



WCG NATIONAL EMPLOYMENT INDEX 2022

ONTARIO SPOTLIGHT



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WCG Services: leading the way in sustainable employment

WCG Services is an industry leader in developing and delivering employment and vocational rehabilitation services across Canada.

For more than 28 years WCG has been partnering with governments and local service delivery organizations to create sustainable employment opportunities for people, businesses, and communities.

Every day we help people reach their employment goals and improve the quality of their lives - many of them with multiple, complex barriers to entering or re-entering the workforce. Our participants include persons with disabilities, Indigenous people, Youth, Veterans, Francophones, Black and Racialized People and other demographic groups underrepresented in the labour market.

WCG is part of the APM Group, which delivers employment and allied health services internationally. Our global network of companies shares a core purpose: to enable better lives. In the last 12 months, our team of more than 13,400 in 10 countries have reached the lives of more than two million people. In 2020, WCG commissioned independent market research consultancy, CoreData, to conduct research on diversity and inclusivity in the workplace.

The result was the inaugural WCG National Employment Index 2021 and three spotlight reports one for each of Alberta, British Columbia and Ontario. A landmark piece of research, the Index sought to create a benchmark against which to measure and track over time the employment and career access, equity and inclusion in the workforce. The research findings marked an inaugural waypost for businesses and job seekers to navigate and progress towards equitable employment.

One year on, we set out to understand how the landscape had changed. The National Employment Index 2022 provides insights into trends in equity and inclusion of Canadians over the last 12 months.

About the WCG National Employment Index

WCG Services commissioned independent market research consultancy, CoreData, to develop and establish a National Employment Index. The Index assesses the equity of employment opportunities for unemployed Canadians, and the proactive steps being taken by both job seekers and employers to improve employment outcomes. It measures three main areas: attitudes, access and actions.

Attitudes

Measures whether the mindsets of employers and job seekers are strengthening employment outcomes. It includes:

1.1 Employability:

Employer perceptions of the employability of groups typically underrepresented in the workforce and job seekers' perceptions of their own employability.

1.2 Equity: Employer willingness to employ these cohorts and job seekers' perceptions of employer willingness.

1.3 Myths: Prevalence of negative attitudes and employer misperceptions.

Access

Measures the accessibility of meaningful employment outcomes. It includes:

2.1 Awareness: Whether job seekers know where to go for assistance finding a job and whether employers know where to go for help recruiting underrepresented groups.

2.2 Availability: Whether job seekers have the support needed to find work and employers have the support needed to recruit and retain people from underrepresented groups.

2.3 Capability: Job seekers' existing skills and knowledge and employers' organizational capability to recruit people from typically underrepresented groups.

Actions

Measures the tangible actions and interventions that are influencing employment outcomes. It includes:

3.1 Services: Employers' and job seekers' ease of accessing employment services to assist with recruitment, retention and finding work and relevance of services.

3.2 System: Employers' and job seekers' understanding of how to access these supports within the current system.

3.3 Activity: Actions taken or planned by job seekers to increase their employability and by employers to recruit and retain job seekers.

The Index was developed from quantitative surveys conducted in November and December 2022 of 1,393 employers involved in recruitment and 1,375 Canadians who had been actively seeking work within the last 12 months.[1] While the sample of job seekers included both employed and unemployed respondents, the Index results are based only on the responses of those who were unemployed at the time they submitted their responses.

Throughout the report, we use the term “people who represent groups that are typically underrepresented in the workforce”, abbreviated thereafter to “underrepresented groups”. For the purposes of this research, this includes people who are, or identify as:

- Indigenous
- Visible minorities
- People with a disability or chronic physical and/or mental health conditions
- Those with limited work experience
- Recent immigrants to Canada
- Previously incarcerated/with a criminal record
- Homeless or without stable, secure accommodation
- Survivors of violence or abuse
- Youth (under 25)
- A Veteran
- Older (over 50)
- People who identify as part of the LGBTQ2+ community
- Those who have experienced periods of involuntary long-term unemployment

[1] Referred to throughout the report as ‘job seekers’.



