



**Workforce Planning Hamilton**

Planification de main d'oeuvre de Hamilton



**2023**



# **EMPLOYER ONE** survey

Your Workforce. Our Future.

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## INTRODUCTION

**The results are in!** This year WPH partnered again with the City of Hamilton's Economic Development office to develop and administer the survey. Hamilton employers – whether small, medium, or large businesses/organizations – shared their hiring experiences, business outlooks, and concerns and priorities going into the new year. This survey provides an essential update on how local employers were faring in 2023's labour market.

## WHAT IS THE EMPLOYER ONE?

The *Employer One* survey allows local employers to speak on barriers, challenges, and successes faced in their day-to-day business operations. The survey is administered by workforce development boards across Ontario. The survey is intended to identify and alleviate labour market shortages, support local access to training through employer needs and identify local sector-specific priorities and concerns.

**JOB SEEKERS:** use the *Employer One* survey results to help you understand Hamilton's job market through data-driven decision-making, and when looking for a job.

**EMPLOYERS:** use the *Employer One* survey results as a resource to better inform your business practices and hiring needs in 2023.

## ACKNOWLEDGEMENTS

Workforce Planning Hamilton would like to thank the City of Hamilton Economic Development division for their partnership and support in completing this project. With this valued partnership we were able to extend our reach for survey completion and gather valuable feedback from our local economy.



## ABOUT WORKFORCE PLANNING HAMILTON

Workforce Planning Hamilton (WPH) is a community-based economic and labour market research and development organization. WPH works with a broad range of stakeholders including business, labour and employment service organizations to understand the employment needs in Hamilton. WPH is funded by the Ministry of Labour, Immigration, Training and Skills Development. Visit our website for other labour market information [www.workforceplanninghamilton.ca](http://www.workforceplanninghamilton.ca).



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This project is funded in part by the Government of Ontario and the Government of Canada.



Government of Canada  
Gouvernement du Canada



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## TRENDS IN 2023

Following a turbulent period of economic downturn and uncertainty caused by the pandemic Hamilton simultaneously grappled with a tight labour market and shortages in various sectors in 2022. **So, how did employers fare this year?** Survey results from this year's *Employer One* indicate that many employers were better off, with 46% reporting a good short-term business outlook and stable growth. Additionally, half of the surveyed employers noted an increase in their business revenue. Despite increases to the federal minimum wage, 63% of employers stated that it did not significantly impact their business, with a noteworthy 58% of employers classified as Living Wage employers. The survey also captured the top priorities and concerns of employers in 2023. Results show that there is a strong emphasis on recruitment and retention strategies, as well as the navigation of inflationary pressures on business costs and production.

### WHO DID WE SURVEY?<sup>1</sup>

The *Employer One* survey collected responses from a wide range of Canadian industries and many local employers. This year, 1,039 employers participated with 660 completed responses.


















| Workforce Size  | Employers  | %           |
|-----------------|------------|-------------|
| Sole Proprietor | 13         | 2%          |
| 1-4             | 198        | 30%         |
| 5-9             | 111        | 17%         |
| 10-19           | 111        | 17%         |
| 20-49           | 100        | 15%         |
| 50-99           | 55         | 8%          |
| 100-199         | 29         | 4%          |
| 200-499         | 27         | 4%          |
| 500+            | 7          | 1%          |
| Unclassified    | 9          | 1%          |
| <b>Total</b>    | <b>660</b> | <b>100%</b> |

1

Workforce size was calculated by taking the number of reported employees (full-time and part-time) an employer had as of the date of the survey's completion.

## WHICH INDUSTRY WERE THEY IN?

Most of the employers we surveyed were in **Accommodation and Food Services** (19%), **Other Services (Except Public Administration)** (13%) and **Manufacturing** (12%).

|   |   |             |
|---|---|-------------|
|    | Accommodation and Food Services                                       | 19%         |
|    | Other Services (Except Public Administration)                         | 13%         |
|    | Manufacturing   | 12%         |
|    | Retail Trade  | 11%         |
|    | Construction  | 11%         |
|    | Professional, Scientific and Technical Services                       | 8%          |
|    | Health Care and Social Assistance                                     | 6%          |
|    | Transportation and Warehousing  | 5%          |
|    | Arts, Entertainment and Recreation                                    | 3%          |
|    | Agriculture, Forestry, Fishing and Hunting                            | 3%          |
|    | Finance and Insurance   | 2%          |
|    | Real Estate and Rental and Leasing                                    | 2%          |
|   | Educational Services  | 1%          |
|  | Wholesale Trade   | 1%          |
|  | Information and Cultural Industries                                   | 1%          |
|  | Administrative and Support, Waste Management and Remediation Services | 1%          |
|  | All Other Industries  | 2%          |
|   | <b>Total</b>  | <b>100%</b> |

