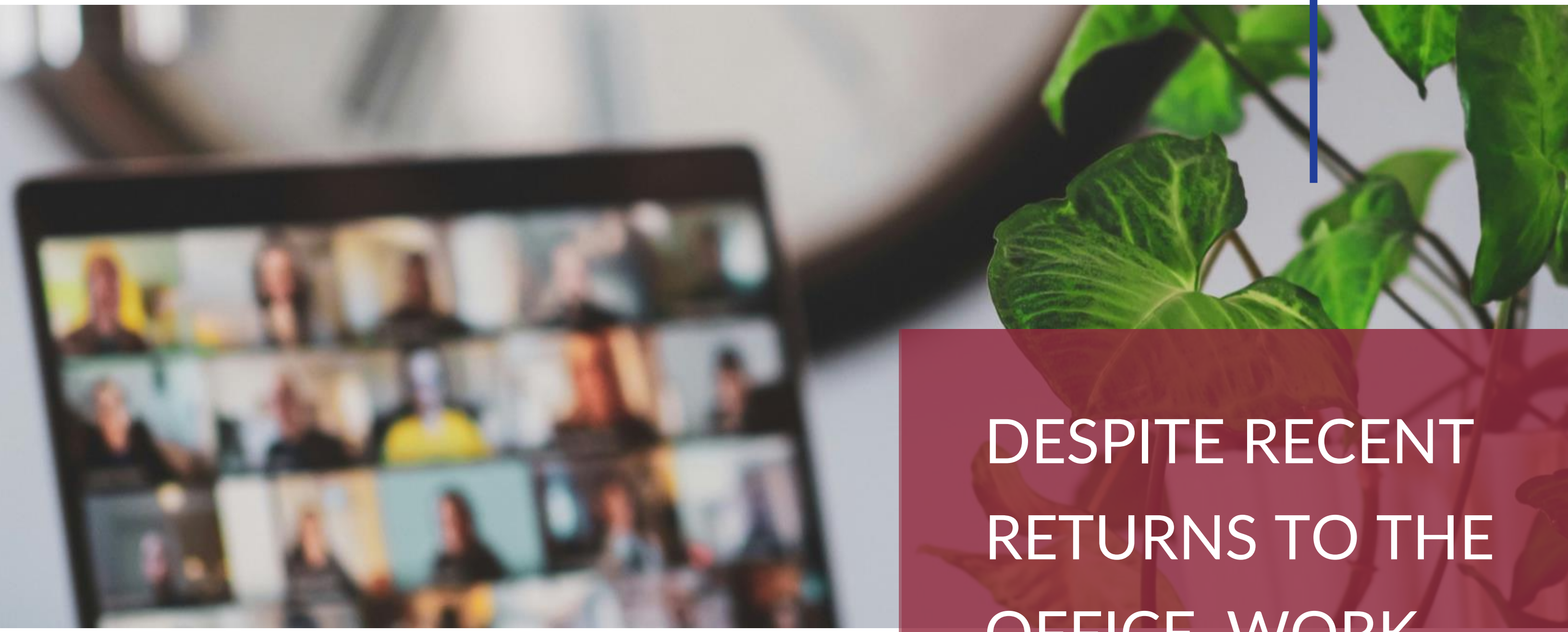
CIRANO
Knowledge into action



DESPITE RECENT RETURNS TO THE OFFICE, WORK FROM HOME IN CANADA IS STILL ALIVE AND WELL

RENÉ MORISSETTE

PR
2026PR-11
FOR REFLECTION

CIRANO
Knowledge into action

ISSN 2563-7266 (version en ligne)

Despite recent returns to the office, work from home in Canada is still alive and well

René Morissette*

Abstract

As a result of recent returns to office implemented by some Canadian businesses and governments, the percentage of Canadians working from home is now lower than it was during some post-COVID-19 pandemic years such as 2022. While this comparison provides useful information on the degree to which work telework has become less frequent since post-pandemic years, it does not address an important issue: the degree to which rates of telework have increased from 2016 to 2026, two years that are far apart from the onset of the COVID-19 pandemic and that are unaffected by the short-term restrictions implemented during this pandemic. Using data from the Census of the Population of 2016 and the May 2020 to May 2026 supplements of the Labour Force Survey, we show that the percentage of Canadians working most of their hours from home more than doubled over the last decade, increasing from 7.1% in May 2016 to 17.0% in May 2026. Since restrictions related to the COVID-19 pandemic no longer apply in 2026, these results suggest that in some sectors, some firms are still experimenting with some forms of work from home—hybrid or not—or view these as desirable along some dimensions such as employee retention, profitability and productivity. Since the impact of work from home on firm performance is currently unknown in Canada, this message is worth keeping in mind as an important stylized fact for future research.