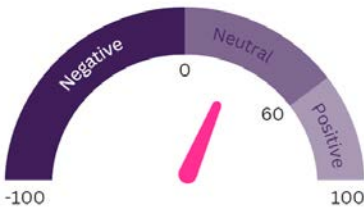


2022 NATIONAL EMPLOYMENT INDEX SCORECARD

2022 Index Scorecard (average of Attitudes, Access and Actions)

39.7/100

-0.7 vs 2021



This score is in the neutral-to-negative range and has declined since the inaugural benchmark research was conducted 12 months ago, suggesting there remains strong room for improvement.

Established in 2021, the Canadian National Employment Index is designed to understand the employment landscape in Canada from the perspective of both Canadians seeking work and employers. It tracks the challenges and issues they face, job seekers' steps to become employed and employers' steps to recruit and retain people from groups typically underrepresented in the workforce.

The Index and sub-component scores can range from +100 to -100 as they track both positive and negative factors.

Attitudes

24.1/100

-4.8 vs 2021



The Attitudes pillar experienced the largest overall shift, driven by increased prevalence of negative attitudes about people from underrepresented groups, observed by both employers and job seekers. These included, for example, negative attitudes about people with limited work experience and the perception that employing people with disability, injury or illness is challenging.

While perceptions of employability and employers' willingness to hire people from underrepresented groups remains stable, this was offset by an increase in negative attitudes towards them and a range of misperceptions.

Components

67.4

Employability

-0.2 vs 2021

27.3

Equity

+0.1 vs 2021

-22.4

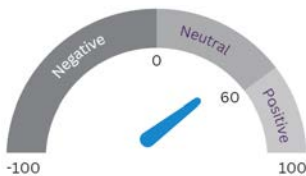
Myths

-14.2 vs 2021

Access

55.5/100

+1.4 vs 2021



Access remained the best-performing Index pillar with the score stable year-on-year.

This was influenced primarily by an improvement in the Capability score, driven by greater confidence among employers in their ability to recruit and retain newly-hired employees who represent groups that are typically underrepresented in the workforce. This is reflective of wider trends observed in the results, with employers increasingly taking steps to make their workplaces inclusive, such as hiring diversity and inclusion officers and raising awareness of different characteristics employees may have.

Components

48.7

Awareness

+1.8 vs 2021

46.5

Availability

-0.9 vs 2021

71.3

Capability

+3.0 vs 2021

Actions

39.5/100

+1.2 vs 2021



The Actions pillar remains stable year-on-year, with marginal improvements across all subcomponent scores.

There is increased awareness of employment services providers among businesses, as well as improvement in the perception that such services are easy to access. Furthermore, most Canadian employers are actively recruiting at least one underrepresented group and the proportion who are doing so increased compared to last year. While a slightly lower number of job seekers took steps to improve their situation this year, the Activity score overall remained stable.

Components

20.8

Services

+3.4 vs 2021

29.9

System

+1.2 vs 2021

67.8

Activity

+0.8 vs 2021

Ontario Spotlight

Key Findings



Ontario Spotlight - Key Findings

The Ontarian job market has recovered considerably since the onset of the global pandemic. Unemployment in the province has fallen from a high of 13.2 per cent in May 2020 to 5.3 per cent in December 2022.[2] Toronto's job market experienced a similar pattern, with unemployment at 6 per cent in December 2022, down from 14.2 per cent in August 2020.[3]

This trend was reflected in our research, with far fewer job seekers reporting having lost their job due to COVID-19 compared to last year's study (25 per cent vs 48 per cent).

Against this backdrop, employers have had to work harder to recruit and retain talent. However, entrenched practices and attitudes towards employment of people from underrepresented groups remain.

1. Employers are Taking Action to Improve Workplace Inclusivity

a) Most Ontarian employers are taking steps to promote hiring diversity and inclusion (55 per cent), up from 39 per cent last year. This most commonly involves cultural changes, such as making workplace cultures/values changes to ensure all are included (49 per cent) or building organisational understanding of different characteristics (42 per cent).

b) In contrast, initiatives such as seeking help from an organisation with expertise in placing people in employment (19 per cent), or ringfencing roles for people from underrepresented groups (14 per cent), are far less common.

c) This year, more Ontarian employers reported actively recruiting candidates from diverse backgrounds, the biggest increases being recruitment of people who identify as LGBTQ2+ (38 per cent vs 28 per cent), people with disability (27 per cent vs 20 per cent) and Indigenous Canadians (36 per cent vs 30 per cent). Compared to the national average, Ontarian employers are slightly more likely to say they're recruiting members of the LGBTQ2+ community (38 per cent compared to 34 per cent).

