

WCG EMPLOYMENT INDEX 2024

ONTARIO SPOTLIGHT





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WCG SERVICES

I FADING THE WAY IN SUSTAINABLE EMPLOYMENT

For more than 30 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 14,750 people in 11 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 Employment Index 2021 and three spotlight reports, one for 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 created an inaugural benchmark for businesses and job seekers to navigate and progress towards equitable employment.

Three years on, we set out to understand how the landscape had changed since the 2021 Index and subsequent 2022 Index. The WCG Employment Index 2024 provides insights into trends in equity and inclusion of Canadians over the last 12 months.

ABOUT THE WCG EMPLOYMENT INDEX

WCG Services commissioned independent market research consultancy CoreData to develop and establish the WCG 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:** If job seekers know where to go for assistance finding a job, and if employers know where to go for help recruiting people from typically underrepresented groups.
- **2.2 Availability:** If job seekers have the support needed to find work and employers have the support needed to recruit and retain people from typically 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 by job seekers to increase their employability and by employers to recruit and retain job seekers.



WCG EMPLOYMENT INDEX 2024 SCORECARD

The Index was developed from quantitative surveys conducted in June 2024 of 1,008 employers and 1,007 Canadians who had been actively seeking work within the previous 12 months. 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:

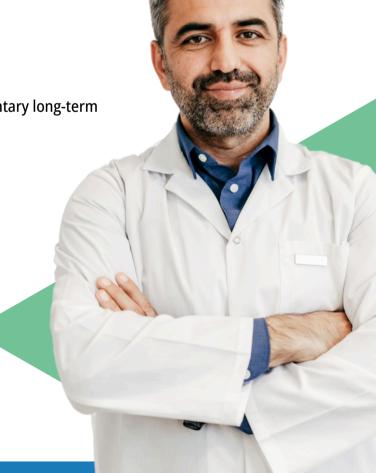
- Indigenous people
- Racialized people
- People with a disability or chronic physical and/or mental health conditions
- Those with limited work experience
- Recent immigrants to Canada (arrived in the last 2 years)
- Previously incarcerated/with a criminal record
- Homeless or without stable, secure accommodation
- Survivors of violence or abuse
- Youth (under 25)
- A Veteran
- Older people (over 50)
- Part of the 2SLGBTQI+ community

Those who have experienced periods of involuntary long-term unemployment





1,007 CANADIAN JOBSEEKERS WERE SURVEYED



¹Referred to throughout the report as "job seekers."

WCG EMPLOYMENT INDEX 2024 SCORECARD

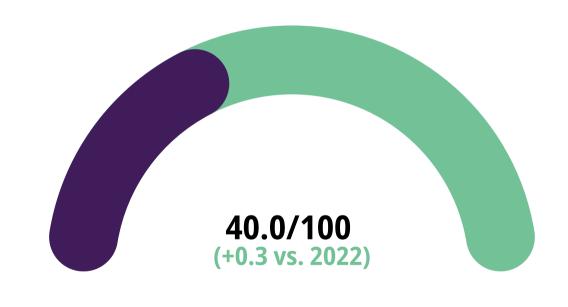
2022 INDEX SCORECARDAVERAGE OF ATTITUDES, ACCESS AND ACTIONS

The score remains on a par with the inaugural benchmark research conducted in 2021 and is in the neutral-to-negative range.

On the surface, the lack of apparent change is concerning. However, there are some signs that employers are becoming more aware of the support available to assist them in employing and retaining underrepresented job seekers.

Established in 2021, the WCG 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 subcomponent scores can range from +100 to -100 as they track both positive and negative factors.



ATTITUDES

20.8 / 100 (-3.3 vs 2022)

The Attitudes pillar has been steadily declining since the inaugural benchmark research and revealed some large shifts in the underlying subcomponents this year.

