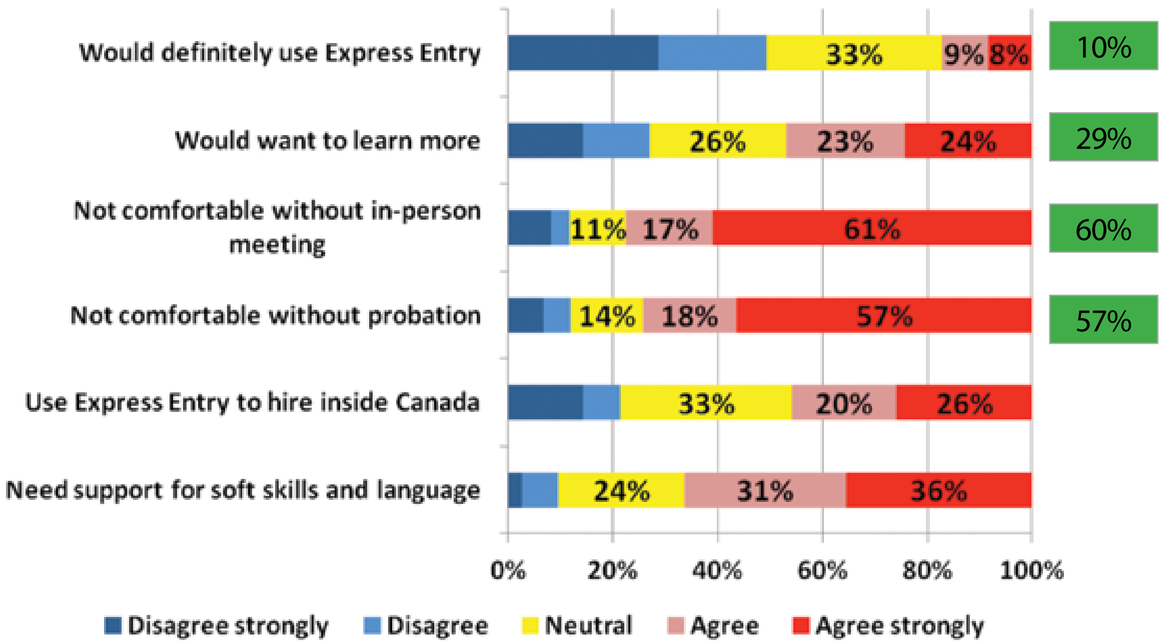
Express Entry uses an on-line application form to screen potential immigrants on the basis of skills, education, language ability, personal characteristics and work experience. Those scoring high enough are placed in a pool of qualified applicants. Provinces can nominate people from this pool to come to Canada and employers can offer applicants jobs (after showing they cannot find local residents to fill the job). This raises an applicant's score. The Canadian government allows a number of those applicants with the highest scores to apply for permanent residency.

Employers were then posed a series of statements and asked for their level of agreement, from "Agree strongly" to "Disagree strongly":

- I would definitely want to use Express Entry to fill my job recruitment needs.
- Express Entry sounds attractive, but I would want to learn more.
- I would not be comfortable selecting someone without first meeting and assessing them in person.
- I would not be comfortable hiring someone without a few months of probationary employment.
- I would like to use this process to hire someone already in the country, such as a former Temporary Foreign Worker or an international learner with a student visa who has previously worked in Canada.
- I believe that qualified candidates who do not have Canadian work experience will require support to develop North American communication strategies and soft skills.

Chart 14 lists the responses of all employers.

Chart 14: Reaction to Express Entry and views on hiring



The first point to make is that the attraction of Express Entry to employers does not even reach lukewarm – only 8% "Strongly Agree" that they would definitely use it, and only another 9% "Agree" with that statement, a total of 17% positive impressions. On the further question, less than half of employers care to learn more.

In particular, employers are not comfortable hiring someone without an in-person assessment or without a probationary employment period, conditions that over half of employers strongly agreed to. What is interesting is that for these four questions, the percentage of strongly agree almost exactly matches the responses from last year (figures in green boxes).

The only notable variations by employer groups is that employers in the Services sector are slighly more likely to say they would wish to use Express Entry (16% "Strongly Agree") or that they would want to learn more (34% "Strongly Agree"). Knowledge sector employers are only slightly behind in having similar positive reactions.

Employers are not comfortable hiring someone without an in-person assessment or without a probationary period.

Responses to government-funded services and programs

The survey provided a list of 12 government-funded services and programs relating to employment and training, and asked employers to indicate which of the following statements best reflected their views:

ALREADY USE	I already use this
LEARN MORE	I intend to look into this
CONTACT ME	I would like someone to contact me so I can learn more
NO INTEREST	I have no interest in this
DOESN'T APPLY	This does not apply to my business

The table below provides the statements as they appeared in the survey as well as the abbreviated version used in the subsequent reporting.

