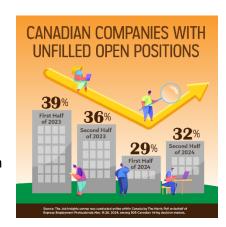


Canadian Companies Say Worsening Skills Gap and Navigating AI Top Challenges in 2025

Skills Gap Continues to Grow

TORONTO, Feb. 12, 2025 — Despite an <u>optimistic hiring</u> <u>outlook</u> for the coming months, most Canadian companies expect to face several challenges this year, according to a new Express Employment Professionals-Harris Poll survey.

The biggest challenge hiring managers expect to face this year is difficulty finding qualified candidates (46%). Among companies that had open positions in the past year, more than half (54%) say it has been difficult to find the right candidates. Indeed, many companies say this trend has grown in recent years, with the majority (58%) reporting it is more difficult now to find the right candidates than it was five years ago.



Navigating artificial intelligence (AI) tools (31%) is the second biggest challenge, as companies wrestle with ways to deploy AI to help reach and assess more candidates, as well as process job applications.

Other expected challenges include increased competition in the job market (25%) and not being able to offer competitive pay (25%).

More than a third (36%) of hiring managers report that their companies lack the tools to find the right candidates for their job openings. A third (32%) currently have open positions they cannot fill, a proportion which is increasing after a recent downward trend.

The inability to fill open positions is attributed to several factors, including a lack of applicants with relevant experience (45%), a lack of applicants with hard skills (44%), a general lack of applicants (34%) and a lack of applicants with the necessary soft skills (32%).

Extended unemployment is believed to play a role in the skills gap, with two-thirds of hiring managers (66%) reporting that prolonged unemployment leads to a deterioration of both hard and soft skills, particularly among younger adults aged 18 – 26.

"While the challenges are significant, the resilience and adaptability of companies will be the driving force behind navigating this evolving landscape," said Express Employment International CEO Bill Stoller. "By embracing technology and prioritizing skill development, they can create a more agile and capable workforce. This proactive approach will address current challenges and position companies for long-term success in an ever-changing market."

Survey Methodology

The Job Insights survey was conducted online within Canada by The Harris Poll on behalf of Express Employment Professionals Nov. 11 - 26, 2024, among 505 Canadian hiring decision-makers.

For full survey methodology, please contact Ana Curic at Ana@MapleLeafStrategies.com.

If you would like to arrange for an interview to discuss this topic, please contact Sheena.Hollander@ExpressPros.com, Director of Corporate Communications & PR.

About Bill Stoller

William H. "Bill" Stoller is chairman and chief executive officer of Express Employment International. Founded in Oklahoma City, Oklahoma, the international staffing franchisor supports the Express Employment Professionals franchise and related brands. The Express franchise brand is an industry-leading, international staffing company with franchise locations in the U.S., Canada, South Africa, Australia and New Zealand.

About Express Employment Professionals

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