Job seekers and employers are much more negative about the employment opportunities available to underrepresented groups, a trend that is occurring at a time when national unemployment is rising.² This strong downwards trend has been partially offset by marginal improvements in the prevalence of negative attitudes about people from underrepresented groups, observed by both job seekers and employers.

Perceptions of employability are relatively stable year-on-year, however job seekers from underrepresented groups are more positive about their own employability than employers. Employers hold particularly negative views about the employability of people with a criminal record, or without stable and secure accommodation.







ACCESS

55.8 / 100 +0.3 vs 2022

Access remains the best-performing Index pillar, increasing slowly but steadily since the inaugural benchmark research.

The small improvement in the Awareness subcomponent reflects improved understanding of where employers can find help employing people from underrepresented groups.

After a slight increase in the Capability subcomponent in 2022, due to greater confidence among employers in their ability to recruit and retain newly-hired employees from underrepresented groups, this aspect of the Index is stable in 2024.

The Availability subcomponent is likewise static this year, as the majority of employers believe they have at least some of the support they need to recruit and retain underrepresented groups, and most job seekers say they have at least some of the support they need to find and maintain a job.









² The Daily — Labour Force Survey, June 2024 (statcan.gc.ca)

ACTIONS

The Actions pillar experienced a small uptick in 2024, as a result of improvement in all subcomponents.

There is better employer knowledge of how to recruit and retain groups who are typically underrepresented in the workforce, as well as increased job seeker knowledge of how to access and the relevance of support available to help them find a job.

However, there is opportunity to transform this knowledge into more concrete action. While more employers say they've taken steps to promote hiring inclusivity and a diverse workforce, only half say their recruitment approach includes support for underrepresented groups.

Giving the landscape of rising unemployment, more job seekers have taken steps in the last 12 months to increase their chances of getting a job, with job seeking online, updating resumes and applying for jobs more common than formal training or assistance from ESPs (Employment Service Providers).











Since 2022, Ontario has experienced strong population growth, driving increased competition in a shrinking job market.

This growth is mostly due to immigration, which made up about 50% of Canada's total net international migration in the first quarter of 2024. However, between Q1 2023 and Q1 2024, the job vacancy rate for Ontario dropped from 4.3% to 3.3%, which is below the national average.⁵ At the same time the, the provincial unemployment rate has increased from 5.7% in July 2023 to 6.7% in July 2024.6

Although a larger workforce and diverse skill sets from migration are helpful, more competition for jobs creates significant challenges, especially for underrepresented groups. This means job seekers must work harder to find and retain employment while dealing with entrenched employer attitudes.

JOB SEEKERS ARE TAKING PROACTIVE MEASURES TO FIND WORK

Ontarian job seekers are finding it more challenging to find work than the average Canadian (74% vs 69%). More than half of those who say this are applying for jobs but struggling to get hired (51%) and just a third of job seekers overall believe there are adequate employment opportunities for themselves, and people like them.

This is spurring them into action. Most unemployed job seekers either took steps in the last 12 months to increase their chances of finding work (62%) or plan to in the next year (93%). Job seekers overall are also likely to have upskilled or intend to upskill in the next year. Some of the most common steps taken to find a job include:

- **Conducting Job Searches:** The most common steps unemployed Ontarian job seekers took in the last 12 months to increase their chances of finding work were looking at jobs online (87%) and researching available jobs (84%). Each of these were cited more often by unemployed Ontarian job seekers than job seekers nationally (83% and 76% respectively).
- Improving Soft Skills: Ontarians who have taken steps to upskill in the last 12 months are more likely than the average Canadian who has upskilled to cite soft skills like communication (44%, compared to 34% nationally) and problem-solving (43%, compared to 34% nationally) as areas they have actively tried to improve in the last 12 months. When asked what would help them find work, they are more likely to cite a soft skill than good work experience, demonstrating understanding of the importance of these skills.