Résumé

En raison des récents retours au bureau mis en place par certaines entreprises et certains gouvernements canadiens, le pourcentage de Canadiens travaillant à domicile est désormais plus faible qu'il ne l'était au cours de certaines années postpandémiques, comme 2022. Si cette comparaison fournit des renseignements utiles sur la mesure dans laquelle le télétravail est devenu moins fréquent depuis les années postpandémiques, elle ne répond pas à une question importante : dans quelle mesure les taux de télétravail ont-ils augmenté entre 2016 et 2026, deux années suffisamment éloignées du déclenchement de la pandémie de COVID-19 pour ne pas être touchées par les restrictions de courte durée imposées durant cette période. À partir des données du recensement de la population de 2016 et des suppléments de l'Enquête sur la population active de mai 2020 à mai 2026, nous montrons que le pourcentage de Canadiens effectuant la plupart de leurs heures de travail à domicile a plus que doublé au cours de la dernière décennie, passant de 7,1 % en mai 2016 à 17,0 % en mai 2026. Comme les restrictions liées à la pandémie

* Professeur associé, Université du Québec en Outaouais et Chercheur CIRANO

de COVID-19 ne s'appliquent plus en 2026, ces résultats donnent à penser que, dans certains secteurs, des entreprises continuent d'expérimenter certaines formes de travail à domicile — hybride ou non — ou jugent celles-ci souhaitables sous certains aspects, comme la rétention du personnel, la rentabilité et la productivité. Comme l'impact du travail à domicile sur la performance des entreprises demeure actuellement inconnu au Canada, il convient de retenir ce message comme un fait stylisé important pour les recherches futures.

Keywords/Mots-clés: Telework, work from home, hybrid work, labour market, productivity / Télétravail, travail à domicile, travail hybride, marché du travail, productivité

To quote this document

Morissette, R. (2026). Despite recent returns to the office, work from home in Canada is still alive and well (2026PR-11, For reflection, CIRANO.) https://doi.org/10.54932/NTSB1360

Note of appreciation: The author wishes to thank Vincent Hardy, Tahsin Mehdi, Josip Lesica and Anne-Marie Rollin, from Statistics Canada, for providing some of the data used this study. The usual disclaimer applies.

Introduction

The COVID-19 pandemic has triggered an unprecedented change in work arrangements, forcing thousands of Canadians to work from home in March 2020 and afterwards. Six years after the onset of this pandemic, several questions are worth answering. How many Canadians still work from home? Has the proportion of workers working from home increased over the last decade? Have changes in work arrangements been more salient in some sectors than in others? Answers to these questions are important because they help refine our understanding of the Canadian labour market and inform policy discussions on key issues such as work-life balance, public transit and workers' set of options.

With the partial or complete returns to office policies implemented by some businesses and governments, the percentage of Canadians working from home is now lower than it was during some post-pandemic years. While this comparison provides useful information on the degree to which telework has become less frequent since post-pandemic years, it does not address an important issue: the degree to which rates of telework have increased from 2016 to 2026. These two years are far apart from the onset of the COVID-19 pandemic, are unaffected by the short-term restrictions implemented during this pandemic and therefore, provide a more informative comparison of the longer-term evolution of work from home in Canada than the initial comparison outlined above.

The goal of this study is to provide this alternative, longer-term comparison.

Using data from the Census of the Population of 2016 and the May 2020 to May 2026 supplements of the Labour Force Survey (LFS), we document the evolution of telework in Canada over the last decade. To do so, we assess how the percentage of Canadians working *most of their hours* from home evolved during that period.[1] We focus on this metric because alternative measures of telework such as the percentage of Canadians working exclusively from home or working in a hybrid mode are not available in the Census of Population of 2016 and 2021 and therefore, cannot be used over the 2016-to-2026 period.

Our main finding is that even though rates of telework fell in recent years, they increased substantially over the last decade. In two important sectors of the economy—a) finance, insurance, real estate, rental and leasing; b) professional, scientific and technical services—between 40% and 50% of workers worked most of their hours from home in May 2026, more than twice the rates observed in May 2016. Since restrictions related to the COVID-19 pandemic no longer apply in 2026, these results suggest that in some sectors, some firms are still experimenting with some forms of work from home—hybrid or not—or view these

[1] For simplicity, we use the terms telework and work from home interchangeably throughout the study.

as desirable along some dimensions such as employee retention, profitability and productivity.

Data, sample selection and measurement issues

We document the evolution of work from home over the last decade by combining two data sources: 1) the Census of Population of 2016; 2) the May Labour Force Survey (LFS) supplements covering the 2020-2026 period.

