

EMPLOYER ONE 20

SURVEY OBSERVATIONS 18



BRUCE

GREY

HURON

PERTH

Acknowledgements

Four County Labour Market Planning Board (FCLMPB) is a community-directed, not-for-profit corporation assisting Bruce, Grey, Huron, and Perth counties in its approach to workforce development and labour market planning. Our mission is to plan and promote local labour market strategies to meet the challenges of a changing economy.

We wish to thank the following:

Memorandum of Understanding Partners:

- Bruce Federation of Agriculture
- Canadian Manufacturers and Exporters (CME)
- The Centres for Employment and Learning of the Avon Maitland District School Board
- Conestoga Career Centre
- Corporation of the County of Bruce
- Corporation of the County of Grey
- Corporation of the County of Perth
- Fanshawe College
- Georgian College of Applied Arts and Technology
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- Municipality of South Huron
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- Township of Perth East
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- YMCA of Owen Sound Grey Bruce

Business Owners and Managers that assisted by completing the survey

Staff of the Four County Labour Market Planning Board

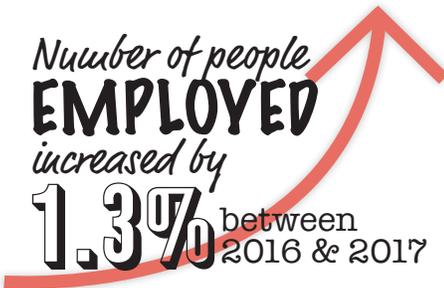
Table of Contents

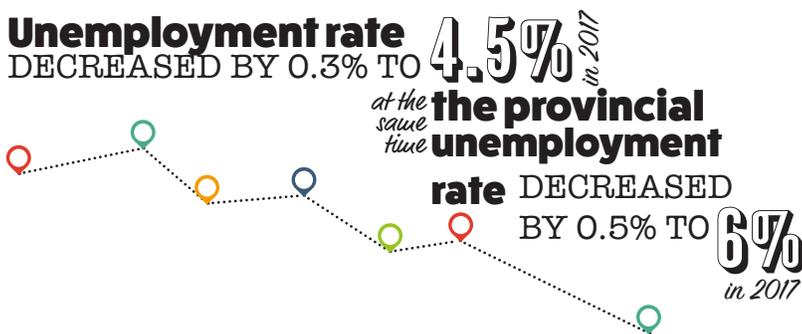
2	○	Highlight Observations
4	○	Background
4	○	Methodology
5	○	General Labour Market Conditions
6	○	Availability of Qualified Workers
8	○	Employment Dynamics in 2017
	○	Hiring and Separations
	○	Occupations in Demand
	○	Hiring Challenges
14	○	Anticipated Hires and Recruitment
	○	Anticipated Hires
	○	Method of Recruitment
	○	Geographic Area of Recruitment
	○	Employment Service Agency Use
15	○	Succession Planning
16	○	Business Investment in Training
18	○	Spotlight on the Tourism Economy
19	○	Comments from Employers
20	○	Community Engagement Strategies

Highlight Observations

According to Statistics Canada's Labour Force Survey, for the Stratford-Bruce Peninsula Economic Region (which includes Bruce, Grey, Huron, and Perth counties):

The local labour pool
GREW
BY  **3,300**
between 2016 & 2017

Number of people
EMPLOYED
increased by
1.3% between
2016 & 2017 



LABOUR FORCE **PARTICIPATION** *rate*
INCREASED BY **1.1%** *rate*
between 2016 & 2017 

Despite fewer survey responses overall compared to last year (555 vs. 633), there appeared to be more employee turnover – and expected hiring – at all levels. In this survey, significantly more employers reported that they had hired at least one person or experienced at least one separation in 2017, and/or plan to hire at least one employee in 2018.

