

# CANADIAN OFFICE WORKERS: TRENDING BACK TO THE OFFICE

SEPT 2023

*Canadian office workers have been quietly returning to the office, with an increase in days anticipated in the fall of 2023.*

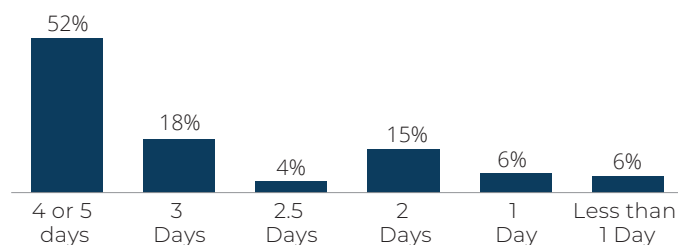
Headlines about office workers not returning to the office continue to frequent the mainstream and real estate media. Often, these have been based on the experience of only a few individuals or organizations.

GWLRA Research wanted data on the actual office attendance patterns of Canadian office workers. To obtain this, we commissioned Abacus Consulting to survey a representative sample of 1500 office workers in the six largest metropolitan areas of Toronto, Montreal, Vancouver, Calgary, Edmonton and Ottawa. This occurred in July 2023.

The results suggest that 70% of Canadian office workers are working from the office 3 days or more per week, with over half being in 4 or 5 days. Moreover, of those not in 4 or 5 days, 40% anticipate being required to increase their attendance in the Fall of 2023.

**Figure 1: Approximately how often do you work from the office in a typical week?**

Data: Abacus-GWLRA poll of office workers, July 2023.

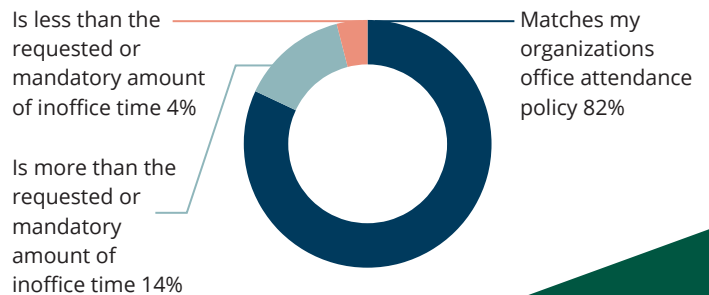


This is important when considering office demand. This gradual return to 3-5 days per week in the office suggests organizations will need to accommodate most, if not all, of their workforce on the same day at least once per week. This limits how much the office footprint can be reduced even if changing to a more flexible, open-plan model.

Also noteworthy, 96% of survey respondents said they were meeting or exceeding their organization's return-to-office requirement. While some news headlines have suggested that many workers are not complying with requirements, these survey results reveal that Canadian office workers are doing what is asked.

**Figure 2: How does your typical time working from the office each week compare to your organization's stated policy?**

Data: Abacus-GWLRA poll of office workers, July 2023.



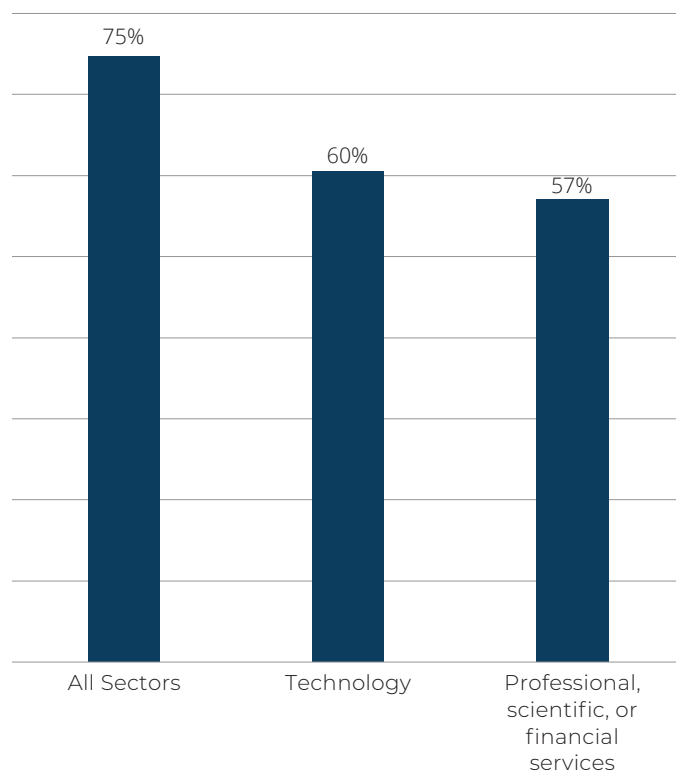
## Technology and professional services as well as banking have seen a modestly lower rate of return-to-office than other sectors