In both cases, the sample consists of workers—employees and self-employed individuals—aged 15 to 69 living outside the Territories and who worked at least 1 hour during the Census/LFS reference week. Full-time members of the Armed Forces are excluded. By combining Census and LFS data, we can compute the percentage of workers working *most of their hours* from home in May 2016 and in May 2020 to 2026. We focus on this metric because alternative measures of telework such as the percentage of Canadians working exclusively from home or working in a hybrid mode are available from LFS only from January 2022 onwards.

While the samples selected with Census and LFS data are fairly comparable, there is a subtle but important difference in the wording of the questions on work from home used in these two data sources.

The Census of Population of 2016 and 2021 focused on the **usual main work location**. It asked workers considered in this study the following question, which refers to the job held during the Census reference week:

Q1: "At what address did this person **usually** work **most of the time**?

1) Worked at home (including farms)
2) Worked outside Canada
3) No fixed workplace address
4) Worked at the address specified below"

In contrast, the LFS supplements of May 2020 and 2021 focused on the **main work location during the reference week**. It asked workers the following question:

Q2: **"Last week**, in which of these locations did you work the most hours? Would you say:

1) At a fixed location outside the home
2) Outside the home with no fixed location e.g. driving, making sales calls
3) At home

4) Absent from work"[2]
While both questions focus on the location where workers work "most of the time"/"most hours", the Census question adds the restriction that this location is the one where workers **usually** work most of the time. In contrast, the LFS question identifies the location where most hours were worked in a **specific week**, namely **last week**.

This distinction likely mattered during the COVID-19 pandemic, as the usual work arrangements of many Canadians were altered. When responding to the Census of Population in May 2021, some workers who usually worked most of the time on the business premises before the COVID-19 pandemic and who viewed their May 2021 telework arrangements as *temporary or unusual* may have answered that the location where they "**usually** work **most of the time**" was the business premises, i.e. option 4 as identified by "the address specified below". They may have selected option 4 even though they worked most of their hours at home during the Census reference week because of various restrictions related to COVID-19.[3] Under this scenario, the rates of telework obtained with LFS should be higher than those obtained from Census in May 2021. As Table 1 shows, this pattern is observed in the aggregate and in most industries.

This scenario is more plausible for high tenure employees, who worked on the business premises with the current employer during *several years* before the onset of the COVID-19 pandemic, than for their counterparts with lower tenure. Hence, a second testable implication of this scenario is that the difference in rates of telework between LFS and Census data should be, in May 2021, generally more pronounced in industries where average job tenure is relatively high.

Charts 1 and 2 support this second testable implication. Whether measured in absolute terms (Chart 1) or in relative terms (Chart 2), LFS-Census differences in rates of telework in May 2021 are generally larger in industries with higher average job tenure. Cross-industry differences in average job tenure account for between 28% (Chart 2) and 52% (Chart 1) of the variation in LFS-Census differences across industries.

---

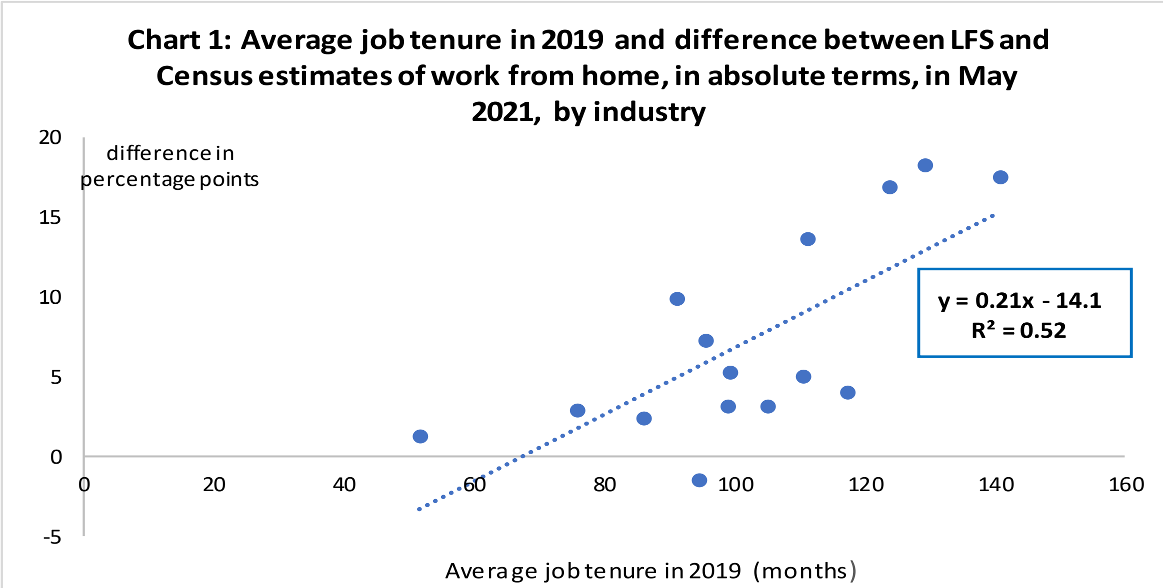
[2] From May 2022 to May 2026, LFS asked workers the following question:
"**Last week**, what proportion of your work hours did you work **at home** as part of your **main** job or business? 1. All hours at home 2. More than half, but not all hours at home 3. One quarter to half hours at home 4. Less than a quarter of hours at home 5. No hours at home." Summing options 1 and 2 allows one to compute the percentage of workers working most of their hours at home. See Morissette, Hardy and Zolkiewski (2023) for more details.