In this year's survey, we also saw considerably more employers who reported:

Expanding their search area for
POTENTIAL WORKERS
to include other areas of the **PROVINCE**
rather than just *the local region*




requiring
IMMEDIATE ASSISTANCE
with workplace issues

feeling **DISSATISFIED**
with the availability of
qualified workers



Spending more than
1+ YEAR *trying to fill*
HARD-TO-FILL
positions



Using both
EMPLOYMENT & ONTARIO PAID RECRUITMENT AGENCIES *service providers*
to assist
in their search for workers

These observations, when paired with the relatively low unemployment and high participation rates in our region, suggest that employers in the four county area are becoming increasingly desperate in their search for workers. The demand for employees – across most occupational levels and industrial sectors – is outpacing the availability of potential workers in our local labour market.

453 Employers

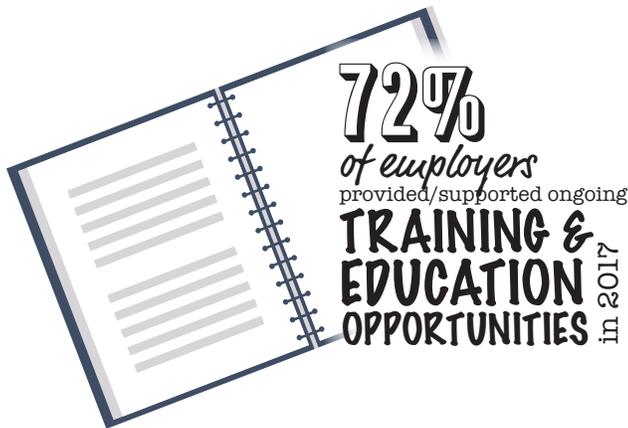
HIRED

7,750 EMPLOYEES
IN 2017



330
in 2017 employers had at least **1 HARD** to fill position

29% spent over **ONE YEAR** trying to fill these positions



TOP 3 REASONS

positions were hard-to-fill

- ⊗ Not enough applicants
- ⊗ Lack of qualifications (education level/credentials)
- ⊗ Lack of motivation, attitude, or interpersonal abilities

417 Employers anticipate **HIRING** in 2018 representing **5,507** new positions

Background

The EmployerOne Survey was conducted for the fourth time in January 2018 in the four county area, which includes the counties of Bruce, Grey, Huron, and Perth. In total, 640 businesses responded to the survey; 555 businesses completed all questions and 85 businesses completed some of the questions in the survey. Collectively, respondents represented 35,169 employees. These business respondents continue to provide valuable insights into changes in the local labour market.

The goal of this survey is to gather information about employers' successes and challenges in the workplace. Now in its fourth year, we are beginning to look at trends and anomalies in these data, providing us with a solid benchmark of local labour market information as we move forward. Information from EmployerOne is continually shared widely within our communities, assisting local organizations that require up-to-date data for funding applications, project proposals, strategic planning, and program implementations throughout the four county area. Where it is both possible and relevant, this report includes comparisons with data collected from past survey reports, in order to offer a picture of which elements of the labour market are remaining constant, and which appear to be changing over time.

Methodology

For the purposes of this report, only responses from the 555 completed surveys have been included.

For the purposes of this report, Perth County includes Stratford and St Marys.

For the purposes of this report, wholesale trade and retail trade have been combined.

Based on business counts for 2017 (including only businesses with one or more employees), completed survey responses represent 5.6% of all businesses in the four county area.

The aggregate results have a confidence level of 95% \pm 5; however, when separated by county, Huron County results did not achieve minimum numbers required to achieve this confidence level. As such, whenever data is separated by county, Huron is not included. Where applicable, this is noted as "insufficient data" later in the report.

General Labour Market Conditions

The general conditions of the local labour market set the stage for survey responses. According to Statistic Canada's Labour Force Survey, the labour force participation rate slightly increased from 62.1% to 63.2% between 2016 and 2017. The employment rate, the share of the labour force that is employed, increased from 59.1% in 2016 to 60.4% in 2017. At the same time, the unemployment rate in our region decreased by 0.3% to 4.5% in 2017. The provincial unemployment rate fell 0.5% to 6.0% in 2017.