⁴ <u>Statistics Canada, Quarterly demographic estimates, provinces and territories: Interactive dashboard</u>

⁵ Statistics Canada. Table 14-10-0398-01 Job vacancies, payroll employees, and job vacancy rate, by economic regions, quarterly, adjusted for seasonality

⁶ Statistics Canada, Labour force characteristics by province, monthly, seasonally adjusted

• **Seeking External Support:** Nearly two in five (38%) Ontarian job seekers overall have sought help from an Employment Services Provider (ESP) before, on par with the national average of 37%. Slightly fewer unemployed job seekers who have taken steps to find a job in the last 12 months say they reached out to an ESP (33%, compared to only 26% nationally). Unemployed Ontarian job seekers who took steps to increase their chances of getting a job also leaned on their personal network (58%), made use of private recruiters (27%), and undertook formal training or education (16%).

EMPLOYERS' ATTITUDES AND INCLUSIVITY PRACTICES ARE (MOSTLY) POSITIVE

Employers in Ontario have similar confidence in their ability to recruit and retain underrepresented job seekers as other workers. Many are taking positive steps to build inclusive recruitment practices and workplaces that accommodate the unique needs of individuals. Examples of this include:

Inclusive Workplace Culture

Ontarian employers demonstrate clear desire to create inclusive workplaces. Most (61%) say they have taken steps in the last 12 months to promote hiring inclusivity and a diverse workforce, on a par with employers nationally (59%)

Reasonable Accommodations

Eight in ten Ontarian employers (84%) say they are willing to provide some form of support to an employee from an underrepresented group, similar to the national average (88%).

The most common measure employers are willing to offer is flexible working arrangements (such as start and finish times, work location and hours). This is important because people with disabilities who lack sufficient support to find and maintain employment say this type of assistance would be most helpful in keeping a job.

Support for Underrepresented Groups

More than half of Ontarian employers (53%) say their recruitment approach includes support for underrepresented groups. However, 29% say they tailor their approach to each candidate and nearly one in five (18%) have a blanket approach applied to all candidates.

In line with the national average, employers' attitudes towards underrepresented groups are mostly positive. However, misperceptions about certain underrepresented groups remain prevalent.



Two thirds of Ontarian employers (65%) have encountered negative attitudes or misperceptions about underrepresented groups from colleagues or other business leaders. Concerningly, one in five (19%) say they have heard these attitudes often. Employer experiences mirror those of job seekers, with three in four Ontarian job seekers (74%) encountering negative attitudes from employers. This matters because:

- 95% of those who have encountered negative attitudes say these attitudes negatively impacted them – typically their employment chances during the hiring process or lowering their selfesteem; and
- The most common organisational challenge cited by Ontarian employers when it comes to hiring underrepresented groups is negative perceptions (34%).

Attitudes employers have encountered towards underrepresented groups:⁷







⁷B3. Which of the following attitudes or perceptions have you heard or observed? Please choose all that apply. n=148 Ontarian employers who have encountered negative attitudes or misperceptions about underrepresented groups

EMPLOYERS REPORT CHALLENGES EMPLOYING PEOPLE WITH DISABILITY

Ontarian employers express a number of concerns when it comes to employing people with disabilities, yet 72% of employers who have employed a person with disability report it was a positive experience.

Less than half of employers with an approach to recruitment that includes support for specific underrepresented groups say that includes support for people with disabilities or health conditions. This is even though one in four Canadians have a disability, making them a considerable proportion of the working-age population.

However, the majority of Ontarian employers recognise that more needs to be done to enable people with disabilities to meaningfully excel in the workplace. The vast majority (94%) are either actively working to ensure their workplace culture enables people with disability or health conditions to excel, say they have achieved this already or recognise that they need to do more.

Some of the concerns expressed by Ontarian employers about hiring people with disabilities include:

Perception of Risk

Just under a quarter of Ontarian employers (23%) express concern over risks involved and/or their ability to manage people with disabilities once employed, compared to 27% nationally. Having appropriate processes in place can help alleviate concerns, yet only half (53%) say their recruitment approach includes support for underrepresented groups. Of these, only two in five (41%) say the support measure is targeted at people with disabilities (including chronic physical and/or mental health conditions).