[2] Statistics Canada, Labour force characteristics by province, monthly, seasonally adjusted, [Click Here](#)

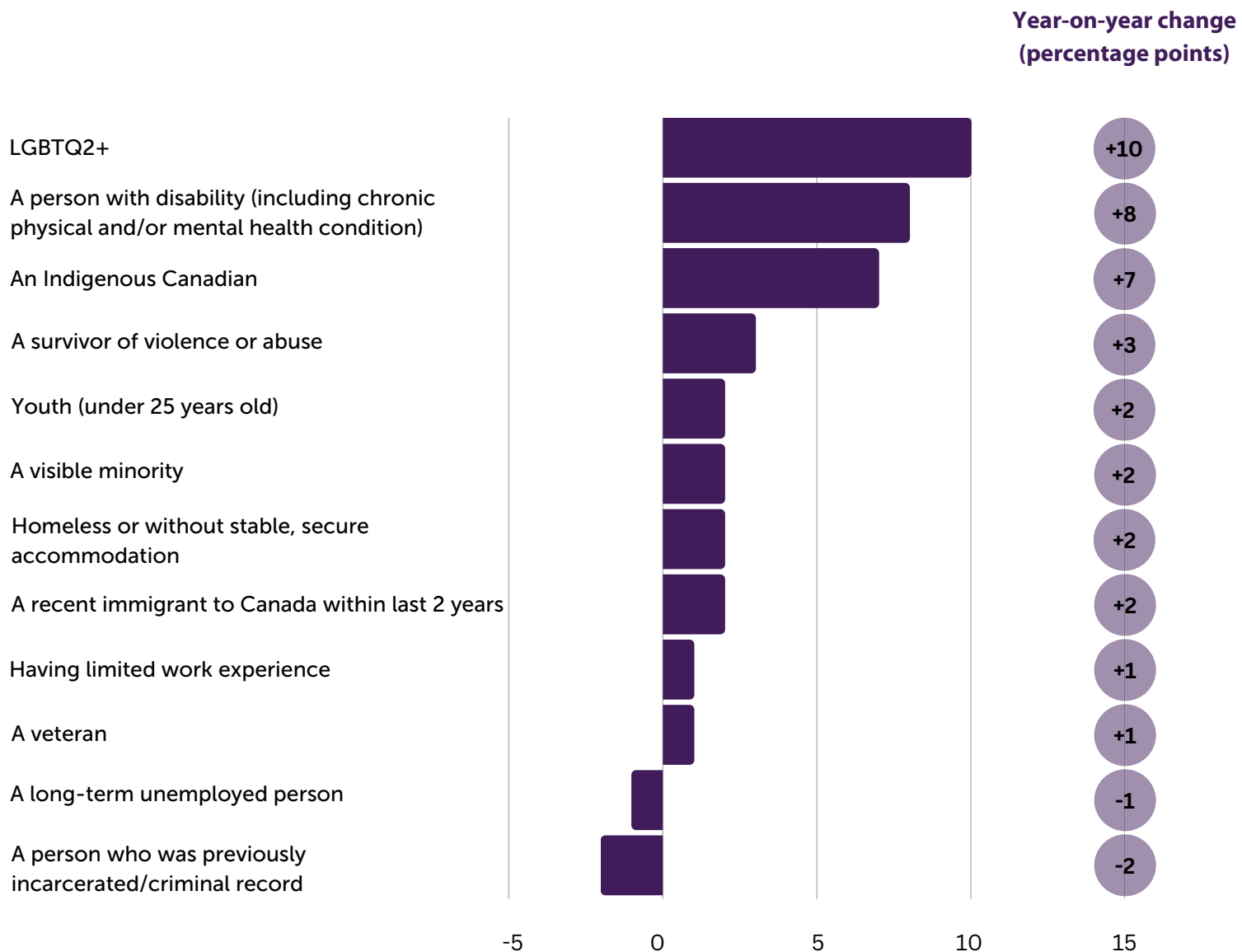
[3] Toronto's Dashboard , [Click Here](#)

d) However, disparities between underrepresented groups remain: while more Ontarian employers this year reported having previously hired people from the LGBTQ2+ community (58 per cent vs 50 per cent), Indigenous Canadians (45 per cent vs 40 per cent) and recent immigrants to Canada (57 per cent vs 52 per cent), employment of long-term unemployed (27 per cent vs 32 per cent), older people (over 50 years old) (67 per cent vs 70 per cent) and those previously incarcerated (13 per cent vs 15 per cent) declined.