The local labour pool grew by 3,300 between 2016 and 2017. During the same period, employment grew by 3,500 (+2.4%) in 2017, a faster growth observed compared to 2016 (+500, 0.3%). Full-time employment accounted for most of the annual increase in 2017, up 5,500 (+4.9%). This increase was offset by the loss of 2,000 part-time jobs.

The four county area continues to have a lower unemployment rate than the Ontario average, 4.5% compared to 6.0%, indicating that a priority in our local area must be continuing to find ways to grow the labour supply to meet the needs of employers.

Availability of Qualified Workers

When employers were asked how they rate the availability of qualified workers in the four county area:



When we look at a four year trend, more employers responded “fair” or “poor” in 2018 than in previous years.

	2015	2016	2017	2018
Excellent - Good	33%	33%	32%	23%
Fair - Poor	68%	68%	68%	77%

* Totals do not always equal 100% due to rounding

Availability of Qualified Workers by Industrial Sector

In each of our top five employment sectors, the percentage of employers who reported that the availability of qualified workers was fair or poor increased from 2017 results. This increase was, on average, 9% in each sector.



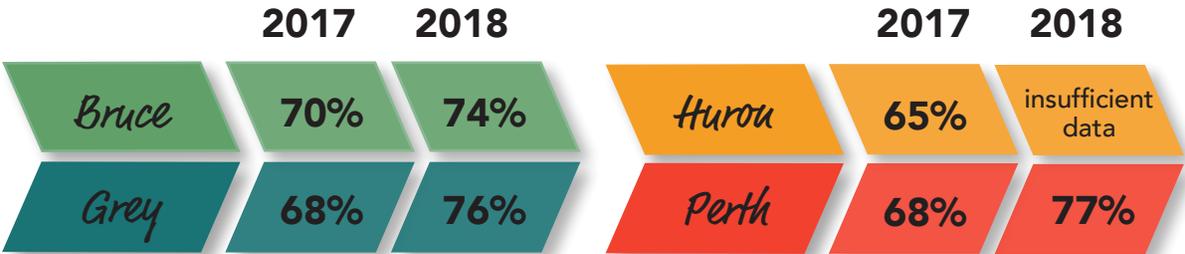
Across all sectors, the percentage of employers reporting that the availability of qualified workers was fair or poor ranged from 42% in Information and cultural industries to 97% in Construction.

Sector*	Excellent-Good	Fair-Poor
Agriculture, forestry, fishing and hunting	15%	85%
Construction	3%	97%
Manufacturing	16%	84%
Wholesale trade and retail trade	31%	69%
Transportation and warehousing	8%	92%
Information and cultural industries	58%	42%
Finance and insurance	22%	78%
Real estate and rental and leasing	23%	77%
Professional, scientific and technical services	21%	79%
Educational services	31%	69%
Healthcare and social assistance	41%	59%
Arts, entertainment and recreation	29%	71%
Accommodation and food services	14%	86%
Other services (except public administration)	24%	76%
Public administration	50%	50%

* Includes only sectors in which ten or more employers responded

Availability of Qualified Workers by County

The percentage of employers in each of our four counties who identified worker availability as fair or poor is as follows. In every county, the percentage of employers who reported that the availability of qualified workers was fair or poor increased from 2017 results. This increase was, on average, 7% in each county.