Resource Constraints

About one in four (23%) Ontarian employers cite lack of or insufficient resources (time, money, people) as a barrier to employing people with disabilities, compared to 26% nationally. However, they may be overestimating the resourcing required to support people with disabilities in the workplace. When asked what they need most to retain a job, 62% of job seekers with disability who lack sufficient support to find and maintain employment say they want flexible working.

Adaptation Difficulties

Nearly one in four (23%) report inability or difficulty in adapting roles to make them suitable for people with disabilities or health conditions, similar to the national average of 26%.

These findings highlight the need for additional support and resources for Ontarian employers to facilitate the employment of people with disabilities.







CONCERNS ABOUT RESOURCE CONSTRAINTS (23%), AND adaptátion **DIFFICULTIES (23%) AS BARRIERS**

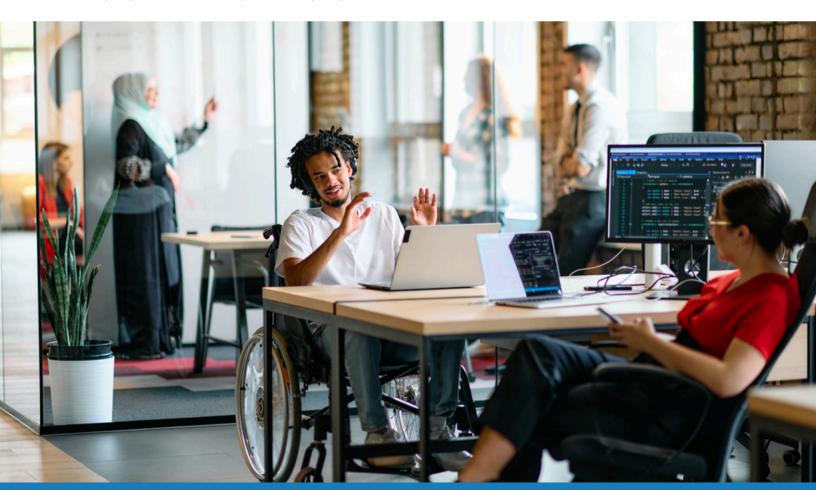
Statistics Canada, Canadian Survey on Disability, 2017 to 2022

THERE'S A DISCONNECT BETWEEN EMPLOYER PERCEPTIONS ON EMPLOYABILITY FOR UNDERREPRESENTED JOB SEEKERS AND HIRING PRACTICES

Ontarian employers' have similar perceptions of employability for underrepresented groups compared to other employers in Canada, but some groups are viewed as less employable than others. Employers rate the employability of most groups, including older people (over 50), young people (under 25) and veterans similarly to how Ontarian job seekers from these groups rate their own employability. However, job seekers who have been previously incarcerated or have a criminal record, those who are homeless or without stable accommodation, and those with a disability are all considered less employable by Ontarian employers, compared to other underrepresented groups.

This extends to real-world hiring practices, where those considered less employable are not as likely to receive employment opportunities. However, our survey data shows there's a disconnect between how employers rate the employability of certain groups and their actual hiring practices. For example, while 58% of Ontarian employers rate people with disabilities as employable, only 25% are actively recruiting people with disabilities. Similarly, 57% of Ontarian employers rate long-term unemployed people as employable, but only 30% are actively recruiting from this group.

As a whole, our data suggests a gap between theoretical employability and practical hiring decisions for people from underrepresented groups.