e) Most Ontarian employers believe Canadian employers are willing to provide employment opportunities to people typically underrepresented in the workforce (65 per cent), on par with last year (63 per cent). Larger businesses (with 20+ employees) are more likely to believe there are adequate employment opportunities for underrepresented job seekers (67 per cent) than smaller businesses with fewer than 20 employees (57 per cent), perhaps reflecting the greater capacity of large business to employ these individuals.



Annual change in active recruitment of underrepresented groups by Ontarian employers



Q: Is your organization actively recruiting people who represent groups that are typically underrepresented in the workforce?:
n=618, Ontarian employers

2. Negative Attitudes Towards Underrepresented Groups Remain Prevalent

- a) Consistent with last year's findings, the vast majority of Ontarian employers and job seekers from underrepresented groups have observed negative attitudes or misperceptions from employers about underrepresented groups. Three quarters (77 per cent) of Ontarians from underrepresented groups have experienced negative attitudes or employer misperceptions while searching for a job or at work. While fewer Ontarian employers have observed negative attitudes from their colleagues or other businesses (68 per cent), this has increased from 59 per cent last year.
- b) Some attitudes are more prevalent than others and stigma commonly relates to perceived lack of work experience and employability. The most common misperceptions encountered by Ontarians from underrepresented groups were that: hiring people who need flexible work days/hours is too difficult (41 per cent), people with gaps in their resume are not good employees (41 per cent), older workers are not worth employing (36 per cent), people who have been out of work for more than six months are not employable (35 per cent) and hiring people with disability, injury or illness is a burden (34 per cent).
- c) Among employers, the most common attitude observed by a strong margin was that poor employment history is a red flag (56 per cent), while the perception that many young people are unreliable compared to older workers was witnessed by nearly half of employers (46 per cent).
- d) Concerningly, some negative attitudes have become more widespread, in particular perceptions of the lack of relevance of foreign credentials in Canada and that hiring people who need flexibility is too hard.



Top 3 negative attitudes that have increased year on year

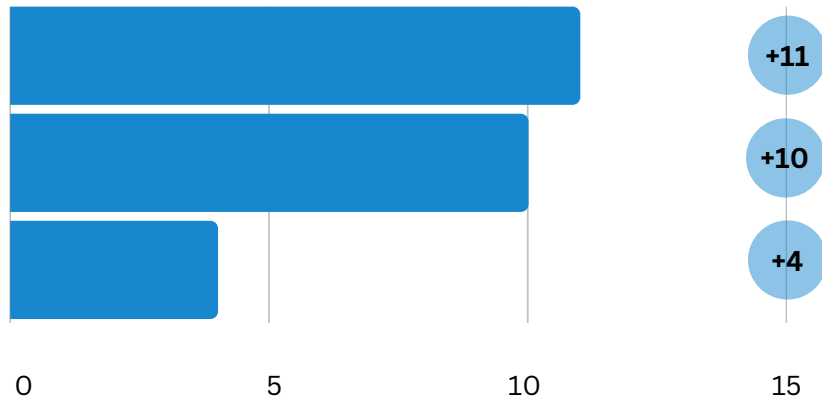
Ontarians from underrepresented groups

Attitude

Foreign credentials and qualifications are not relevant in Canada

Hiring people who need flexible work days/hours is too difficult

Younger workers are unreliable



Q. Which of the following negative attitudes or misperceptions have you encountered while jobseeking, or at work?

n=326 Ontarians from underrepresented groups who have experienced negative attitudes

