Interpreting an unfolding future

Is teleworking as common after the pandemic as we expected? And what does it mean for policy?

Matthias Sweet | School of Urban and Regional Planning, Toronto Metropolitan University | matthiassweet@torontomu.ca
Darren M. Scott | Department of Earth, Environment and Society, McMaster University | scottdm@mcmaster.ca

Background

While many studies lead to expectations of significant post-pandemic telework, has this become the reality?

Research Design

This study explores how recent and "ideal" teleworking has changed before, during, and after the pandemic

1. This study uses two waves (2021 and 2023) of the Future Mobility in Canada Survey (FMCS) to study six major urban regions.
2. This study updates expectations of future teleworking using fall 2023 data to reflect on the changing policy implications of teleworking propensities
3. This study uses descriptive statistics to explore changes in teleworking.
4. This study uses ordered logit models to estimate among what groups (using interaction terms) teleworking has grown/shrunk over time.

Inferential Study Findings

Based on ordered logistic regression models, the return to work between 2021 and 2023 was highly unequal among demographic groups. In particular:

While older individuals (>35) were more likely to telework in the base scenario, the return to work between 2021 and 2023 was dominate by decreasing teleworking among the young (<36) and those aged 36-55.

Most return to work was among sectors already most likely to engage in telworking (office, professional, managerial, etc.) in 2021.

Larger households were slower to return to the workplace ('21-'23).

High-income households were fastest to return to the workplace ('21-'23).

While those with transit passes were more likely to telework in 2021, this effect was not significant by 2023 – indicating a return to work.

Zero-vehicle households were more likely to telework in 2021, continued at high rates, and aspired towards even higher "ideal" teleworking rates.

While CBD-proximate workplaces were associated with more teleworking in 2021, this effect essentially disappeared by 2023.

All else being equal, high-density workplaces was associated with more teleworking in 2021, but this effect essentially disappeared by 2023.

Montreal and Vancouver were slowest to return to work (albeit from respectively higher/lower levels of teleworking) between 2021 and 2023.

Workers residing 35 or more kilometers from their work were more likely to telework but this effect attenuated between 2021 and 2023.

Acknowledgements

This project was funded by Social Sciences and Humanities Research Council of Canada (Grant Number IG 435-2019-1021)

Overall Study Findings

Teleworking Change (2021-2023)

- Teleworking decreased from 1.8 to 1.3 days per week among full-time employees.
- "ideal" teleworking decreased from 1.7 to 1.4 days per week among full-time employees

Teleworking and Demographics

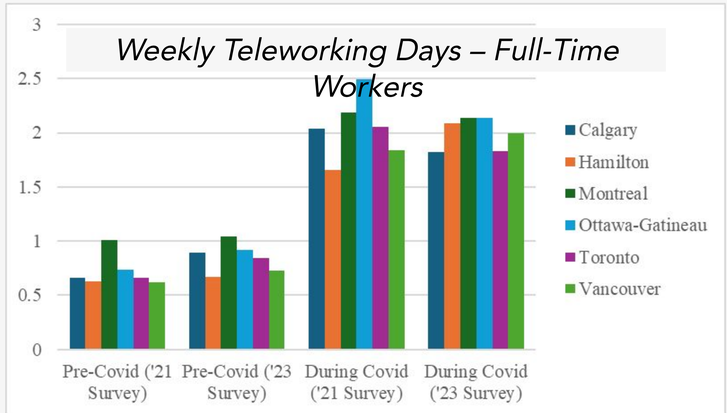
- Most of the return to work between 2021 and 2023 was among younger age groups (<56) and particularly those under 36.