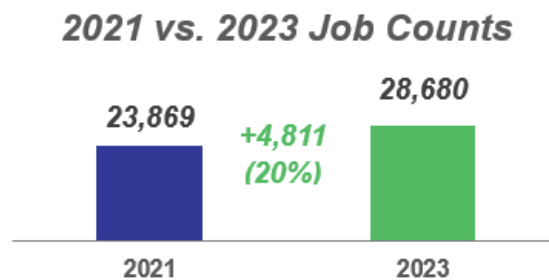
*87% of surveyed organizations were for-profit businesses.*

|                   |                       |                           |              |
|-------------------|-----------------------|---------------------------|--------------|
| <b>87%</b>        | <b>7%</b>             | <b>4%</b>                 | <b>3%</b>    |
| <b>For-Profit</b> | <b>Not-for-Profit</b> | <b>Registered Charity</b> | <b>Other</b> |

# BUSINESS CONDITIONS

## 2-YEAR SNAPSHOT OF EMPLOYMENT

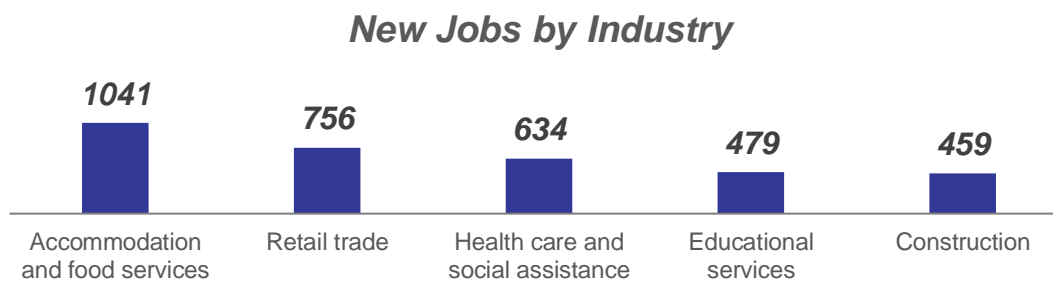
From 2021 to 2023, employers saw growth to their business. In total, there were 28,680 jobs in Hamilton captured in our survey – up by 20% compared to 2021's job counts.



In a 2-year time span, the number of observed part-time jobs in Hamilton increased by 39% whereas the number of full-time jobs increased by 13%.

*20% of employers surveyed had an option for remote work.*

## INDUSTRY BREAKDOWN

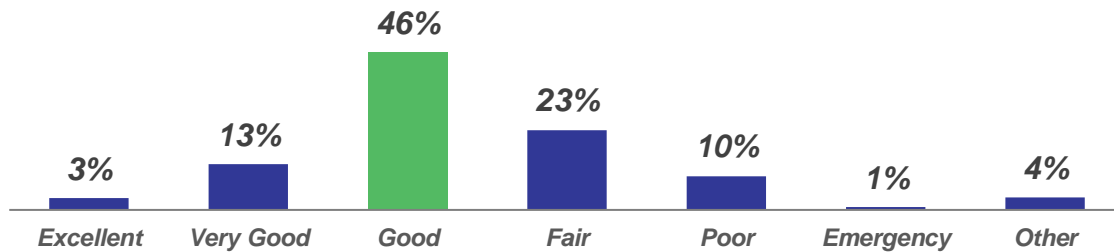


- ✂ **Accommodation and Food Services** experienced the most growth from 2021 to 2023, with 1,041 new jobs and an increase of 44%.
- 🛒 Following was **Retail Trade** with an increase of 756 new jobs (51%).
- ⊕ **Health Care and Social Assistance** saw an increase of 634 new jobs (25%).
- 🎓 **Educational Services** saw the fourth largest increase in new jobs by 479 (23%).
- ✂ Employers in the **Construction** industry further saw an increase of 459 new jobs (29%).

## BUSINESS OUTLOOK

This year, 46% of employers noted stable business operations and a good growth outlook. Compared to 2022 (37%), more employers in 2023 reported a *Good* short-term business outlook.

*Which of the following statements best describes the short-term outlook for your business over the first two quarters (January to June) of 2023?*



At the aggregate, 34% of employers noted *Fair to Emergency* short-term outlooks and 62% of Employers noted an *Excellent to Good* short-term outlook.