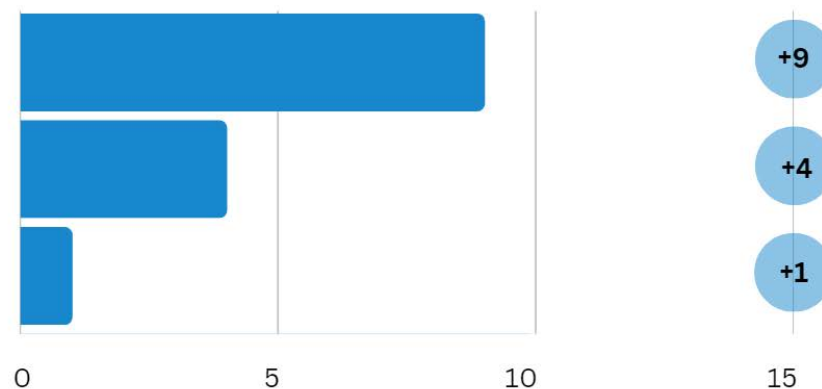
Ontarian Employers

Attitude

Foreign qualifications aren't valuable in Canada

English/French fluency is essential, no matter what other skills or experience a person has

Employment services providers or programs only refer people who have limited skills or experience



Q: Which of the following attitudes or perceptions have you heard or observed?

n=422 Ontarian employers who have observed negative attitudes

"I BELIEVE PEOPLE IN GENERAL REFRAIN FROM TAKING THOSE TYPES OF RISK INVOLVED WITH THIS GROUP OF PEOPLE WHO STRUGGLE IN REAL LIFE, AND IT MAKES ME SICK THAT MANY GOOD PEOPLE SUFFER DUE TO BAD JUDGMENT AND LACK OF KNOWLEDGE OR RESPECT... I WOULD HELP THOSE PEOPLE MORE IF I COULD. THEY NEED IT THE MOST!"

(Employer, Female, 35 years old)

e) Some underrepresented groups experienced negative attitudes more often than others: survivors of violence and abuse (93 per cent), people who have immigrated to Canada in the last two years (86 per cent), people with disabilities or chronic health conditions (80 per cent), members of the LGBTQ2+ community (79 per cent) and people in long-term unemployment (78 per cent) or with limited work experience (78 per cent) all experience negative attitudes at an above-average rate.

f) While the majority of Ontarian employers say they are actively recruiting people from underrepresented groups (71 per cent), they also say rigid recruitment criteria (34 per cent) and negative perceptions of people with these characteristics are the key challenges hampering progress (34 per cent).

g) This has demonstrable impacts, as Ontarian job seekers from underrepresented groups more often cite emotional issues as challenges to finding work than the practical and technical demands of employers. Other than a lack of jobs/job vacancies (36 per cent), the biggest barriers according to Ontarian job seekers are fear, anxiety or confusion over what to do (29 per cent) and low self-esteem from frequent rejections (29 per cent).

"I THINK [CANDIDATES FROM UNDERREPRESENTED GROUPS DON'T MAKE IT THROUGH THE HIRING PROCESS] BASED MORE ON PREJUDICES OF THE EMPLOYER/HIRING DEPARTMENTS THAN THE CANDIDATE'S LACK FOR PREPARATION OR WILLINGNESS TO WORK."

(Employer, Female, 41 years old)