SHORT VERSION	STATEMENT IN SURVEY
Recruiting services	No fee recruiting services
Wage subsidy unemployed	Receive a wage subsidy for hiring an unemployed job seeker
Training subsidy	Receive a grant to provide training to your current employees
Youth wage subsidy	Receive a wage subsidy for hiring an unemployed youth job seeker
Work experience	Provide work experience to eight or more youth and receive financial assistance
SME grad grant	For small and medium-sized companies, hire a post-secondary graduate and receive a financial contribution to the salary costs
ICT grad grant	Hire a graduate for an Information, Communications & Technology position and receive a financial contribution to the salary costs
Summer hire subsidy	Hire a summer student and receive a $2 an hour wage subsidy
SME summer hire	For employers with less than 50 employees, hire a summer student and receive a wage subsidy of up to 50%
Disability wage subsidy	Receive a wage subsidy for hiring a person with a disability, as well as grants for improving workplace accessibility
Apprentice tax credit	Hire an apprentice and get a tax credit
Apprentice complete	Sign up an apprentice or help him/her complete the apprenticeship and earn a cash grant

Chart 15 provides the responses for all employers. The table below lists some of the patterns.

	USE OF PROGRAMS	ASK FOR CONTACT
HIGH	Recruiting services Wage subsidy unemployed Training subsidy Summer hire subsidy	Recruiting services Youth wage subsidy Work experience ICT grad grant Summer hire subsidy Disability wage subsidy
MEDIUM	Youth wage subsidy SME grad grant SME summer hire Apprentice tax credit Apprentice complete	Wage subsidy unemployed SME summer hire Apprentice tax credit Apprentice complete
LOW	Work experience ICT grad grant Disability wage subsidy	Training subsidy SME grad grant

Chart 15: Responses to government-funded services and programs

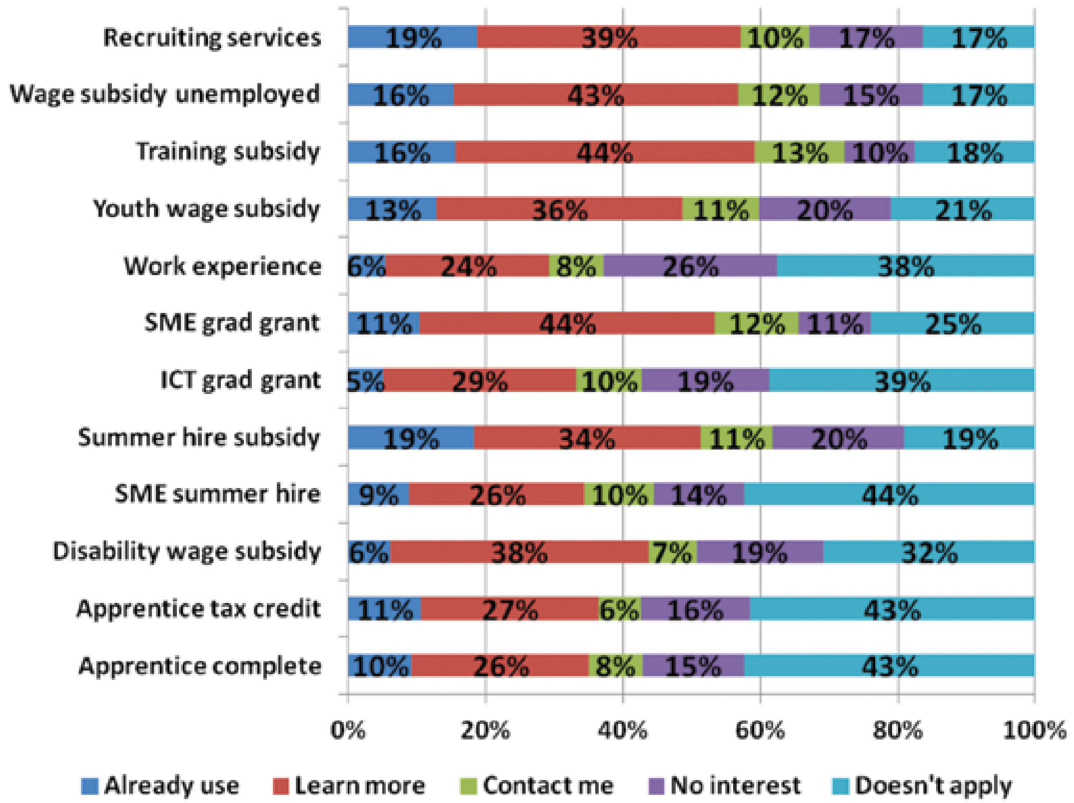


Table 12 illustrates the different patterns of usage of these services and programs by the various categories of employers.

Overall, use of these programs increases with the size of the company, and firms with 1-4 employees are far less likely to use any of these programs.

In terms of industry patterns, as a general trend, Manufacturing firms are more likely to use most of these programs and Service sector firms are less likely to use these programs. One instance where Service firms are more likely to use these programs are in the case of the summer student hire wage subsidy.

