

Unlocking Our Talent Potential



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Today, businesses across all sectors are threatened by a lack of available talent, skills gaps, and greater competition for skilled workers. In the first quarter of 2022, Alberta's unemployment rate was 5.9 per cent – almost a percentage point lower than our natural rate of unemployment. While low unemployment may appear positive, a lack of equilibrium in our employment rates underlines the labour shortages many businesses are facing. With a record 88,000 vacant jobs in Alberta, we simply don't have enough people available to work – and natural market changes are unlikely to resolve a challenge of this magnitude.

We're on the right track – ATB Financial indicates that in September 2022 nearly 10,000 people relocated to Alberta from elsewhere in Canada – a higher rate of migration than anywhere else in the country. Notably, those arriving are largely in their mid-20s, increasing our vibrancy and helping strengthen Alberta's economy long-term. This impressive level of relocation will require a renewed focus on talent retention as well.

To build on Alberta's momentum, the provincial government has invested \$2.6 million into the Alberta is Calling advertising campaign. Launching in major Canadian cities such as Toronto and Vancouver, the campaign focuses on attracting talent by highlighting Alberta's affordability, lifestyle, and career opportunities.

Addressing Alberta's talent gap requires sustained focus, collaboration, and new perspectives. Identifying innovative ideas for growing our talent pool, addressing skills gaps, and strengthening our talent pipeline requires diverse groups to come together. As a convener and catalyst for business, the Calgary Chamber has worked alongside our members to address this challenge. Convening thought leaders from business, speaking directly with young Calgarians, and informed by consultation with local businesses, we have developed policy recommendations and tangible solutions to some of the most pressing issues concerning talent. These recommendations provide a framework for addressing the talent crisis today and ensuring our resilience in the future.





FOREWORD

Building an inclusive and values-driven workforce is one of four sections of *Unlocking Our Talent Potential*, a set of recommendations created by business, for business. These recommendations are intended to advance the conversation and spur increased collaboration on talent and labour shortages in Calgary. *Unlocking Our Talent Potential* tables creative ideas and opportunities that all levels of government can capitalize on to strengthen our talent pipeline and eliminate gaps experienced by many businesses – large and small.

This section of *Unlocking Our Talent Potential* examines the impact the rise of values-driven employees have on talent attraction and retention. Exploring both our challenges and opportunities, recommendations have been developed that highlight opportunities to leverage inclusion, diversity, equity, and

accessibility, as well as enhanced employee benefits, as a means of alleviating our talent shortfall. To develop the recommendations contained within, the Calgary Chamber convened a policy council with thought leaders from businesses across several sectors, post-secondary institutions, childcare providers, immigration law firms, recruitment firms, professional services, and small business owners. We spoke directly with young Calgarians and consulted local businesses.

We look forward to working closely with government to implement the recommendations identified in *Unlocking Our Talent Potential*, and maintaining a focus on collaboration with community and government organizations on achieving our common goal of ensuring Calgary remains a top destination for talent globally.



OUR VISION

We envision an inclusive Calgary, offering prospective talent the opportunity to work for organizations aligned with their values and in an environment where work-life balance is taken to heart.

OUR CHALLENGE

The pandemic has caused several fundamental changes across the workforce, including an emerging dialogue around the rise of values-driven employees. Today, organizations seeking talent have a competitive advantage if they embrace inclusion, equity, diversity, and accessibility (IDEA) and offer compelling total value packages (TVPs) to their employees. Research supports these trends, showing upwards of 61 per cent of workers now choose their jobs based on their beliefs and values, with nearly one-third believing comprehensive benefits are as important as salary.

The rise of the values-driven employee means many workers now expect organizations to embrace IDEA and meaningfully engage equity-deserving groups within their workforce. This is to the benefit of businesses, with research suggesting an emphasis on IDEA leads to higher retention rates, more innovation, and increased profits. Despite this, issues such as a lack of buy-in from leadership or reluctance to organizational change mean many organizations continue to underinvest in the component parts of IDEA, such as labour market integration – an approach that ensures equity-deserving groups have meaningful employment opportunities and are set up for success in their roles. As a result, equity-deserving groups continue to struggle with barriers to employment, such as language skills and perceived workplace fit.