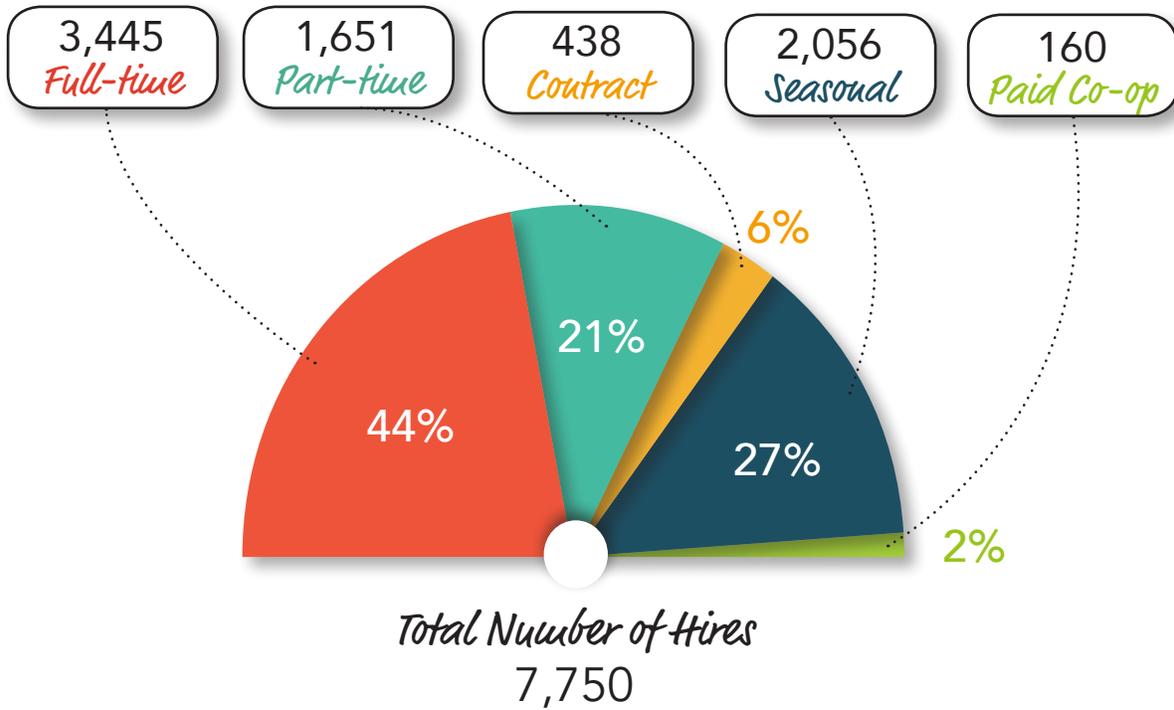
Employment Dynamics 2017

Hiring and Separations

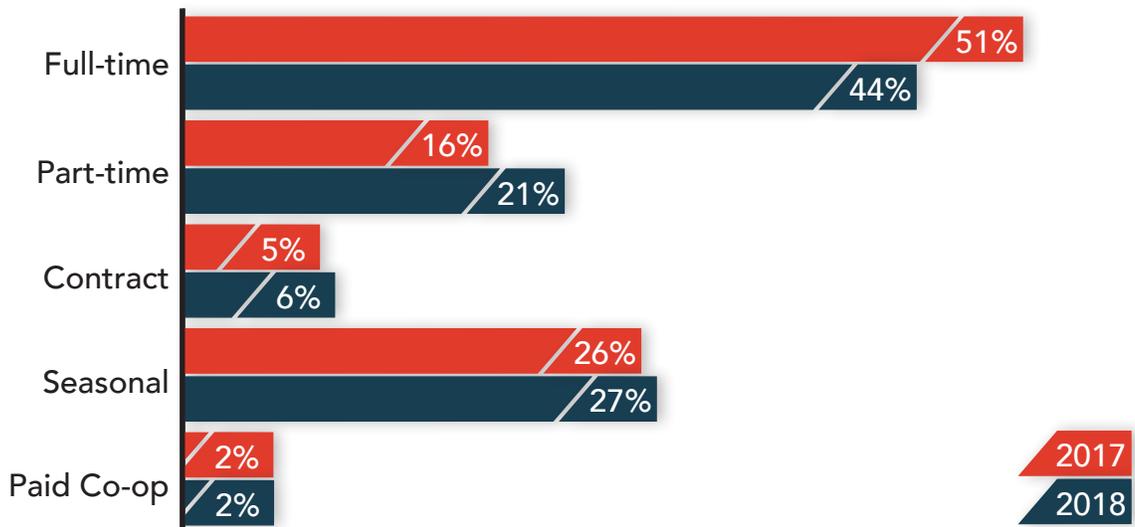
Eighty-two percent of surveyed employers hired at least one employee in 2017. This is higher than 73% of employers who reported the same based on 2016 activity.