Our commissioned survey also segmented respondents by industry type and found some differences across industries. Overall, respondents in technology, professional services and financial services sectors had lower (albeit only modestly) reported days in the office on a weekly basis – 60% and 57% in 3 or more days respectively versus the overall average of 75%. This is in contrast to the broader cross-section of office-occupying industries that are represented in this survey including commodities and natural resources, education, and public administration. Those industries overall reported higher days in the office (85% on average).

This said, the slightly lower amount of days in the office reported by technology, professional services, and financial industry employees is expected to change. For technology employees, nearly 50% of those not already in four or five days per week anticipate being asked to increase their attendance in the Fall of 2023. A recent review of announcements from the technology industry in particular, but others as well, supports this narrative as increasingly employers are announcing firm policies regarding office attendance at 3 or more days.<sup>1</sup>

**Figure 3. Office workers in 3+ days per week, sectors compared**

Data: Abacus-GWLRRA Poll of office workers; July 2023



## Looking ahead: More return to office of existing employees not expected to have a near-term impact on vacancy rates

Looking at Canada's office markets more holistically and not focusing only on the companies in the media, suggests that there has been more return to office than one might assume. Furthermore, in the Fall of 2023, office workers expect to spend more time in the office, with technology firms most likely to increase the number of days working in person. This trend back to the office is happening against a backdrop of an economic slow down and less hiring. For these and other reasons, we do not expect an immediate impact on vacancy rates. Canada's largest office markets grew by over 10 million square feet of supply since 2019. Meanwhile office demand has ranged from flat to a slight contraction depending on the market. Over time, economic and employment growth is expected to fill the vacant office space, as it has in prior cycles.

<sup>1</sup> Chip Cutter, "Zoom, Other Remote-Work Champions Call Employees Back to the Office." Wall Street Journal 8 August 2023. Ginger Adams Otis, "Meta Requires Office Workers to Return to Desks Three Days a Week." Wall Street Journal 1 June 2023. Grace Dean, "Goldman Sachs is pressuring workers to return to the office 5 days a week. Here's how its tough RTO stance compares with Meta, Zoom and others." Business Insider 23 August 2023.

### *Research Team*

#### **WENDY WATERS**

Vice President,  
Research Services and Strategy

#### **ANTHIO YUEN**

Senior Director,  
Research Services and Strategy

#### **VAISHALI**

Senior Analyst,  
Research Services and Strategy

This report is for general information purposes only and is not intended to provide any personalized financial, investment, real estate, legal, accounting, tax, medical or other professional advice. While the information contained in this report is believed to be reliable and accurate at the time of posting, GWL Realty Advisors Inc. and its affiliates ("GWLRA") does not guarantee, represent or warrant that the information contained on this website is accurate, complete, reliable, verified, error-free or fit for any purpose. No endorsement or approval of any third party or their statements, opinions, information, products, or services is expressed or implied by the contents of this report.

GWLRA expressly disclaims all representations, warranties or conditions, express or implied, statutory or otherwise, including, without limitation, the warranties and conditions of merchantable quality and fitness for a particular purpose, non-infringement, compatibility, timeliness, security or accuracy. The user assumes full responsibility for risk of loss of any nature whatsoever resulting from the use of this report. For more information concerning the terms and conditions of use of this report, please refer to our website at <https://www.gwlrealtyadvisors.com/general-disclaimer>.