

## **New Survey: 44% of Companies Expect Wage Increases in 2021; Benefits to Hold Steady**

### ***Large Businesses More Likely to Increase Wages and Benefits***

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**TORONTO, Feb. 10, 2021** – According to a new survey released today, 44% of Canadian companies expect to increase wages in 2021. The survey also found that benefits are likely to remain unchanged, with 68% of companies reporting they anticipate benefits to hold steady in the year ahead.

The survey from The Harris Poll, commissioned by Express Employment Professionals, reveals that while more than 2 in 5 Canadian hiring decision-makers expect the average wage at their company to increase this year, only 11% expect wages to decrease in 2021, with the remainder (39%) expecting to keep pay rates the same.

Of the companies that anticipate wages to increase, more than half (54%) say the increases will be a standard cost of living pay hike, 44% say the increases will be performance based, and 35% say the increases will be based on market pay rate.

However, the survey found a significant difference between small and large businesses. While half (51%) of large businesses (100 or more employees) anticipate wage increases, half (49%) of small businesses (2-9 employees) expect wages to remain flat.

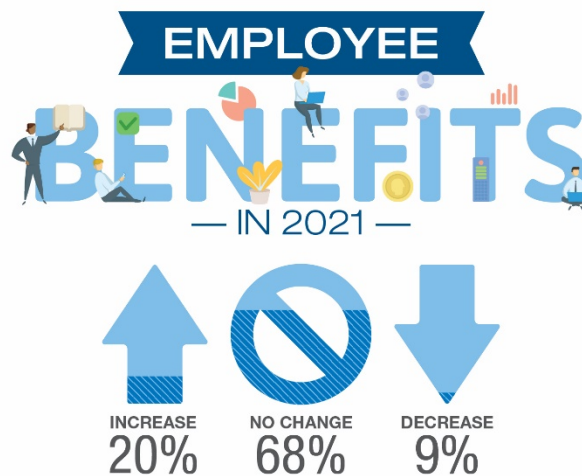


Source: The survey was conducted online within Canada by The Harris Poll on behalf of Express Employment Professionals between Nov. 16 and Dec. 7, 2020, among 506 Canadian hiring decision-makers.



The survey also found that benefits will likely remain unchanged in the year ahead, as more than two-thirds (68%) of companies expect employee benefits to remain steady from 2020. Only 1 in 5 companies (20%) expect benefits to increase in 2021, while 9% expect their company's benefits offerings to decrease.

Similar to wages, large companies are more likely to expect benefits to increase than small businesses. Fifty-nine per cent of large companies (100+ employees) expect benefits to remain the same, while that number increases to 73% of small businesses (2–9 employees).



Source: The survey was conducted online within Canada by The Harris Poll on behalf of Express Employment Professionals between Nov. 16 and Dec. 7, 2020, among 506 Canadian hiring decision-makers.



These survey findings mirror what Express experts see in their local markets.

In Halifax, Nova Scotia, Express franchise owner Shane DeCoste reports that upcoming minimum wage increases, in addition to labour shortages in many sectors and industries, will drive up wages in the year ahead.

“There has been a large amount of change in the workforce since last March and employers are now aggressively ramping up for a busy 2021 trying to get growth back on track,” DeCoste said. “We’re continuing to see a battle for the best talent and the labour market is picking up where it left off prior to COVID-19. With shortages in qualified talent, we expect to see wage increases continue in order to attract candidates.”

Niven Lee, an Express franchise owner in Delta, British Columbia, sees the same trend of labour shortages and a fierce hunt for talent driving up wages.

“We are already seeing wage increases in industries such as transportation and distribution, essential services such as food manufacturing, and companies that have a larger semi-skilled or skilled labour component as the supply of labour in these specific industries has been tighter than expected,” Lee said. “We are also seeing wage increases due to an increase in early retirements in these industries.”

Express experts also point to logistics, accounting, and sales, among other industries, that are most likely to raise wages in 2021.

The outlook in Vaughan, Ontario differs slightly. Express franchise owner Melody McPhee reports that wages are expected to remain mostly flat in the year ahead.

“In our market, we expect small increases aligned with inflation, and fewer and smaller bonuses,” McPhee said. “Companies are cautious about our rebounding economy and have allocated smaller amounts for salaries than originally anticipated.”

In terms of benefits, Lee, DeCoste and McPhee agree that benefits have become a top consideration for job seekers, but they expect benefits to remain relatively flat this year.

“Benefits are more important as a result of the pandemic, but it will not become a major consideration for companies until the pandemic is in the rear-view mirror,” Lee said.

DeCoste cautions that companies that want to retain top talent will have to start offering more competitive benefits as soon as possible or risk losing out on top talent.

“Many employees have been impacted by the pandemic and some of them may have had to rely on a benefits program for support or felt the need to have a stronger benefits program because of pandemic challenges they faced,” DeCoste said. “As a result, benefits are coming up more often as a consideration in the total compensation package.”

While there are still many unknowns about the strength of the economy as 2021 progresses, rising wages is an encouraging sign.

“Controlling the COVID-19 pandemic continues to be the largest factor standing in the way of a full recovery, and I’m very pleased to see businesses are optimistic for hiring to continue picking up,” Express CEO Bill Stoller said. “Businesses now need to take a look at what they can afford to hire, and retain, the best and brightest for their operations.”

### **Survey Methodology**

The survey was conducted online within Canada by The Harris Poll on behalf of Express Employment Professionals between Nov. 16 and Dec. 7, 2020, among 506 Canadian hiring decision-makers (defined as adults ages 18+ in Canada who are employed full-time or self-employed, work at companies with more than one employee, and have full/significant involvement in hiring decisions at their company). Data was weighted where necessary by company size to bring them into line with their actual proportions in the population.

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If you would like to arrange for an interview to discuss this topic, please contact Ana Curic at (613) 858-2622 or email [ana@mapleleafstrategies.com](mailto:ana@mapleleafstrategies.com).

### **About Bill Stoller**

William H. "Bill" Stoller is chairman and chief executive officer of Express Employment Professionals. Headquartered in Oklahoma City, Oklahoma, the international staffing company has more than 830 franchises in the U.S., Canada, South Africa, Australia and New Zealand. Since inception, Express has put more than 8 million people to work worldwide.

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At Express Employment Professionals, we’re in the business of people. From job seekers to client companies, Express helps people thrive and businesses grow. Our international network of franchises offers localized staffing solutions to the communities they serve across the U.S., Canada, South Africa, Australia and New Zealand, employing 552,000 people globally in 2019. For more information, visit [www.ExpressPros.com](http://www.ExpressPros.com).