Slightly over half of surveyed employers reported that at least one of their hires in 2017 was a recent (within 2-years) post-secondary graduate.

Based on this year's survey, the hires by tenure included:

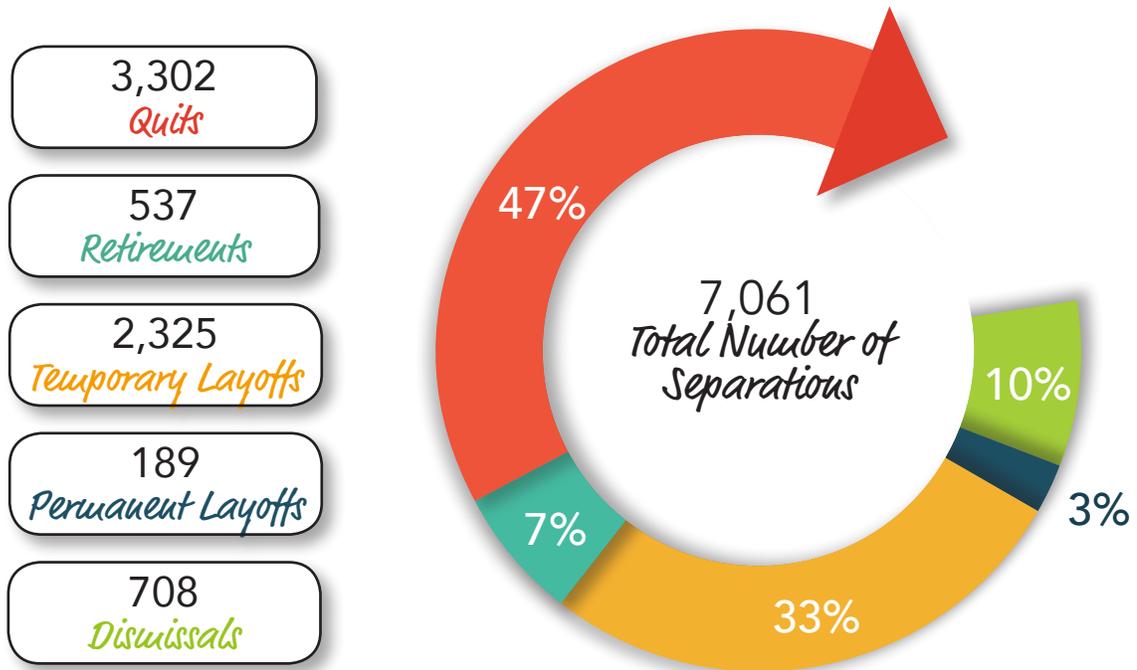


Compared to the previous year, in this year's survey employers reported hiring fewer full-time and more part-time positions overall, while the percentage of hires in other categories remained relatively constant.