## INDUSTRY BREAKDOWN

By industry breakdown, employers in **Manufacturing, Professional, Scientific and Technical Services** (18%) had the highest shares of having an *Excellent* short-term business outlook. Employers in **Accommodation and Food Services**, on the other hand, experienced the most turbulent short-term business outlook, with the highest share of a *Fair to Emergency* outlook.

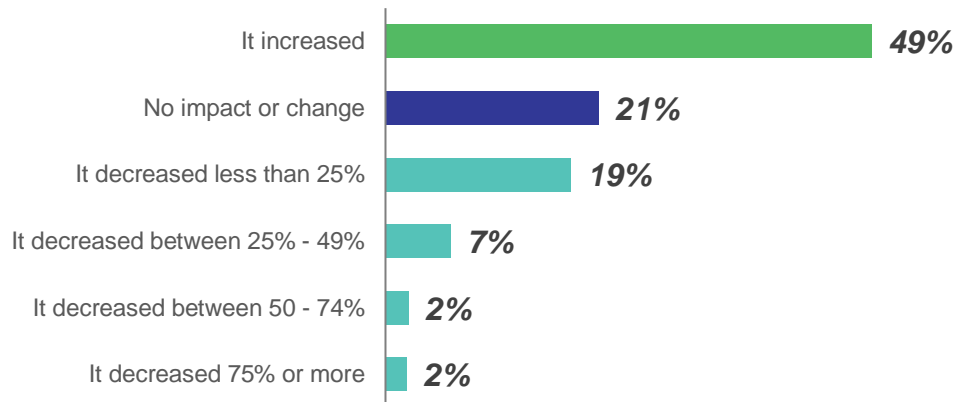




## REVENUE CHANGES

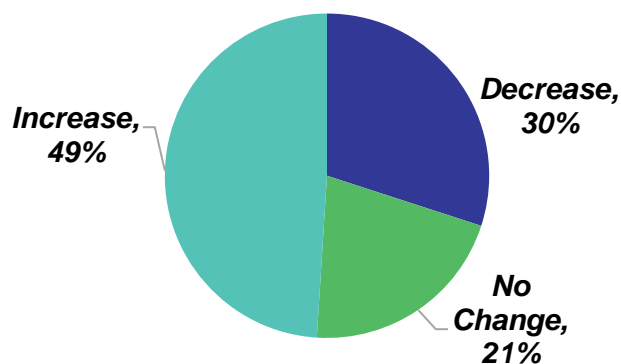
We asked employers how their revenue changed in 2022 compared to 2021. Majority of employers (49%) noted that their business revenue increased in 2022. Accommodation and Food Services, Manufacturing and Other Services reported the highest shares of increases in revenue.

### *How did your business revenue change in 2022 compared to 2021?*



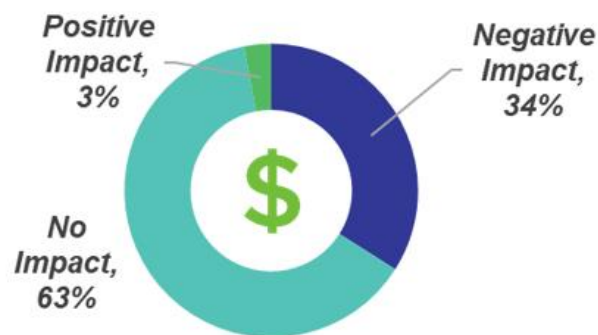
At the aggregate, 21% noted that there was no change or impact to their business revenue and 30% of employers noted a decrease in their business revenue in 2022.

### *Business Revenue Changes*



## MINIMUM WAGE IMPACT

In October 2022, the Government of Ontario raised the minimum wage to \$15.50 per hour. We asked employers how the minimum wage increase affected their business. Most employers noted *No Impact* to their business, followed by a *Negative Impact* (34%), with only 3% noting a *Positive Impact* to their business.



## INDUSTRY BREAKDOWN

By industry breakdown, employers in **Accommodation and Food Services** were hit the hardest, with 37% reporting negative effects. **Retail Trade** followed behind, with 15% of employers citing adverse minimum wage impacts. These industries are most likely to employ workers at or near the minimum wage, which makes them particularly vulnerable to the repercussions of federal minimum wage increases.