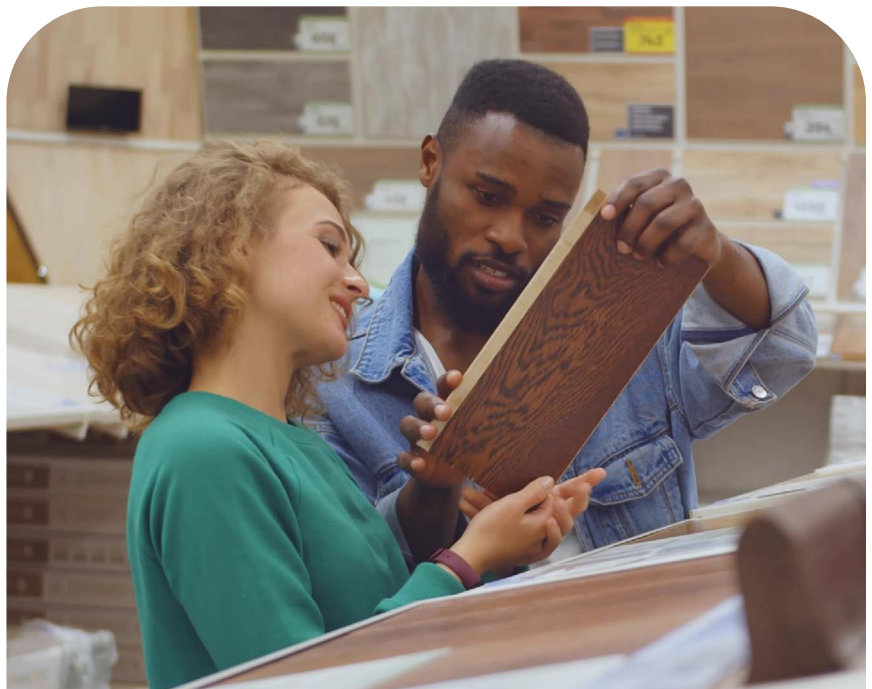
Illustrating the impact underinvestment has, research has shown that diverse employees are less likely to join a workplace that they perceive to be alienating. With employees seeking organizations that are aligned with

their values, a business' total value package (TVP) – the benefits it offers to its employees – is critical to attracting and retaining talent. Post-pandemic, three elements are emerging as essential to a competitive TVP: hybrid work, childcare, and mental health support. Since the pandemic, hybrid work has surged in popularity. Businesses that would prefer to see employees return to the office full-time are seeing increased resistance, with research from January 2022 suggesting that upwards of 85 per cent of employees would prefer to work virtually at least two to three days per week.

Childcare remains another essential benefit, especially amongst working parents. Many working parents have redesigned their lives to be more available to their children, considering childcare benefits a top priority as a result. Experts agree that offering generous parental leave and flexible work options will go further towards retaining top senior talent than other traditional workplace perks.

Mental health supports are another highly sought-after benefit. During the pandemic, many Canadians experienced negative mental health consequences. Today, over 500,000 Canadians miss work due to mental illness every week, resulting in a direct impact on talent retention. In one survey, upwards of 20 per cent of respondents said they voluntarily left their previous job for mental health reasons.

61% of workers now choose their jobs based on their beliefs and values.





OUR OPPORTUNITY

For businesses to attract and retain the talent they need to grow, embracing the rise of the values-driven employee is now a strategic imperative. Embracing this trend requires businesses recognize the benefits meaningful action on IDEA and comprehensive TVPs will bring.

In a competitive labour market, businesses must embrace IDEA as essential to their long-term success.

The Bank of Canada has found that organizations that offer equitable access to the labour market for equity-deserving groups can increase the size of their labour force in addition to their competitive advantage. Alberta is already a strong supporter of IDEA, with the province consistently ranked highly across the country nationally for charitable contributions, volunteering, and participating in community events. Furthermore, companies that utilize benefits as a strategic recruiting tool are reporting above-average employee retention and better overall company

performance. Research supports this, with a survey on job satisfaction showing that 92 per cent of employees see benefits as important to their overall job satisfaction.

During our policy council session, we heard that while many Calgary organizations are embracing these trends, there are still opportunities to improve. Participants stressed the importance of Calgary organizations demonstrating leadership in IDEA and TVPs, believing that by doing so we can become synonymous amongst talent for our progressive and inclusive work culture.

80% of employees see inclusion, diversity, equity, and accessibility as important when choosing an employer, with 39% indicating they would leave their current position to work for a more inclusive employer.



Recommendation 1

Address ongoing challenges to the delivery and accessibility of affordable childcare

Affordable, accessible, and high-quality childcare is critical to parents being able to rejoin the workforce, thereby facilitating high labour force participation. The Canada – Alberta Canada-Wide Early Learning and Child Care Agreement is a landmark step forward, however the changing economic landscape including record inflation and labour shortage, as well as the ongoing lack of clarity presents significant hurdles for many operators. As Alberta works to attract and retain talent – and young workers in particular – we must ensure competitiveness between other jurisdictions.