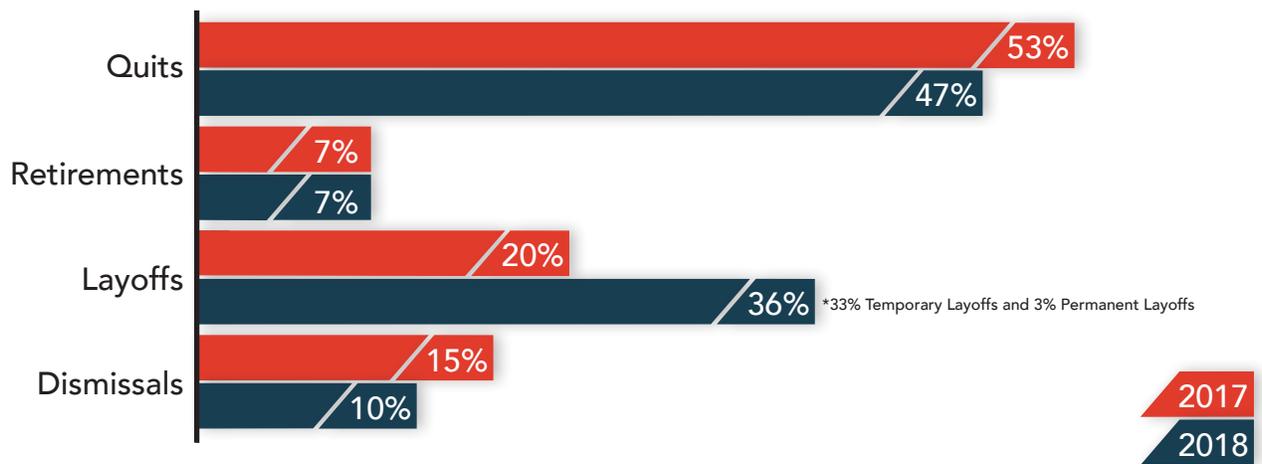


68% of surveyed employers experienced at least one separation in 2017. This is higher than 62% of employers who reported the same based on 2016 activity.

Based on this year's survey, the separations by category included:



Compared to the previous year, in this year's survey employers reported fewer quits and dismissals, but a higher percentage of layoffs.¹ The percentage of retirements remained constant.



¹ In 2017, employers were not asked to differentiate between Temporary and Permanent Layoffs, so this cannot be compared. The remaining separations in the 2017 survey were noted as "other". This category was removed in 2018.

Occupations in Demand

Surveyed employers most frequently identified the following occupations as positions that were filled in 2017. As in previous years, the majority of jobs filled were in occupations requiring less formal skills and training:



Hiring Challenges

Fifty-nine percent of employers had difficulty filling at least one position in 2017. This is considerably higher than 47% of employers who reported the same in the previous year.

The top reasons positions were hard-to-fill in 2017:

- Not enough applicants (66%)
- Lack of qualifications (education level/credentials) (48%)
- Lack of motivation, attitude, or interpersonal abilities (47%)
- Lack of technical skills (31%)
- Lack of work experience (30%)²

This order and percentages in each category remained essentially unchanged compared to last year's survey results.³ When separated by county, significantly more employers in Perth County (71%) reported "not enough applicants" as their top reason, whereas the responses in each of the other counties ranged from 62% to 65%.

When these results are separated by sector, lack of work experience – which was the fifth reason positions were hard-to-fill when results were aggregated – emerged as either the first or second reason in the following sectors:

- Construction
- Information and cultural industries
- Public administration

Lack of technical skills – which was the fourth reason positions were hard-to-fill when results were aggregated – emerged as either the first or second reason in the following sectors:

- Manufacturing
- Professional, scientific and technical services
- Public administration

When asked how long, on average, they had been trying to fill hard-to-fill positions, employers responded as follows:

- less than 3 months (19%)
- 3 to 6 months (31%)
- 6 to 9 months (11%)
- 9 to 12 months (10%)
- more than a year (29%)