[3] For 2021, the Census reference week went from Sunday, May 2 to Saturday, May 8, 2021.

Table 1: Percentage of workers working most of their hours from home in May 2021, by industry, LFS and Census data

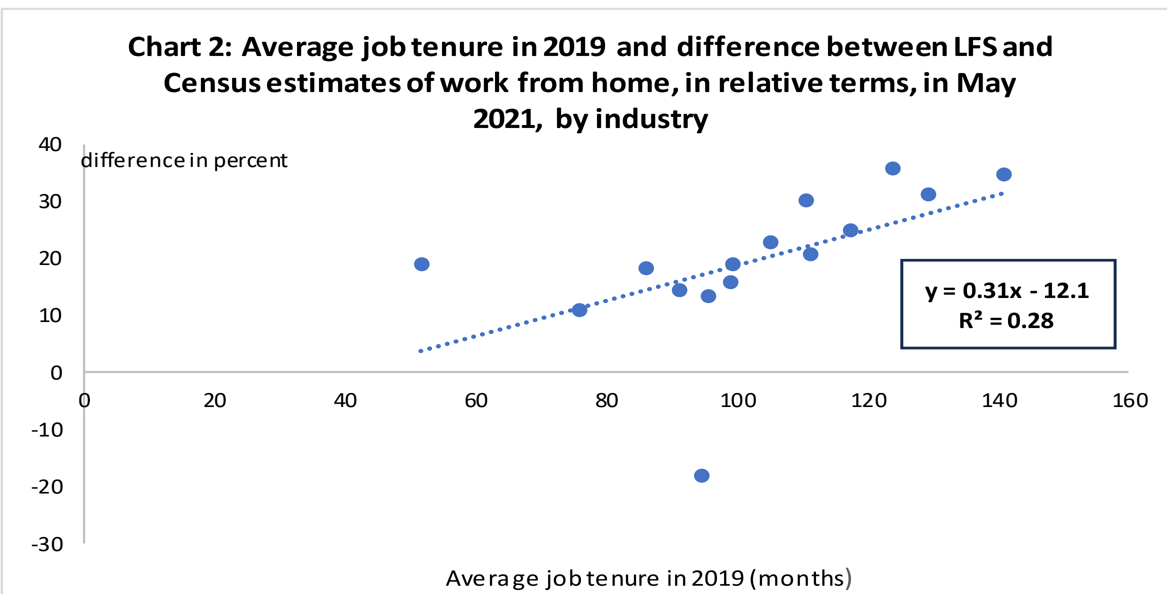
Dataset	LFS	Census		
Concept	Person worked most hours from home during a specific week	Person is usually working most of the time from home	Difference between LFS and Census in: absolute terms	relative terms
	percent		percentage points	percent
All industries	**30.6**	**24.2**	**6.4**	**20.7**
Agriculture	29.7	45.0	-15.3	-51.6
Forestry, fishing, mining, quarrying, oil and gas extraction	19.9	16.7	3.2	16.0
Utilities	50.0	32.6	17.4	34.9
Construction	8.0	9.5	-1.5	-18.2
Manufacturing	15.9	11.9	4.0	25.0
Wholesale trade	32.1	26.1	6.0	18.6
Retail trade	10.6	9.2	1.4	13.4
Transportation and warehousing	13.8	10.7	3.1	23.0
Information, culture, and recreation	53.6	46.4	7.2	13.6
Finance, insurance, real estate, rental and leasing	66.2	52.5	13.7	20.7
Professional, scientific and technical services	67.9	58.0	9.9	14.5
Business, building and other support services	25.9	23.1	2.8	10.9
Educational services	47.4	30.5	16.9	35.7
Health care and social assistance	16.8	11.8	5.0	30.1
Accommodation and food services	6.3	5.1	1.2	18.9
Other services (except public administration)	27.9	22.6	5.3	18.9
Public administration	58.4	40.2	18.2	31.2

Note: For both datasets, the sample consists of w orkers (employees and self-employed individuals) aged 15 to 69 living outside the Territories and w ho w orked at least 1 hour during the reference w eek. Full-time members of the Armed Forces are excluded.
Sources: Census of Population of 2021 and May 2021 Labour Force Survey supplement.



