

Employment services, 2021

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Employment services bolstered by labour market rebound in 2021

The rebound in labour demand, as the Canadian economy faced fewer public health restrictions, and job market pressures in many sectors helped increase the operating revenue in the employment services industry by 15.0% to \$18.5 billion in 2021. Employment services include employment placement agencies and executive search services, temporary help services, and professional employer organizations.

Meanwhile, operating expenses rose 15.0% to \$17.2 billion, leaving the profit margin steady at 6.6%. The cost structure for this industry remained stable in 2021, with salaries, wages, commissions and benefits (56.3%) and subcontracts (31.4%) combined making up the largest share of operating expenses. Salaries, wages, commissions and benefits in the employment services industry increased 16.3% to \$9.7 billion in 2021.

Temporary staffing services benefited the most from the return to work in 2021 as their portion of sales climbed to 55.3%, their highest share since 2013. Permanent placements and contract staffing generated 37.2% of sales. Other sales of goods and services, which include those by professional employer organizations, accounted for the remaining 7.5% of total sales.

While sales to businesses (82.7%) continued to be the primary source of revenue, the share of sales to the public sector (13.0%) has been rising since the start of the COVID-19 pandemic. Sales outside Canada (2.6%) and sales to individuals (1.7%), the other two client types, remained moderate.

E-commerce sales, which are still not customary among staffing agencies in Canada, represented 1.9% of total sales.

Looking to 2022

Provinces continued to ease COVID-19 restrictions, and the unemployment rate decreased to a low of 4.9% in summer 2022. Job vacancies and the job vacancy rate continued to rise to record levels. By the end of the second quarter of 2022, there were 50% more job vacancies than there had been at the same time the previous year. It was increasingly difficult for many businesses to find the workers they needed, as hiring and retaining workers have worsened in 2022.

Despite having the largest working-age population as a percentage of the overall population in the G7, Canada is seeing the effects of aging baby boomers as retirements continue to rise. Detailed financial statistics for the employment services industry in 2022 will be provided following survey data collection in 2023 and will inform on these ongoing labour market challenges.

Note to readers

The data for 2019 and 2020 have been revised.

Information on the unemployment rate can be found in table [14-10-0287-01](#).

Information on the job vacancy rate can be found in table [14-10-0325-01](#).

Information on retirements is from table [14-10-0126-01](#).

Information on demographics is from table [17-10-0005-01](#).

Information on the working-age population in the G7 can be found in the article "[Canada is losing jobs—but the economy is losing more workers to retirement, too.](#)"

Information on business challenges with recruiting and retaining staff compared with 12 months ago is from table [33-10-0535-01](#).



These and other data related to business and consumer services can be found at the [Business and consumer services and culture statistics](#) portal.

Available tables: [21-10-0063-01](#) to [21-10-0065-01](#) , [21-10-0177-01](#) and [21-10-0233-01](#).

Definitions, data sources and methods: survey number [4718](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).