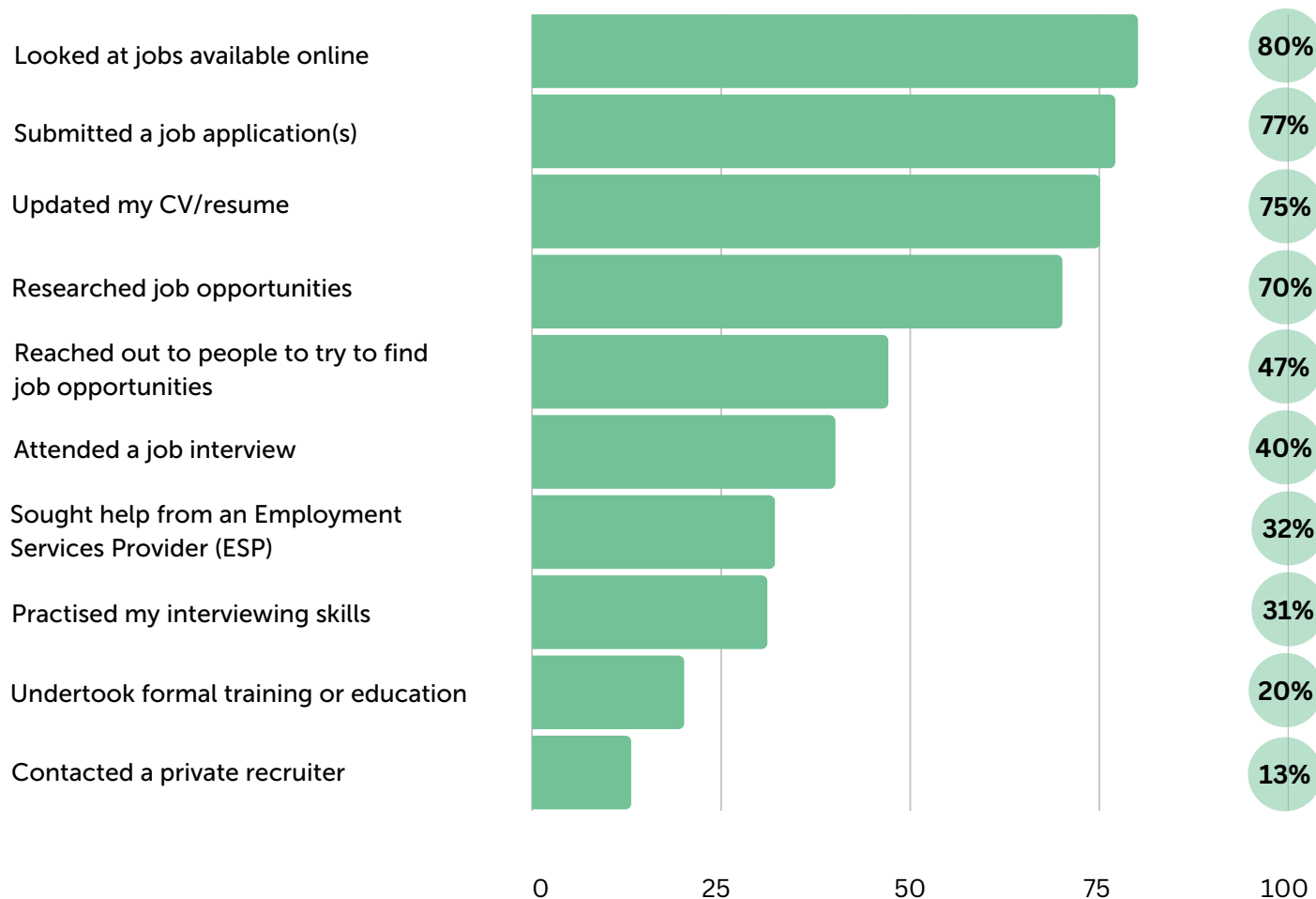
3. Both Employers and Job Seekers See Value in "Hard" and "Soft" Skills Training to Improve Employability and Retention

a) Despite the fall in Ontario's unemployment rate, three quarters of job seekers from underrepresented groups are finding it challenging to get a job, on par with last year (79 per cent vs 75 per cent). Fewer than one in five say they have all the support they need to find work (17 per cent).

b) Job seekers from underrepresented groups are taking steps to increase their chances of finding work (61 per cent) but most often, their actions are day-to-day parts of the job seeking process like looking at jobs online (80 per cent) and submitting job applications (77 per cent). Only 32 per cent sought help from an employment services provider in the last 12 months.

Actions taken by Ontarian job seekers to increase their chances of getting a job

Action



Q: What steps have you taken in the last 12 months [to increase your chances of getting a job]?

n = 141 Underrepresented Ontarian job seekers who have taken steps to increase their chance of employment

"EMPLOYERS HIRING FOR "ENTRY LEVEL" POSITIONS HAVE NOT HIRED ME BECAUSE I LACK WORK EXPERIENCE IN THE INDUSTRY. I'M AT A LOSS AS TO HOW TO GET EXPERIENCE WITHOUT A JOB!"

(Job seeker, Non-binary, 24 years old)



c) When asked why job seekers from underrepresented groups do not make it through the hiring process, the top two reasons cited by Ontarian employers are: the level of the candidate's education and qualifications (41 per cent) and their attitude or mindset (41 per cent). This was followed by the perception the candidate lacks technical/hard skills (38 per cent).

d) Ontarian job seekers recognise the importance of soft skills: more than three in five job seekers from underrepresented groups see communications skills (64 per cent) and problem-solving skills (61 per cent) as necessary for the job they are seeking. They also understand the value of technical/hard skills (43 per cent). However, most underrepresented job seekers believe they already possess these skills. For example, 83 per cent of underrepresented job seekers believe they already have the communication skills required to do the job, and 86 per cent believe they have resilience and adaptability.