Note: Estimates of average job tenure come from the Labour Force Survey of 2019. The vertical axis reports the numbers shown in the third column of Table 1. Agriculture is excluded. Numbers for wholesale and retail trade are aggregated into one sector.

Sources: Table 1 and Statistics Canada. Table 14-10-0055-01 Job tenure by industry.



Note: Estimates of average job tenure come from the Labour Force Survey of 2019. The vertical axis reports the numbers shown in the 4th column of Table 1. Agriculture is excluded. Numbers for wholesale and retail trade are aggregated into one sector.

Sources: Table 1 and Statistics Canada. Table 14-10-0055-01 Job tenure by industry.

While differences in question wording likely mattered in May 2021, they were likely inconsequential in May 2016. The reason is that work arrangements were remarkably stable during the 2000s and 2010s.[4] As a result, most workers who usually worked most of the time on the business premises before May 2016 quite plausibly worked most of their hours on the business premises during the Census reference week of 2016. Likewise, most workers who usually worked most of the time from home before May 2016 likely worked most of their hours from home during the Census reference week of 2016. As a result, the 2016 rates of telework based on the concept of usually working most of the time from home would likely have been similar to the rates of telework obtained from the concept of working most hours from home during a specific week, had we measured the latter concept in a survey like LFS.

Since the LFS uses the concept of working most hours from home during a specific week, these considerations suggest that a comparison of rates of telework in May 2016 using Census data with rates of telework in May 2026 using LFS data likely amounts to assessing the evolution of the percentage of workers working most of their hours from home during a **specific week**. This is the interpretation we favour in this study.[5]

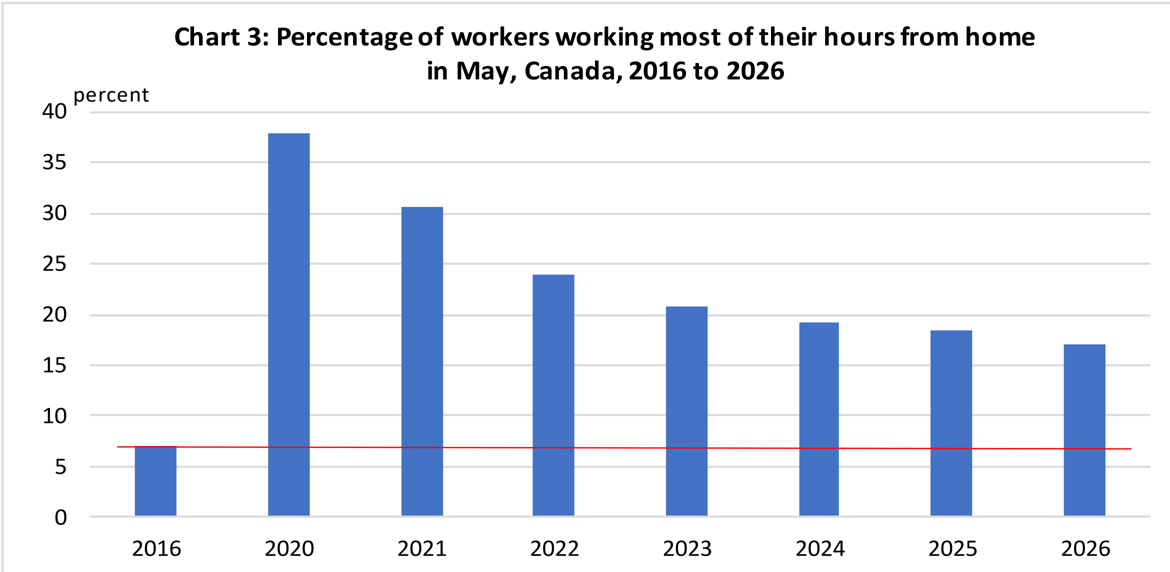
Rates of telework fell in recent years but … increased substantially over the last decade

In May 2026, 17.0% of Canadians—employees and self-employed individuals—worked most of their hours from home, down from 24.0% in May 2022 and 20.8% in May 2023 (Chart 3).