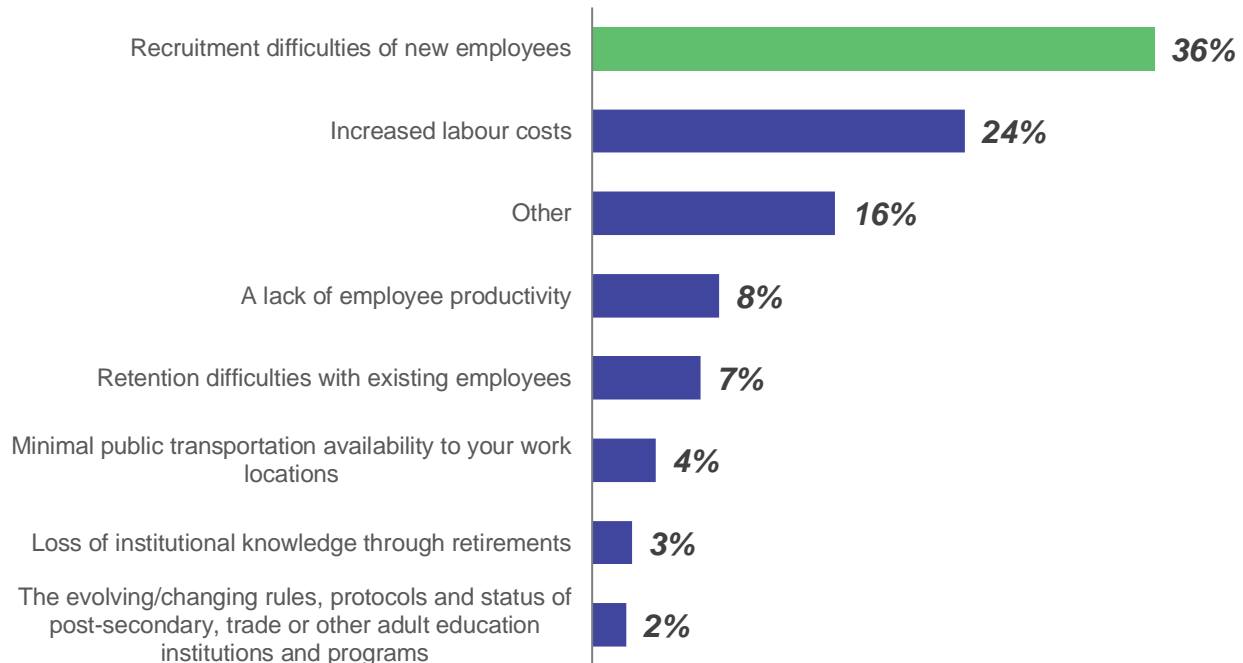
*From our survey, we found that 58% of employers were Living Wage Employers.*

*“Our employees are getting closer to a living wage. This is always going to have a positive impact, as we believe employees who are financially (and otherwise) secure are better positioned to support the business and our growth.”– Employer*

## WORKFORCE IMPACTS

Similar to last year’s survey, this year’s *Employer One* asked employers what were the most negative impacts on their organization. Most employers (36%) reported recruitment difficulties as their top negative impact in 2023.

### *What Topic Do You Believe to be Having the Most Negative Impact on your Organization?*



Following were the increased labour costs of running their business, at 24%. Employers also noted other reasons that were negatively impacting their business. Below are some impacts that were shared by employers.

*“Termination costs”*

*“Concerns with public health system”*

*“Business slowdown”*

*“Overall cost increases”*

*“Increased energy costs”*

*“Insurance costs”*

*“Inflation concerns driving up costs”*

*“Lack of income supports”*

*“Cost of housing”*

## PLANNING TO HIRE

Despite 71% of employers rating the current hiring climate level as difficult or very difficult, 57% of employers anticipated hiring employees in the first two quarters of 2023. Other employers were uncertain whether they would be hiring in the next months.

*“As we emerge out of the covid economy into a recession we are juggling long term debts, decreased customer volume and rising cost, and affordability of hiring is uncertain yet necessary for growth.” – Employer*

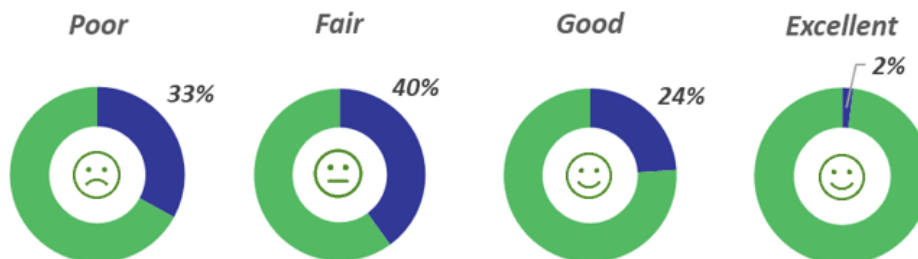
By industries, employers in **Accommodation and Food Services** (54%), **Manufacturing** (68%), and **Construction** (38%) were looking to hire in the next six months.