ONTARIAN EMPLOYERS' PERCEPTIONS OF EMPLOYABILITY VS HIRING PRACTICES⁹

COHORT	VIEWED AS EMPLOYABLE (RATED 7-10/10)	PREVIOUSLY HIRED	ACTIVELY RECRUITING
A person with disability	58%	43%	25%
A long-term unemployed person	57%	37%	30%
A person with limited work experience	52%	52%	42%
A person who was previously incarcerated/criminal record	37%	17%	16%
A person who is homeless or without stable, secure accommodation	41%	10%	13%
A person who is a survivor of violence or abuse	71%	27%	20%
A veteran	76%	23%	24%
A young person (<25)	77%	67%	39%
An older person (>50)	69%	58%	28%

n=227 Ontarian employers

C2/C2a: Is your organisation actively recruiting people who represent groups that are typically underrepresented in the workforce?



⁹ B2: In general, how employable do you believe the following potential job applicants are?;

C1. Has your organisation ever employed a person, or people who identify as any of the following?;

JOB SEEKERS RATE THEIR SOFT SKILLS HIGHLY BUT LACK CONFIDENCE IN TECHNICAL SKILLS

On average, Ontarian job seekers are more confident that they possess the soft skills they require to do their desired job than the technical skills needed for the role.

However, Ontarian job seekers who say their desired job requires soft skills report slightly lower confidence than job seekers nationally. For example, 73% of Ontarian job seekers who say their desired job requires communication skills feel they already possess these skills, compared to 79% nationally. Similarly, 85% of those who believe their desired job requires teamwork skills feel they have these, compared to 89% of employers nationally.

When it comes to technical skills, Ontarian job seekers report higher confidence than the national average in some areas. This is the case for certificates and credentials required for specific industries or jobs, with 62% of Ontarian job seekers whose preferred job requires these already possessing them, compared to 56% nationally.

Employers share candidates' concerns about formal qualifications and soft skills. When asked the most common reasons why underrepresented groups don't make it through the hiring process, the candidate's education/qualifications (44%), lack of practical skills and knowledge (40%) and a lack of relevant work experience (33%) are most commonly cited by Ontarian employers.



EXTERNAL SUPPORT CAN HELP EMPLOYERS AND JOBSEEKERS OVERCOME BARRIERS

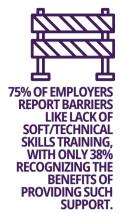
The proportion of Ontarian employers reporting barriers to the recruitment of underrepresented groups (75%) is slightly below the national average, with the most common barriers related to a lack of 'hard' or technical skills. Despite this, one in five say they have no means of providing on-the-job soft skills (17%) or technical skills training (21%), even though 38% recognise it would help them retain people from underrepresented groups.

Ontarians from underrepresented groups face unique barriers and challenges at each stage of the recruitment process. Three-quarters of job seekers from underrepresented groups say finding a job is challenging (74%), rising to 85% among long-term unemployed, people with disabilities and recent immigrants to Canada within the last two years. Only half believe employers are willing to employ people with skills and abilities similar to them (47%), declining even further among people with disabilities (28%) and long-term unemployed (19%).

The good news is that flexible, external support helps both job seekers and employers alike in overcoming barriers to recruitment and retention. The main support Ontarian employers want to retain people from underrepresented groups is access to hard skill training, mentoring and support to implement accommodations or modifications. Similarly, the supports needed by job seekers who don't have all the support they need to find and maintain work are being connected to employers who are hiring (57%), training to prepare them for a specific job (49%) and interview preparation (47%).

These findings show the need for targeted interventions to address specific employment barriers in Ontario and highlight where ESPs can offer these services. Only two in five Ontarian job seekers and half of Ontarian employers have used an ESP before.







74% OF **UNDERREPRESENTED IOB SEEKERS FIND EMPLOYMENT** CHALLENGING, RISING TO 85% FOR LONG-TERM UNEMPLOYED AND RECENT **IMMIGRANTS.**



FLEXIBLE SUPPORTS LIKE TRAINING. **MENTORING, AND ACCOMMODATIONS HELP OVERCOME HIRING AND** RETENTION BARRIERS.