---

4 The Census of Population of 2001, 2006 and 2016 and the National Household Survey of 2011 indicate that the percentage of employees aged 15 to 69 usually working most of the time from home amounted to 3.3% in 2001, 3.4% in 2006, 3.3% in 2011 and 3.6% in 2016. The General Social Surveys of 2016 and 2018 yield similar estimates for 2016 (3.6%) and 2018 (4.0%).

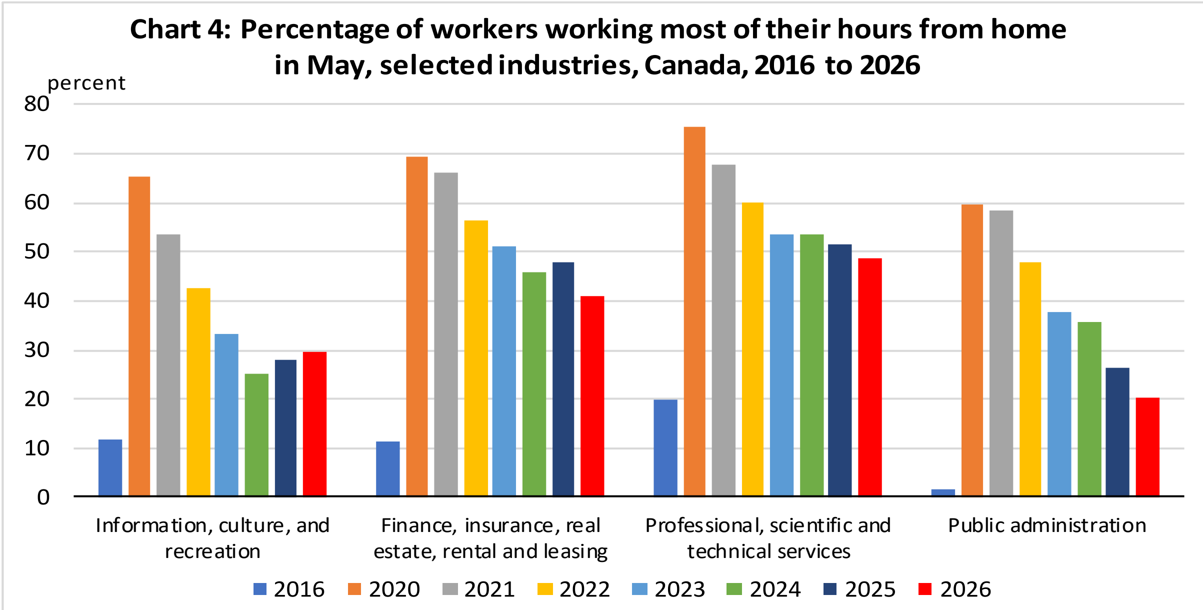
5 The Census of Population of 2026, whose data are not available yet, does not identify workers who work most of their hours from home because it asks the following question:
"**In a usual workweek**, at which of the following locations does this person work? Mark "x" all that apply. 1) Worked at home (including farms); 2) Worked outside Canada; 3) No fixed workplace location; 4) Worked at a fixed workplace location outside the home specified below."



Note: Employees and self-employed individuals aged 15 to 69 living outside the Territories and w orking at least 1 hour during the reference w eek. Full-time members of the Armed Forces are excluded. Data for 2016 are draw n from the Census of Population w hile data for subsequent years come from Labour Force Survey supplements.
Sources: Statistics Canada, Census of Population of 2016; Labour Force Survey Supplements of May 2020 to 2026.

A different story emerges when we adopt a longer-term perspective and focus on the last decade. In 2016, very few Canadians, worked most of their hours from home. The percentage of Canadians working most of their hours from home more than doubled from 2016 to 2026, increasing from 7.1% to 17.0% during that period.

Rates of telework followed different trajectories across sectors of the economy. Two important sectors of the economy saw the proportion of workers working most of their hours from home more than doubled during that period: finance, insurance, real estate, rental and leasing, and professional, scientific and technical services. This proportion stood at 40.9% and 48.5%, respectively, in May 2026 (Chart 4). Interestingly, May 2026 numbers show that a large proportion of workers in these two industries usually work *exclusively* from home: 25.2% in finance, insurance, real estate, rental and leasing and 36.4% in professional, scientific and technical services.



Note: Employees and self-employed individuals aged 15 to 69 living outside the Territories and w orking at least 1 hour during the reference w eek. Full-time members of the Armed Forces are excluded. Data for 2016 are draw n from the Census of Population w hile data for subsequent years come from Labour Force Survey supplements.
Sources: Statistics Canada, Census of Population of 2016; Labour Force Survey Supplements of May 2020 to 2026.