## SURVEYING HAMILTON'S LABOUR SUPPLY

We asked employers their perceptions of Hamilton's qualified labour supply.

***For your organization, how do you rate the availability of qualified workers in Hamilton?***



Most employers rated Hamilton's labour supply as *Fair* (40%), followed by *Poor* (33%). Compared to last year, employers were more optimistic about the quality of Hamilton's labour supply this year.

### **Poor**

Employers in **Accommodation and Food Services** (20%), **Construction** (19%) and **Other Services** (17%) rated the labour supply as *Poor* the most.

### **Fair**

Employers in **Retail Trade** (15%) and **Manufacturing** (14%) reported a very high share of *Fair* candidates.

### **Good**

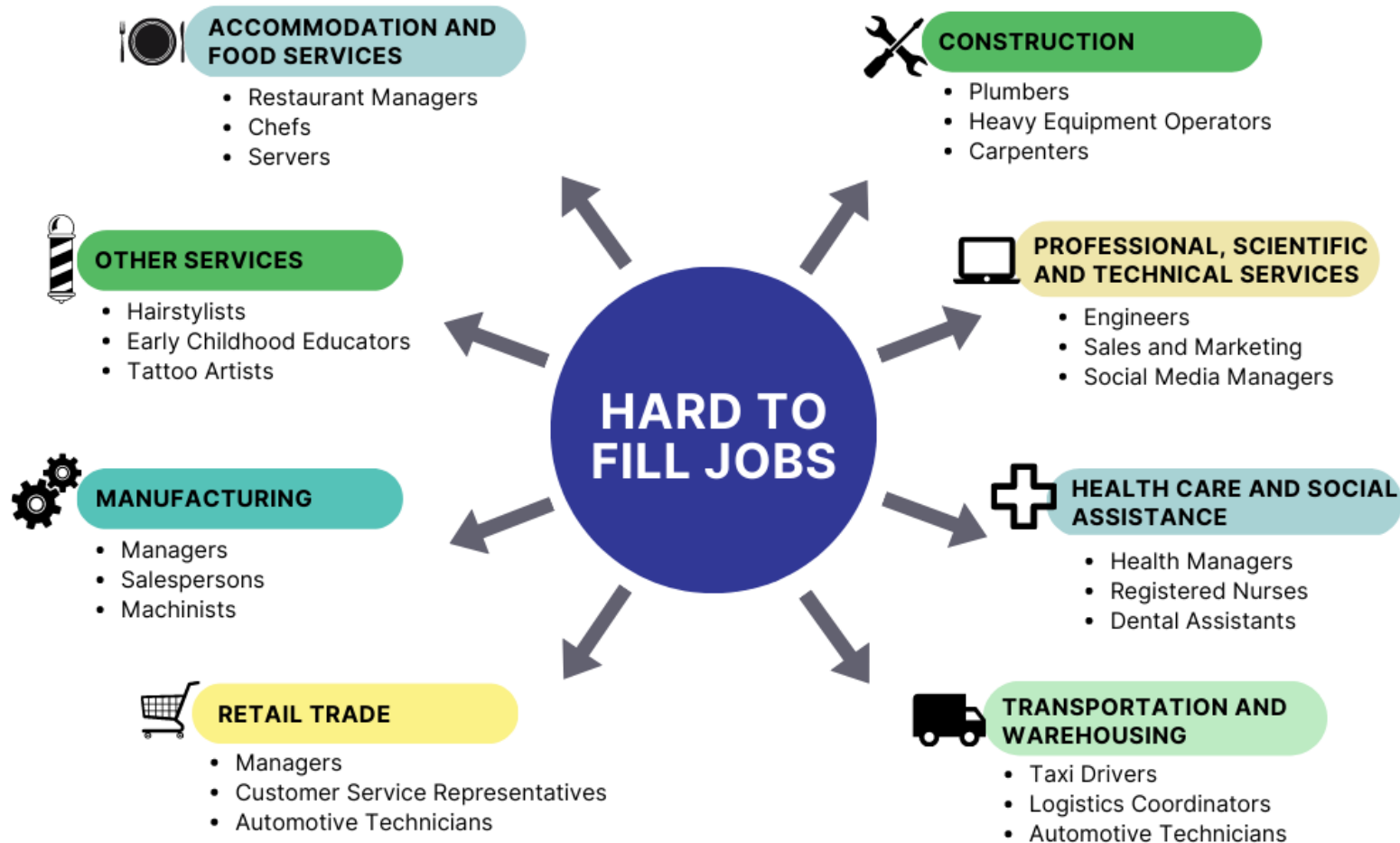
Employers in **Professional, Scientific and Technical Services** (14%) and **Other Services** (11%) reported a high share of *Good* candidates.