CONCLUSION



ONTARIO SPOTLIGHT – CONCLUSION

The employment landscape in Ontario presents unique opportunities for improving equity and inclusion. While job seekers in Ontario face a tightening job market, they also demonstrate a strong willingness to develop their skills and seek support. Employers show positive attitudes towards diversity and inclusivity, but more work is needed to translate attitudes and intentions into employment outcomes for underrepresented groups.

Our survey suggests several areas of potential focus in Ontario:

1. Increasing awareness and understanding of ESPs among job seekers and employers

50% of job seekers who hadn't used an ESP don't know where to find them or how they can help and 39% of employers who hadn't used an ESP say they didn't know they existed, how to contact them or how they could be beneficial. Additionally, 31% of employers cited the cost of these services as a reason for not using them, when they are in fact provided free of charge.

2. Provide Targeted Support

Providing targeted support to help employers manage risks and adapt roles for people with disabilities.

3. Offer Training in Technical and Digital Skills

Offering training programmes to help job seekers develop technical and digital skills, as well as soft skills, in areas where Ontarian job seekers report lower confidence.

4. Enhance Employer Perceptions of Underrepresented Talent

Working with employers to improve perceptions of employability for various underrepresented groups and take advantage of an untapped talent pool.

5. Address Job Market Barriers in Ontario

Developing initiatives to address specific barriers reported by both job seekers and employers in Ontario. There's untapped potential for ESPs to bridge the gap between employers and job seekers in Ontario. While 57% of Ontarian job seekers who lack sufficient support to find and maintain a job say being connected with employers who are hiring would help them find a job, only 30% of Ontarian employers are currently working with ESPs, who could facilitate these connections.

6. Supporting Skilled Immigrants in Building Employment Networks

Given relatively high levels of immigration to Ontario, targeting skilled immigrants who have recently arrived in Canada and may be struggling to establish new professional and employment networks.

ESPs can play a crucial role in improving employment outcomes and fostering a more inclusive workforce in Ontario. The more positive attitudes towards diversity and inclusion among Ontarian employers compared to the rest of the nation provide a foundation upon which to build these initiatives.

UNDERREPRESENTED GROUPS WARRANTING IMMEDIATE ATTENTION INCLUDE:

Older people (over 50 years old): 80% of employers in Ontario have previously employed older people report positive experiences employing people in this age demographic, and 69% rate them as employable. However, only 28% overall are actively recruiting this group. Employers could benefit from tapping into this experienced workforce more actively...

2SLGBTQI+ individuals: 83% of employers in Ontario who have hired people who identify as being part of the 2SLGBTQI+ community report positive experiences employing this group. However, only three in 10 Ontarian employers overall (30%) are actively recruiting from this group.

Veterans: 86% of Ontarian employers who have previously employed veterans report positive experiences and 76% overall rate them as employable. This is in stark contrast to what's occurring, with only 24% of employers actively recruiting veterans. This group represents a potentially untapped talent pool for employers.

Racialized people: 79% of employers in Ontario who have employed racialized people report positive experiences, with 35% of Ontarian employers overall actively recruiting from this group, higher than some underrepresented groups but still leaving room for improvement. Positive employment experiences suggest employers could benefit from increasing their focus on hiring racialized job seekers even further.

Young people (under 25 years old): Three-quarters of Ontarian employers who have hired young people under 25 report positive experiences. As a group, young people rate high for employability (77%) but only 39% of Ontarian employers overall are actively recruiting young people. Younger people garner the highest positive employment experience of any group, yet there's a sizeable gap between the positive outcomes of employing them and active recruitment efforts undertaken. Employers could benefit from tapping into this experienced workforce more actively.

It's important to note that while this report highlights differences between Ontario and the rest of the nation, many of the challenges and opportunities in Ontario mirror the national trends. National strategies that have proven successful may be adapted and implemented in Ontario while considering the nuances of the Ontarian employment landscape.

Moving forward, regular monitoring and analysis of these trends will be crucial to assess the impact of interventions and to continually refine strategies for improving employment equity for underrepresented groups in Ontario.