Partial or complete returns to office implemented by various governments have led rates of telework to fall by 18 percentage points in public administration from 2023 to 2026. In contrast, rates of telework fell by only 5 percentage points in professional, scientific and technical services, even though the 2023 rates were substantially higher in this sector (53.4%) than in public administration (37.9%). Likewise, rates of telework fell by only 4 percentage points in information, culture and recreation from 2023 to 2026. By May 2026, 29.4% of workers in this sector worked most of their hours from home, more than twice the rate of 11.6% observed in May 2016.[6]

Partly as a result of these different industry-specific trends and different industrial structures, work from home has evolved differently in different provinces. From 2016 to 2026, rates of telework have doubled in the four largest provinces (Quebec, Ontario, Alberta and British Columbia), in Newfoundland and Labrador, New Brunswick and Nova Scotia (Table 2) and increased in Prince Edward Island and Manitoba. The only exception is Saskatchewan, where rates of telework were no higher in May 2026 than in May 2016.

[6] Detailed information for all sectors is provided in the appendix (Table A1).

Table 2: Percentage of workers working most of their hours from home in May, by province, 2016 and 2026

Year	2016	2026
	percent	
All provinces	**7.1**	**17.0**
Newfoundland and Labrador	4.5	9.8
Prince Edward Island	6.6	11.7
Nova Scotia	6.4	13.6
New Brunswick	5.6	12.3
Quebec	6.6	16.4
Ontario	7.0	19.1
Manitoba	6.5	10.0
Saskatchewan	10.0	9.3
Alberta	7.4	14.9
British Columbia	8.2	19.2

Note: The sample consists of w orkers (employees and self-employed individuals) aged 15 to 69 living outside the Territories and w ho w orked at least 1 hour during the reference w eek. Full-time members of the Armed Forces are excluded. Numbers for 2016 are draw n from the Census of Population w hile numbers for 2026 are draw n from the May 2026 Labour Force Survey supplement.
Sources: Census of Population of 2016 and Labour Force Survey supplements of May 2026.

What does this mean?

One might think that the growth in work from home observed from 2016 to 2026 has been fueled mainly by *compositional effects*, i.e. changes in the composition of workers or firms towards groups (of workers or firms) that tend to use telework in relatively high proportions. We find little evidence to support this explanation.

We start by noting that the growth in work from home observed over the last decade was not driven by increases in the proportion of workers who are self-employed, a group who typically displays much higher rates of telework than employees.[7] The percentage of workers who are self-employed has either fallen or remained stable over the last decade. This is true in the aggregate and also in the following three sectors: finance, insurance, real estate, rental and leasing, professional, scientific and technical services, and information culture and recreation.[8]

Nor is this growth driven by a growing proportion of entrants—which might tend to adopt telework in relatively high proportions—among active businesses. Data on business entrants and business openings show no evidence that this proportion has trended upwards over the last decade in the business sector.[9]

Admittedly, COVID-19 restrictions such as those related to workplace closing, internal movement and stay-at-home requirements, which were implemented in various provinces during the pandemic, no longer apply. Along with the telework capacity of firms—the percentage of jobs in a firm that can be done from home—these restrictions contributed to the increase in work from home observed from 2016 to 2020, 2021 and 2022.[10] However, they are not relevant as an explanation of the growth in work from home observed from 2016 to 2026.

Another possibility is that part of the growth in work from home observed over the last decade actually took place before the onset of the COVID-19 pandemic. Data from the

---

[7] Using the Census of Population of 2016, Morissette, Deng and Messacar (2021) find that in their analytical sample, 34.1% of self-employed individuals and 3.8% of employees usually worked most of their hours from home.

[8] Statistics Canada. Table 14-10-0377-01 Employment by class of worker and industry, annual.
https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410037701

[9] Statistics Canada. Table 33-10-0270-01 Experimental estimates for business openings and closures for Canada, provinces and territories, census metropolitan areas, seasonally adjusted.
https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3310027001

[10] For data on these restrictions see: Statistics Canada. Table 33-10-0497-01 Monthly COVID-19 Restrictions Index.
https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3310049701

General Social Surveys of 2016 and 2018 do not support this contention. The percentage of employees usually working most of their hours from home barely changed between these two years: it stood at 3.6% in 2016 and 4.0% in 2018.