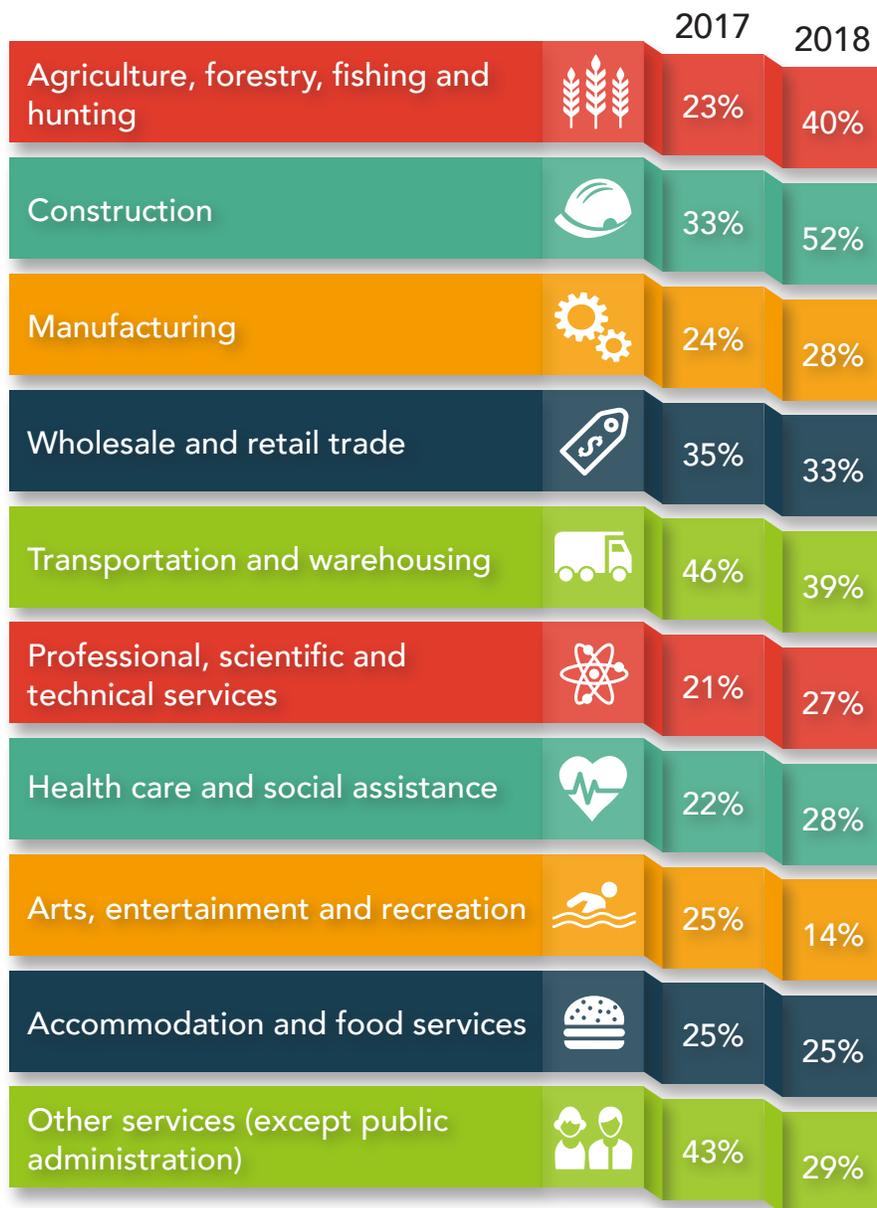
² This does not total 100% because employers were asked to select the top three reasons that apply.

³ Last year, "lack of motivation, attitude or interpersonal abilities" and "lack of qualifications" were the second and third top reasons, respectively; "lack of work experience" and "lack of technical skills" were the fourth and fifth top reasons, respectively. However, each category has changed by only between two and four percentage points.

The highest percentage of employers (31%) spent between 3 and 6 months trying to fill hard-to-fill positions, which is only slightly higher than last year when 29% of employers reported the same. However, 29% of this year's surveyed employers spent over a year trying to fill hard-to-fill positions, which also represents an increase from 25% in last year's survey.