"I THINK MY SKILLS AND MY KNOWLEDGE ARE MORE THAN SUFFICIENT, IT'S THE KEYBOARD TESTING. [I] USED IT PRETTY MUCH ALL MY LIFE, [BUT I AM] OLDER NOW, TYPING TAKES A TOLL. [I AM] NOT INTERESTED IN JOBS THAT CHALLENGE YOUR KEYSTROKES WHEN IT'S NOT SO RELEVANT TO THE JOB."

(Job seeker, Female, 53 years old)



4. Sustainable Employment of Underrepresented Groups Requires a Flexible Approach and Long-term Support

- a) Unlike other provinces, Ontarian employers rate their capability to recruit (average 6.7 out of 10) and retain (average 6.9) people from underrepresented groups at similar levels to their ability to recruit (average 7.2) and retain (average 7.1) all other workers.
- b) However, while employers believe that job seekers from underrepresented groups need hard and soft skills training, less than half (49 per cent and 44 per cent respectively) offer these, or would consider offering these, to employees typically underrepresented in the workforce.
- c) This is even though two in five recognise that job-readiness training for people with different characteristics would be most likely to help them, and other employers like them, to recruit more candidates from underrepresented groups (40 per cent).
- d) From a retention perspective, inability to provide long-term support (25 per cent) is one of the most prevalent barriers to retaining underrepresented groups cited by Ontarian employers, alongside inability to offer the flexibility and accommodations these employees need (23 per cent).
- e) This is important because to keep a job, Ontarian job seekers from underrepresented groups say they need flexible working arrangements (49 per cent) and on-the-job training (43 per cent). Importantly, they rated both of these higher than other forms of assistance like career advice (23 per cent) or workplace modifications (18 per cent).
- f) As might be expected for Canada's largest province by population,[4] our results suggest employment services providers (ESPs) are more deeply embedded in Ontario than elsewhere in the country, with two in five employers (43 per cent) having previously used an ESP.

[4] Statistics Canada, Population estimates, quarterly, [Click here](#)

g) Three in five employers believe that employment services are both easy for their organisation to access (60 per cent) and relevant to helping them recruit and retain people from underrepresented groups (60 per cent). Unfortunately, underrepresented job seekers do not share this experience with only a third (35 per cent) finding it easy to access employment services and two in five (40 per cent) finding them relevant.

h) This may be because job seekers lack awareness of ESPs, or the role they can play in assisting job seekers to find work. Among Ontarian job seekers from underrepresented groups who have not previously used an ESP, most commonly this is because they have never been referred to one (35 per cent) or they do not know where to find them (27 per cent).

i) Of those Ontarian employers that have never used an ESP, besides the one in five (21 per cent) that say they don't need help recruiting or retaining employees, the barriers to uptake relate to awareness. Nearly a quarter (23 per cent) say they've never been contacted by an ESP, and nearly one in five (19 per cent) say they are not aware of them.







Conclusion

We hope this report has helped provide meaningful data to inform how to improve labour market participation of people from underrepresented groups. The research demonstrates a clear need to simplify employment services and make them available so that successful labour market transitions and appropriate forms of support can happen.

Our survey put the spotlight on four key areas that, if addressed, will support employment growth and equity in Ontario.

1. Employers are taking action to improve workplace inclusivity

While our findings demonstrate that Ontarian employers are taking some steps to improve diversity and inclusivity in the workplace, there remains much work required to improve outcomes for all underrepresented groups.

2. Negative attitudes towards underrepresented groups remain prevalent

Concerningly, this research highlights the prevalence of negative attitudes and misperceptions in the workplace about underrepresented groups, and the need for employer education to address these myths and break down the perceptive barriers to hiring.

3. Both employers and job seekers see value in 'hard' and 'soft' skills training to improve employability and retention

We found that there is a disconnect between perceptions of employers and underrepresented job seekers about the skills they possess, but alignment in the recognition that training in both areas is a key enabler of greater employment of underrepresented groups.

4. Sustainable employment of underrepresented groups requires a flexible approach and long-term support

Finally, to meet labour market needs, job seekers need employers to be open to new ways of working, and employers need access to employment services that are easy to use and access. Our research highlights the continued work that is needed to ensure equitable and sustainable outcomes in Ontario, Toronto and in Canada more generally.



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