Lastly, one might argue that the growth in work from home observed over the last decade is **mainly** driven by an increase in rates of telework among self-employed individuals. Simple calculations do not support this contention. They indicate that the growth in rates of telework among self-employed workers increased work from home by only about 1 percentage point overall.[11]

Since it is not driven by compositional effects, COVID-19 restrictions, pre-pandemic increases or growth in telework among self-employed workers, the substantial increase in work from home observed from 2016 to 2026 in a number of sectors conveys an important message. It suggests that in some industries, some firms are still experimenting with some forms of telework—hybrid or not—or view these as desirable along some dimensions such as employee retention, profitability and productivity. Since the impact of work from home on firm performance is currently unknown in Canada, this message is worth keeping in mind as an important stylized fact for future research.

Concluding remarks

The increase in work from home triggered by the COVID-19 pandemic is one of the most remarkable developments the Canadian labour market has witnessed over the last few decades. While it is important to acknowledge that rates of telework have fallen after May 2020, it is equally important to adopt a longer-term perspective and highlight the fact that rates of telework are now significantly higher than they used to be one decade earlier, before the COVID-19 pandemic.[12] Both perspectives are complementary and crucial for a thorough understanding of how workers, businesses and governments have reacted to date to this major shock to the Canadian economy.

---

[11] Calculations from Census 2016 and LFS of May 2025 suggest that rates of telework among self-employed individuals increased from about 27% in 2016 to 35% in May 2025, an increase of 8 percentage points. Since between 13% and 15% of Canadians were self-employed during these 2 years, this 8 percentage-point increase raised the overall rate of telework by at most 1.2 percentage point (8 times 0.15) during that period.

[12] It is worth noting that the May 2026 telework numbers shown in this study will not be affected by the 4-day per week return to office of federal public servants implemented recently. The reason is that, prior to this change, most federal public servants were already working most of their hours (i.e. 3 days per week) in the office.

References

Morissette, R., Z. Deng, and D. Messacar. 2021. "Working from home: Potential implications for public transit and greenhouse gas emissions." *Economic and Social Reports* 1 (4). Statistics Canada Catalogue no. 36-28-0001.

Morissette, R., V. Hardy and V. Zolkiewski. 2023. "Working Most Hours from Home: New Estimates for January to April 2022". Analytical Studies Branch Research Paper No. 472. Statistics Canada Catalogue Catalogue No. 11F0019M.

Table A1: Percentage of workers working most of their hours from home in May, by industry, Canada, 2016 to 2026

Year	2016	2020	2021	2022	2023	2024	2025	2026
					percent			
All industries	**7.1**	**37.8**	**30.6**	**24.0**	**20.8**	**19.2**	**18.4**	**17.0**
Agriculture	48.2	40.1	29.7	38.7	37.5	29.4	32.7	29.4
Forestry, fishing, mining, quarrying, oil and gas	4.0	32.4	19.9	11.6	11.8	6.1	6.3	6.8
Utilities	1.6	53.0	50.0	26.1	18.9	21.4	16.8	16.5
Construction	5.4	13.3	8.0	6.7	6.4	6.7	6.4	5.2
Manufacturing	3.2	19.9	15.9	12.4	9.9	8.3	9.0	8.6
Wholesale trade	7.8	31.0	32.1	24.7	23.3	19.8	20.6	20.5
Retail trade	3.1	10.8	10.6	10.3	6.6	6.8	6.0	6.0
Transportation and warehousing	3.8	13.6	13.8	10.6	9.6	8.3	5.6	6.7
Information, culture, and recreation	11.6	65.2	53.6	42.4	33.4	25.2	28.0	29.4
Finance, insurance, real estate, rental and leasing	11.3	69.4	66.2	56.3	51.3	45.9	47.7	40.9
Professional, scientific and technical services	19.8	75.3	67.9	60.0	53.4	53.4	51.7	48.5
Business, building and other support services	7.9	39.1	25.9	21.5	20.2	16.6	16.4	15.4
Educational services	3.8	81.5	47.4	19.0	13.8	13.3	12.7	10.1
Health care and social assistance	5.2	22.2	16.8	14.2	13.1	12.0	12.0	10.5
Accommodation and food services	1.8	10.3	6.3	3.3	3.5	3.0	3.4	3.0
Other services (except public administration)	10.5	27.8	27.9	20.7	22.0	19.6	18.2	18.1
Public administration	1.6	59.6	58.4	48.1	37.9	35.7	26.4	20.3

Note: The sample consists of workers (employees and self-employed individuals) aged 15 to 69 living outside the Territories and who worked at least 1 hour during the reference week. Full-time members of the Armed Forces are excluded. Numbers for 2016 are drawn from the Census of Population while numbers for subsequent years are drawn from Labour Force Survey supplements.

Sources: Census of Population of 2016 and Labour Force Survey supplements of May 2020 to May 2026.