MUNICIPAL

Within the City's Greater Downtown Plan, prioritize the creation of additional childcare spaces, collaborating with all orders of government to ensure existing and new spaces remain affordable.

PROVINCIAL

Build upon the recently announced enrolment capacity expansion to include financial benefits for educators seeking to obtain ECE Level 2 and 3, and include employer-paid vacation time paid out per paycheque.

PROVINCIAL

Amalgamate Early Childhood Educator Recovery and Retention Grant Agreements to require one agreement per organization, rather than per site, reducing the administrative and reporting burden for organizations with multiple facilities.

PROVINCIAL

Allow new and existing private childcare providers access to the Space Creation Grant to meet waitlist and accessibility demands.

PROVINCIAL / FEDERAL

Allow for operational expenses to be included in cost control framework or as top-ups for operators, allowing organizations to absorb new auditing and reporting requirements.

PROVINCIAL

Index wage top-ups to inflation, and increase top-ups a minimum of \$2 per hour at each level, for each Early Childhood Educator (ECE) certification level to attract and retain necessary talent.

PROVINCIAL

Increase funding to the program, returning childcare funding to pre-agreement levels. Provide grant funding for infrastructure improvements, acknowledging the slim margins and increased costs providers are facing.

PROVINCIAL

Create a pathway for internationally trained educators to receive foreign credential recognition to ensure newcomers are eligible for wage top-ups, and not financially disadvantaged due to a burdensome credential recognition process.

PROVINCIAL / FEDERAL

Urgently develop the cost control framework based on feedback from operators. This is currently holding up the For-Profit Expansion Plan, preventing private operators from expanding operations to meet rising demand.

PROVINCIAL / FEDERAL

In light of record-high inflation, amend the 3 per cent cap on fee increases mandated by the federal-provincial agreement to 3 per cent plus inflation, reindexed annually.



Recommendation 2

Leverage opportunities to incentivize and promote IDEA within Alberta's workforce

Equity-deserving groups continue to face systemic barriers to labour force participation. With recent events further highlighting the requirement for governments to address systemic injustices, racism, and oppression faced by Black, Indigenous, and other marginalized groups, Alberta has an opportunity to step up and become a leader in workforce inclusion and equality. Each initiative must also acknowledge that there is no one-size-fits-all solution. Initiatives must be developed that support distinct workforce demographics in ways that problem solve for them.

MUNICIPAL

Showcase leadership through the continued implementation of the City's Gender Equity, Diversity, and Inclusion Strategy.

PROVINCIAL

Prioritize the creation of provincial accessibility standards through an Alberta Accessibility Act, leveraging lessons learned from similar acts in other provinces.

PROVINCIAL

Work with employers to ensure Alberta's aging workforce (55+) has access to the tools and resources they require to continue participating in the labour force.

PROVINCIAL

Develop a province-wide strategy to promote, advance, and implement IDEA initiatives across Alberta businesses, including funding support for small businesses to access IDEA resources.

PROVINCIAL

Create an Alberta's Inclusive Business Award for organizations that exemplify leadership in IDEA.

FEDERAL

Revive and permanently implement the Equity, Diversity, and Inclusion Institutional Capacity-Building Grant, expanding eligibility to include organizations providing micro-credentials and reskilling and upskilling programs, to foster IDEA within Canada's educational ecosystem.

Recommendation 3

Position Alberta businesses as benefits leaders

With the right support from government, Alberta businesses can position themselves as leaders in offering comprehensive employee benefits.

MUNICIPAL

Collaborate with businesses to offer transit passes or parking in designated city lots as low-cost employee benefits.

PROVINCIAL

Create a tax incentive for businesses that offer student loan repayment as an employee benefit.

FEDERAL

Prioritize affordable access to mental healthcare through the implementation of federal transfers to the provinces that support capacity building and service delivery.

PROVINCIAL

Provide Albertans with a yearly health-spending account to subsidize costs not covered by employers and promote preventative healthcare.

PROVINCIAL / FEDERAL

Work with businesses to offer flex days which allow employees to celebrate religious holidays and days of cultural importance.





Better Together.

The Calgary Chamber exists to help businesses thrive. As the conveyor and catalyst for a vibrant, inclusive, and prosperous business community, the Chamber works to build strength and resilience among its members and position Calgary as a magnet for talent, diversification, and opportunity. As an independent, non-profit, non-partisan organization founded and funded by our members, we build on our 131-year history to serve and advocate for businesses of all sizes, in all sectors, across the city.



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