Table 12: Already use government-funded services and programs by employer categories

	ALL	1-4 employees	5-19 employees	20-99 employees	100+ employees	Manufacturing	Professional, Scientific, Technical	Knowledge Sector	Service Sector
Recruiting services	10%	12%	19%	22%	24%	20%	19%	23%	15%
Wage subsidy unemployed	11%	10%	17%	18%	15%	12%	17%	11%	15%
Training subsidy	6%	2%	12%	23%	22%	25%	16%	12%	3%
Youth wage subsidy	9%	3%	14%	16%	16%	15%	10%	12%	10%
Work experience	19%	0%	3%	9%	10%	6%	3%	11%	7%
SME grad grant	5%	3%	10%	15%	11%	17%	12%	9%	3%
ICT grad grant	11%	2%	6%	8%	4%	4%	10%	5%	5%
Summer hire subsidy	6%	0%	14%	27%	27%	20%	8%	19%	22%
SME summer hire	13%	5%	13%	14%	2%	4%	10%	7%	8%
Disability wage subsidy	16%	0%	4%	9%	9%	6%	5%	7%	7%
Apprentice tax credit	16%	5%	9%	12%	16%	19%	5%	4%	8%
Apprentice complete	19%	3%	9%	8%	16%	11%	2%	7%	8%

Table 13 illustrates the different patterns of which employers would like to be contacted to learn more about these services and programs.

The largest firms have less interest in being contacted to learn more about these programs, perhaps because they already have a higher level of usage and have reached their saturation point. The smallest firms (1-4 employees) express a slightly higher desire for being contacted, but it is the firms with 5-19 and 20-99 employees who usually express the highest interest in wishing to be contacted to learn more about these programs.

When it comes to industry categories, Service sector firms, which tended to have the lowest usage, expressed the greatest interest in being contacted.

Table 13: Desire to be contacted, by government-funded services and programs by employer categories

	ALL	1-4 employees	5-19 employees	20-99 employees	100+ employees	Manufacturing	Professional, Scientific, Technical	Knowledge Sector	Service Sector
Recruiting services	10%	8%	12%	14%	7%	13%	12%	7%	21%
Wage subsidy unemployed	12%	13%	14%	13%	9%	14%	14%	11%	22%
Training subsidy	13%	15%	20%	11%	8%	12%	15%	9%	24%
Youth wage subsidy	11%	11%	13%	14%	7%	12%	12%	12%	16%
Work experience	8%	8%	6%	11%	8%	10%	10%	11%	10%
SME grad grant	12%	13%	17%	13%	6%	13%	13%	12%	25%
ICT grad grant	10%	5%	14%	10%	6%	9%	17%	14%	11%
Summer hire subsidy	11%	8%	12%	14%	8%	12%	12%	14%	15%
SME summer hire	10%	11%	16%	10%	2%	9%	9%	9%	21%
Disability wage subsidy	7%	3%	7%	9%	7%	10%	10%	7%	13%
Apprentice tax credit	6%	6%	8%	9%	1%	7%	5%	5%	15%
Apprentice complete	8%	6%	10%	9%	4%	11%	5%	7%	16%

When one examines the responses about government-funded services and programs by different categories of firms based on the drivers for their business decisions, one finds a few interesting variations:

- Firms for whom innovation and feeding the talent pipeline is of greater importance are slightly more likely to already be using many of these programs;
- Firms for whom costs are of greater importance are slightly more likely to wish to be contacted to learn more about these programs.

Firms for whom innovation and feeding the talent pipeline is of greater importance are slightly more likely to already be using government-funded services and programs.

Request for survey results

As a general service to the respondents, the survey asked whether the respondent wished to receive a copy of the survey results. Half of all respondents (49%) desired the survey results, a considerable level of interest on their part and a validation of the usefulness of the survey. There was only slight variation in terms of which employers wished to receive a copy of the results. Very small firms (1-4 employees) were much less likely to wish to see the results, while very large firms (100+ employees), Manufacturing firms, and Professional, Scientific and Technical Services firms were slightly more likely to wish to see the results.

Table 14: Percentage of survey respondents requesting a copy of the survey results

ALL	1-4 employees	5-19 employees	20-99 employees	100+ employees	Manufacturing	Professional, Scientific, Technical	Knowledge Sector	Service Sector
49%	39%	51%	47%	54%	54%	54%	41%	48%

We'll be looking for your input once again.

In July 2016, an updated version of the survey will be made available.

Join our mailing list to stay informed:

email: phempsurvey@peelhaltonworkforce.com

Peel Halton Workforce Development Group

Peel Halton Workforce Development Group

1100 Central Parkway West, Unit 4, Suite 200, Mississauga, ON L5C 4E5

ph 905.306.9588 • info@peelhaltonworkforce.com

www.peelhaltonworkforce.com