### **Excellent**

Employers in **Manufacturing** (20%) and **Information and Cultural Industries** (13%) rated the labour supply as *Excellent* the most.

## OCCUPATIONS EMPLOYERS ARE HIRING FOR IN 2023

We asked employers from which occupational group they were planning to hire from in the first two quarters of 2023. We then from which occupational group they experienced hard-to-fill positions and the specific occupations they were looking for. Most employers in Hamilton were looking to hire occupations in the **Trades** (26%).



*“Waiting to see what the economic outlook will be short term and we have difficulty finding qualified candidates with the required skills sets in transportation and logistics.” – Employer*

## IN DIRE NEED OF TALENT – THE SKILLED TRADES IN HAMILTON

The need for tradespersons is now higher than ever in Hamilton. In 2020, WPH published a report *Under Pressure 2.0* which looked at the Skilled Trades shortage in Hamilton. Results from the report found a looming “hiring crisis” in the Skilled Trades, spearheaded by high training costs, low retention rates, and a lesser qualified labour pool<sup>2</sup>.

3 years later, the Skilled Trades shortage has only been exemplified. Results this year found that employers were looking to hire within the Trades occupations the most, with Trades Persons being the most-hard-to-fill occupation at 32%. Below illustrates the specific Trades occupations employers were looking to hire in 2023.



*It's very difficult to find qualified people who are looking for work. Most people in the trades start their own business once they reach a certain level of competency because wages stagnate at a certain skill level.” – Employer*

2

Under Pressure 2.0 – In-Demand Skilled Trades (2020), Link: <https://www.workforceplanninghamilton.ca/under-pressure-2-0-in-demand-skilled-trades/>

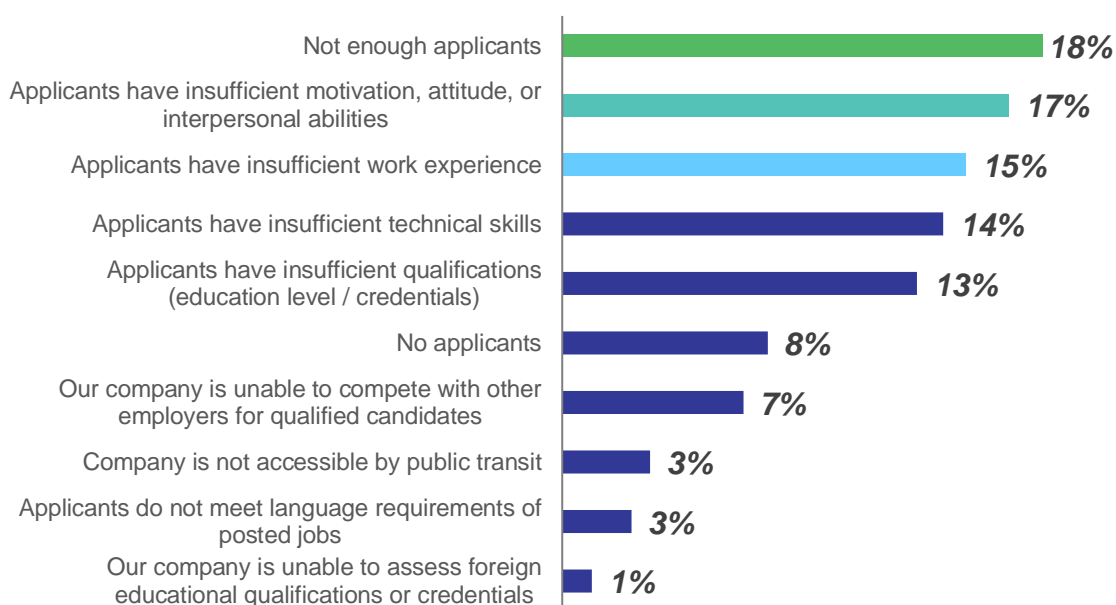
# RECRUITMENT AND RETENTION

## RECRUITMENT DIFFICULTIES

Recruitment difficulties have persisted the past three years for Hamilton employers. 36% of employers stated that recruitment of new employees had the most negative impact on their business in 2023.