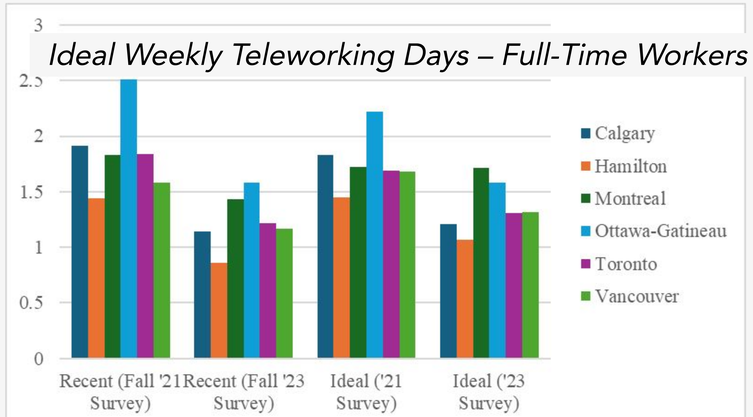
Teleworking and Mobility Tools

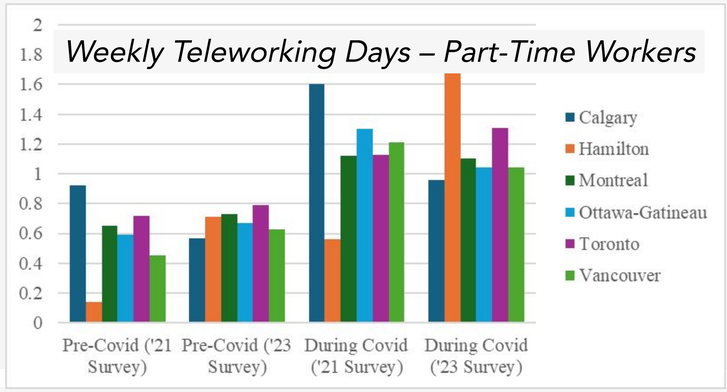
- Zero-vehicle households continue to telework more than other groups.
- While transit pass holdings were strongly associated with more teleworking in 2021, this effect disappeared by 2023.

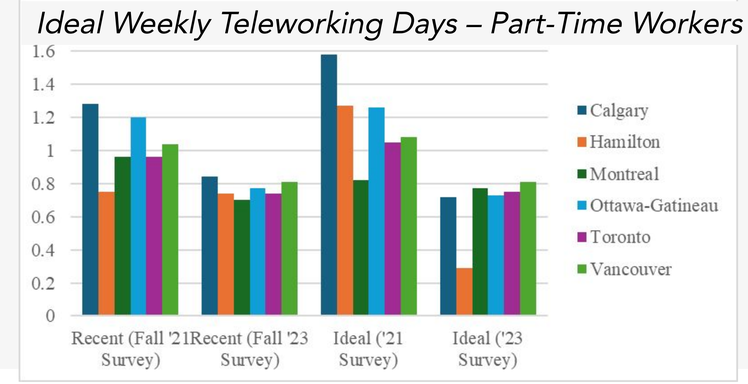
Teleworking and Spatial Structure

- While urban and downtown workplaces had more teleworking in 2021, this effect disappeared by 2023.
- Different Census Metropolitan Areas returned to work at different rates.









Conclusions

There are three main conclusions in this study:

(1)The future of telework

Hybrid work has unambiguously become a norm for a significant share of employees.

Teleworking has decreased significantly from its peak.

There is significant latent demand and potential for evolution in teleworking based on disconnects between observed and "ideal" teleworking rates.

(2) Teleworking and Downtowns

Changes in teleworking between 2021 and 2023 generally represent good news for cities: while it had been concentrated in downtowns in 2021, it is more dispersed by 2023.

This represents good news for urban real estate markets and agglomeration economies.

(3) Is teleworking a merit good or an economic good?

Findings in how workers have returned to the office (particularly younger generations) suggest there needs to be thought on how inter-generational knowledge is transferred.

Income-variant returns to the office suggest significant class-based differences in teleworking which raise questions about whether it is a right for workers or whether it is a decision made based on economic rationales.

View this Poster Online: