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Project Insights Report

Advancing Fair Chance Opportunities for Justice-Involved Individuals: A Strategic Intervention with Employers



PARTNERS

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☰ Executive Summary

Canada is experiencing persistent labour shortages, with the unemployment-to-job-vacancy ratio at historic lows across all provinces and growing staffing pressures in sectors such as healthcare, construction, food services, manufacturing, retail, and finance. At the same time, people with criminal records represent a large but underutilized labour pool, particularly Black and Indigenous individuals who face disproportionate exclusion due to systemic racism and longstanding stigma. This project examined how employers across six major Canadian industries assess and make hiring decisions about applicants with criminal records, and what factors shape barriers and opportunities for fair chance hiring.

Guided by two core research questions, the study used a mixed-method design combining a nationally representative survey of 600 hiring decision-makers with a randomized mock hiring experiment and 60 in-depth interviews. The research tested how industry norms, offence type, race, and employer education influence hiring attitudes and decisions.

Findings show that employers do not apply blanket exclusion to people with criminal records, but adjust their willingness to hire based on offence severity, job relevance, and sector context. However, racial disparities persist and intensify for certain offences, particularly assault and fraud. Black applicants are consistently selected at lower rates than White and Indigenous applicants across most industries.

Industry context matters: highly regulated sectors rely heavily on background checks, while other sectors have greater discretion that could support fair chance hiring. Providing additional offence context and delivering light-touch, digital educational interventions did not reliably reduce stigma. In some cases, it decreased the willingness to hire, highlighting a gap between employers' stated beliefs and actual decision-making.

Overall, the project shows that fair chance hiring cannot rely on one-size-fits-all solutions. Effective strategies must be industry-specific, culturally informed, and designed to address offence-specific stigma and racial bias. Strengthening evidence-based employer engagement and targeted policy approaches can help reduce unnecessary exclusion, support workforce inclusion, and contribute to a more resilient and equitable Canadian labour market.

KEY INSIGHTS

- 1** In a nationally representative study of 600 hiring decision-makers across six industries, employers' willingness to hire people with criminal records declined sharply once the record was disclosed, with the largest reductions for violent and fraud-related offences.
- 2** Hiring decisions for applicants with criminal records are shaped by industry norms, offence-specific stigma, and racialized perceptions of risk, rather than by uniform employer resistance.
- 3** Light-touch, survey-based educational interventions did not improve willingness to hire, indicating that industry-specific, immersive, and sustained engagement is necessary to change employer behaviour.

The Issue

Canada is facing a persistent and widening labour market shortage that is constraining growth across multiple industries. The unemployment-to-job-vacancy ratio has reached historic lows in every province, with employers reporting sustained difficulty filling positions in healthcare, construction trades, manufacturing, retail, food services, and finance. These pressures are intensified by shifting worker expectations, declining interest in certain occupations, and the anticipated departure of approximately 240,000 temporary foreign workers. Together, these dynamics threaten the capacity of key sectors to deliver essential services and sustain economic activity.

Despite these shortages, a substantial and often overlooked labour pool remains underutilized: people with criminal records. Nearly four million Canadians have a criminal record, many of whom are ready and willing to work and possess relevant skills, experience, and work ethic. However, stigma, inconsistent hiring practices, and unevenly applied regulatory requirements continue to limit their access to employment. Although legal protections exist to prevent discrimination based on criminal records, in practice, many employers exclude applicants with records at early stages of the hiring process, often without clear justification related to job requirements or risk.

These barriers are not experienced equally. Black and Indigenous people are disproportionately represented in Canada’s criminal justice system as a result of systemic racism and colonial legacies, with incarceration rates at least three times higher than the overall population. Race-based bias intersects with criminal record stigma to further restrict access to employment for these groups. This reinforces long-standing inequities in labour market participation and contributes to cycles of exclusion that undermine both individual economic security and broader workforce stability.

At the same time, employers face uncertainty about how to navigate criminal records in hiring decisions. Regulatory guidance varies across jurisdictions and industries. Organizational practices are often shaped by risk aversion, sector norms, and assumptions about customer safety, liability, or reputational harm rather than evidence. As a result, hiring decisions related to criminal records are frequently inconsistent, opaque, and influenced by offence-related stigma rather than job-relevant considerations.



What We Investigated

This project examined how Canadian employers across six key industries—healthcare, finance, construction trades, manufacturing, retail, and food services—understood, evaluated, and made hiring decisions about applicants with criminal records. The research focused on identifying structural, attitudinal, and industry-specific barriers to fair-chance hiring. Particular attention was paid to how offence type and race shaped employer perceptions and decision-making. A central aim was to better understand why justice-involved individuals, especially Black and Indigenous job seekers, continued to face exclusion despite growing labour shortages and increasing public support for inclusive hiring.

The study was guided by two core research questions:

1. What employment trends in specific industries may help explain the key barriers to fair-chance hiring?

2. How can we promote more inclusive hiring practices in general, and for Black and Indigenous applicants specifically? Can employer education help reduce biases, negative attitudes, and concerns about fair-chance hiring?

The project used a mixed-methods, longitudinal research design. It included a nationally representative survey of 600 hiring decision-makers, with equal representation (100 participants each) from the six target industries. Participants were involved in hiring, human resources, or managerial decision-making. At Time 1 (T1), respondents were assessed on their willingness to hire, attitudes toward people with criminal records, and responses to randomized mock hiring scenarios featuring applicants of different races and offence histories. The survey also included detailed offence disclosure evaluations to capture nuances in employer risk assessments.

An educational intervention was implemented at Time 2 (T2), approximately two weeks after the initial survey. Participants engaged with a digital, interactive educational module developed in collaboration with the Fair Chances Coalition. It was designed to provide evidence-based information about criminal records and fair-chance hiring. At Time 3 (T3), two weeks later, participants completed the original survey again to assess changes in attitudes and willingness to hire after exposure to the educational content. Quantitative data were analyzed using SPSS and AMOS to assess reliability, model fit, and changes over time.

To contextualize the quantitative findings, the project team also conducted 60 semi-structured interviews (10 per industry) with hiring managers and HR professionals. These interviews explored employer reasoning around risk, organizational norms, regulatory interpretation, and perceptions of “redeemability.” Qualitative data were analyzed using the Gioia Method to generate a rich, thematic understanding of employer mindsets.

This integrated approach was chosen to move beyond surface-level attitudes and generate robust, industry-specific evidence on how fair chance hiring decisions are formed and how they may be shifted.

✔ What We’re Learning

Employers’ willingness to hire changes substantially once a criminal record is disclosed, but these shifts are shaped by offence type rather than blanket exclusion

Through the survey and mock hiring experiment, employers adjusted their willingness to hire based on the perceived severity and job relevance of an offence. Violent offences prompted the greatest hesitation, while non-violent offences—such as substance-related charges—were evaluated more leniently. Fraud held an intermediate position, as it was often viewed to indicate dishonesty and risk. These findings show that employers engage in moral and risk-based reasoning rather than uniformly rejecting applicants with criminal records.

Racial disparities persist and intensify for certain offences, particularly violent crime

The mock hiring experiment showed that Black applicants were selected at lower rates than White and Indigenous applicants for most types of crimes. The largest gaps were for assault and fraud. Racial differences were minimal for substance-related offences, indicating that bias is offence-specific rather than uniform. Outcomes for Indigenous applicants varied by sector, with lower selection rates in manufacturing but comparatively higher levels in retail. These patterns show that race, offence type, and industry context interact to shape hiring outcomes, reinforcing systemic inequities for Black and Indigenous job seekers.

Industry context strongly influences both hiring practices and openness to fair chance employment

Healthcare and finance employers almost universally require criminal record checks due to regulatory and fiduciary obligations. In contrast, construction trades, retail, food services, and manufacturing apply checks more selectively, often based on role-specific responsibilities. This variability suggests that some sectors already exercise flexibility that could be leveraged to expand fair chance hiring, while others face structural constraints that require policy-level attention rather than employer discretion alone.

Providing additional offence context does not reliably reduce stigma and can sometimes worsen hiring outcomes

Contrary to expectations, providing detailed explanations of an offence reduced the willingness to hire for assault and substance-related convictions, and had no effect for fraud. This contrasted with interview findings, where employers consistently stated that understanding the circumstances—such as self-defence or outdated cannabis convictions—was important to fair decision-making. The disconnect between stated responses and actual behaviour suggests that contextual explanations alone are insufficient to counteract stigma in hiring decisions.

Light-touch educational interventions are insufficient to shift employer attitudes

The educational module did not increase employers' willingness to hire individuals with criminal records. In several sectors, participants who had the intervention were less likely to select candidates with criminal records, indicating a possible boomerang effect. Only food services showed positive changes, while manufacturing attitudes remained largely unchanged. These results suggest that brief, survey-based education lacks the salience needed to meaningfully change perceptions and that more immersive, industry-specific approaches are likely required.

Employers express broad support for reintegration, but this support is highly conditional

Through the 60 in-depth interviews, employers frequently endorsed the principle of second chances and reintegration. However, this support was consistently conditioned on offence severity, relevance to job duties, and perceived reliability. Employers emphasized job performance, attendance, and safety as primary considerations, often weighing criminal history alongside other perceived risks. This conditional openness indicates that fair chance hiring efforts must address practical employer concerns rather than relying solely on moral appeals.

Why It Matters

This project identifies concrete opportunities to address Canada’s persistent labour shortages while advancing equity for justice-involved individuals from communities that continue to face systemic barriers to employment. The findings show that people with criminal records, particularly Black and Indigenous individuals, remain an underutilized labour pool. Exclusion is not inevitable or uniform, but instead shaped by offence type, bias, and industry norms, creating points of intervention for policy and practice.

The research challenges common assumptions about employer resistance to fair chance hiring. Employers are not categorically opposed to hiring individuals with criminal records; rather, they rely on risk assessments informed by industry expectations, regulatory environments, and deeply embedded racialized perceptions of danger and trustworthiness.

This work has implications for employers, industry associations, and workforce development organizations. Generic awareness campaigns or one-size-fits-all policies are unlikely to shift behaviour. Instead, employers need sector-specific guidance that clarifies when criminal record checks are genuinely required, how offence relevance should be assessed, and how hiring decisions can be aligned with actual job risks rather than assumptions. For sectors experiencing acute labour shortages, such as construction trades, healthcare support roles, and food services, these insights highlight a practical pathway to stabilizing staffing while improving inclusion.

The findings also have implications on how labour market policies, funding structures, and regulatory frameworks are designed. Variation in background check practices across industries suggests that uncertainty and risk aversion, rather than clear legal requirements, often drive exclusionary hiring. Policymakers and regulators should consider providing clearer, more consistent guidance on criminal record use in employment, including the limits of record relevance and proportionality. Similarly, workforce and skills funding models could incentivize fair chance hiring by embedding inclusive hiring requirements, employer training, or supported placements into publicly funded workforce programs. These changes would help shift responsibility away from individual employers acting in isolation and toward system-level alignment.

► What’s Next



State of Skills: Quality of Work

As Canada navigates continuing labour shortages in critical areas of the economy, policymakers and employers are looking for more effective approaches to recruit and retain workers.

[Read Thematic Report](#)

The project's findings are relevant in the broader context of labour and skills shortages, immigration changes, and economic transition. Canada's anticipated loss of temporary foreign workers, combined with demographic change and declining interest in certain occupations, underscores the need to expand access to domestic labour pools. Excluding justice-involved individuals—many of whom are working age and eager to work—undermines labour market resilience. As industries adapt to economic restructuring, technological change, and the transition to a low-carbon economy, inclusive hiring practices will be essential to building a workforce that is both sufficient in size and diverse in experience.

This project shows that light-touch, survey-based educational interventions are insufficient to shift attitudes and may even produce unintended effects. Effective engagement requires approaches that are industry-specific, culturally informed, and designed to confront offence-specific stigma and racial bias explicitly. The disconnect between employers' stated belief that context matters and their actual hiring behaviour underscores the need for deeper, more experiential forms of employer engagement, such as facilitated dialogue, peer learning, or real-world exposure to fair chance hires.

Importantly, the project foregrounds justice-involved individuals, particularly Black and Indigenous people, as a population often overlooked in workplace inclusion efforts. By showing how race and criminal record stigma intersect differently across sectors, the findings reinforce the need for reconciliation- and equity-informed approaches that acknowledge systemic racism and its labour market consequences.

Overall, this research shows that strengthening fair chance hiring is both a matter of social justice and a pragmatic workforce strategy. Reducing unnecessary exclusion can help employers meet staffing needs, support economic participation, and improve long-term labour market stability.

Have questions about our work? Do you need access to a report in English or French? Please contact communications@fsc-ccf.ca.

How to Cite This Report

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