To understand where employers are having difficulties recruiting employees, we asked them to specify the reasons they experienced hard-to-fill positions over the last year. Respondents could pick multiple answers.

### *Please Select the Reasons Why You Have Found Positions Hard to Fill Over the Last Year*



From the chart above, employers noted a plurality of reasons for their hard-to-fill positions. In first was receiving not enough applicants at 18%, following was applicants' insufficient motivation, attitudes, or interpersonal abilities at 17%; and third was applicants' insufficient work experience at 15%. With low unemployment levels and a tight labour market, employers face heightened difficulties in attracting new employees. These sentiments further echo employers' perceptions on Hamilton's labour supply.

*“Cannot find any qualified licensed workers who want to work, no matter what salary is offered to potential candidates. We have been looking for more than 6 months for qualified persons with no success.” – Employer*



# EQUITY, DIVERSITY AND INCLUSION

## BARRIERS TO HIRING NEWCOMERS AND IMMIGRANTS

We asked employers if they experienced any difficulties in hiring newcomers and immigrants. 24% of employers said no and 76% said yes. We asked then employers what their most significant barrier was to hiring Newcomers and Immigrants. Employers noted that they did not receive many immigrant/newcomer applicants as one of the main hiring challenges.

### *Which of the following represents your most significant challenge with respect to hiring newcomers?*



- Newcomer applicants with insufficient motivation, attitude or interpersonal abilities was another hiring challenge (16%).
- An additional 16% noted their difficulties in accessing the newcomer and immigrant talent pool.
- By industry, employers in **Accommodation and Food Services** (22%), **Construction** (15%) and **Manufacturing** (14%) experienced the most challenges in hiring Newcomers and Immigrants.

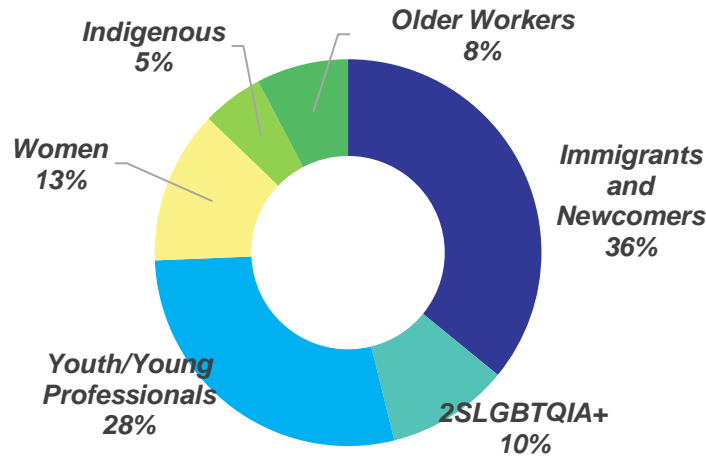
*“Extreme difficulty with immigrants obtaining Ontario credentials despite having foreign credentials with excellent work experience.” – Employer*

## SUCCESSFUL HIRING THROUGH AN EQUITY, DIVERSITY AND INCLUSION LENS

We asked employers if they experienced successes in hiring newcomers and immigrants, youth workers, 2SLGBTQIA+ BIPOC, and other identified groups this year. In total, there were 39 shared success stories from employers.

**Accommodation and Food Services** (20%) experienced the most successes, followed by **Other Services** (14%) and **Manufacturing** (11%).

Success Stories



*“We strive to be as inclusive as possible and have several staff that are non-binary, queer, and neurodivergent.” – Employer*

*“We support women in trades and hire welders and machinists and also hire women for training in trades.” – Employer*

*“Our new VP of technology recently immigrated to Canada, and she is excellent! A game changer. Our Experiential Marketing department benefits greatly from hiring recent graduates and other young motivated job seekers. We like to groom / train these workers into the role ourselves.” – Employer*

*“Youth workers - my last 3 hires have been Youth Workers and have been a great asset to our organization!” – Employer*

*“I hired an international pharmacy graduate under the NAPRA federal P4T program. He was awesome but has moved away. Sadly, the funding for this program no longer exists.” – Employer*

*“My manager is a female indigenous who did her apprenticeship at my shop and is now part owner. I hire an older man with hearing impairment and we work with him so his hearing impairment does not hinder on his work performance.” – Employer*

## LOOKING AHEAD TO 2023-2024

### TOP 5 PRIORITIES AND CONCERNS

We asked employers to identify the priorities that their organization/business plans on dedicating resources towards in 2023. Respondents could pick multiple answers. We then asked what their top priority was. Out of the top five priorities, employers noted attracting new employees at the top of their lists.

| Top Five Priorities   | Rank |
|---|------|
| Attracting New Employees  | 1    |
| Increasing Marketing / Promotional Activities to Increase Customer Awareness (Including Increasing Online Presence) | 2    |
| Finding and Applying to Current Provincial and Federal Government Funding Programs                                  | 3    |
| Seeking Financing for My Business (Increasing Debt or Pursuing Investment)  | 4    |
| Implementing New Technologies / Systems to Automate or Improve Processes  | 5    |

*“Continuing to ensure a safe and sustainable workplace that supports workers, vendors, shareholders and the community.” – Employer*

Next, we asked employers to identify their concerns for 2023 that could impact the health and viability of their business/organization. Respondents could pick multiple answers and based on their responses; the most significant negative impact was taken. The top concern in 2023 for employers was the impact of inflation on their business and their customers.

| Top Five Concerns   | Rank |
|---|------|
| The Impacts of Inflation on My Business and My Customers  | 1    |
| Global Supply Chain Issues Relating to Receiving Goods / Shipping Goods                         | 2    |
| The Mental and Physical Health of the Employees of the Business                                 | 3    |
| Existing Business Debt Levels   | 4    |
| Ability to Obtain Financing to Continue Operating My Business (Either Debt or Equity Financing) | 5    |

*“Finding qualified staff who can do the work and afford to pay them a living wage.” – Employer*

## SUMMARY

Employers in 2023 are placing similar emphasis on their business priorities as in 2022, with recruitment and retention topping the list. Hamilton's labour market remains tight, highlighted by low unemployment and a high vacancy rate. Consequently, employers are prioritizing strategies to best attract and retain talent, while also seeking to enhance their business visibility through increased business attraction and financing initiatives. These priorities have gained traction in the wake of a post-pandemic economy.

This year, employers' top business concern echoes their previous worries in 2022, as elevated inflation in Canada continues to raise alarms about its detrimental effects on businesses and consumers alike. The persistent rise in inflation has put considerable pressure on employers to mitigate the escalating costs of production and labour. Many employers continue to grapple with the aftermath of the pandemic, having incurred debts to keep their operations afloat. Coupled with inflationary concerns, this has left some employers in a precarious situation, navigating a challenging economic landscape.

*“There is a growing demand for services without increased funding and diminishing of donations that my organization relies on.” – Employer*

Additional concerns which arose from this year's survey were global supply chain issues, the deterioration of employers' and employees' mental health; existing business debt levels; and the challenges in obtaining business financing. These concerns highlight, that although Hamilton's economy has recovered, many employers still face the lingering ramifications of the pandemic and current economic slowdown.

This year's survey results underscore both the achievements and concerns that Hamilton employers experienced in 2023. Evidently, employers encountered challenges stemming from a post-Omicron economy, including business debt and rising labour and production costs due to inflation. However, employers have also demonstrated creativity in addressing labour shortages, such as through the implementation of EDI training programs to identify and acquire talent to their organizations. Despite the obstacles faced, Hamilton's employers fared better this year than previously, innovating and creating new ways to drive prosperity in the City.

*“Please water the grass, and don't worry about the trees. We need lots of small, successful, grass-roots businesses. We need to stop wasting money on huge multi-nationals. They'll come if we have a vibrant environment. A dead streetscape brings in no one.” – Employer*

# Workforce Planning Hamilton

## Business, Labour & Community: Planning for Prosperity

Since 1997 Workforce Planning Hamilton has provided planning, partnerships and projects that highlight local labour market trends and support workforce development.

WPH is a member of Workforce Planning Ontario, a network of 26 labour market planning areas across Ontario.

Our evidence-based approach relies on key industry sector and demographic data combined with local intelligence from employers and other local partners to develop a strategic vision for Hamilton.

### Log on to WPH's [website](#) and you will:

**Discover** our community [Projects and Partners](#) that promote labour force development.

**Learn** about local labour market trends, opportunities, and priorities in our [Publications](#).

**Connect** to [Links](#) on training, employment, and labour market information.

**Find** Hamilton's largest [Job Board](#)!



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