When analyzed according to industrial sector, and compared to last year's results, a higher percentage of employers in several sectors reported that they had spent over a year trying to fill these positions in: Agriculture; Construction; Manufacturing; Professional, scientific and technical; Health care and social assistance.

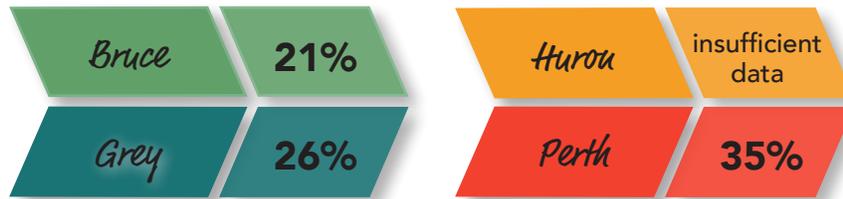
Percentage of Employers who Spent Over a Year Trying to Fill Hard-to-Fill Positions By Sector*



* Includes only sectors in which ten or more employers responded that they had hard-to-fill positions in both 2017 and 2018 survey results.

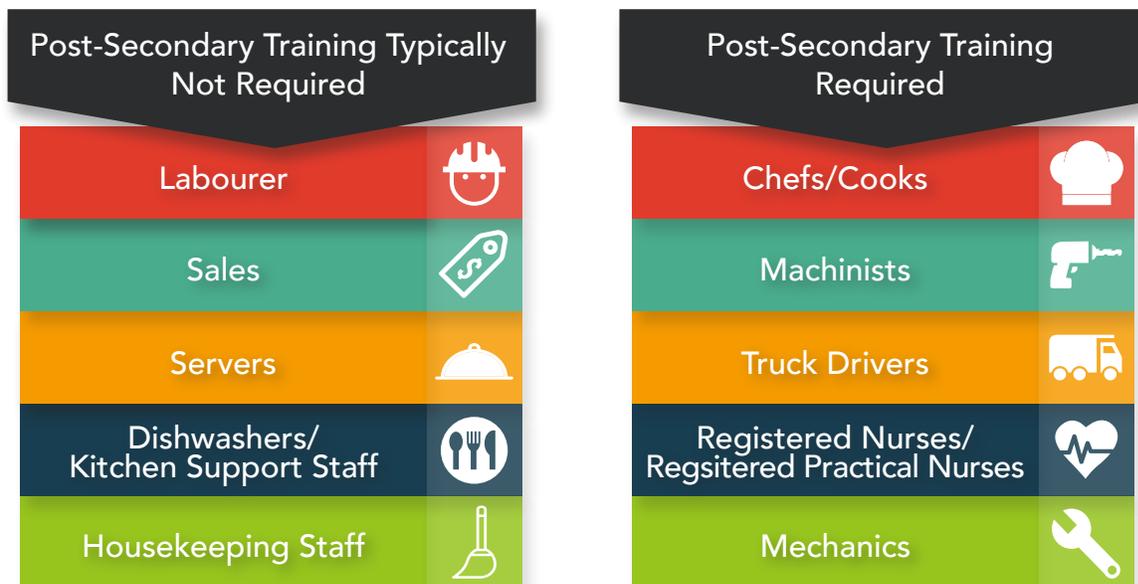
When analyzed according to county, there was also variation in how employers responded. A higher percentage of employers in Perth County appear to be spending over a year trying to fill hard-to-fill positions than employers in Bruce and Grey counties:

Percentage of Employers who Spent Over a Year Trying to Fill Hard-to-Fill Positions by County



Top 5 Hard-to-Fill Positions

The top hard-to-fill positions reported by employers, when separated by those that typically require post-secondary training and those that do not, are as follows:



Top Employee Competencies Required for Hard-to-Fill Positions

When asked to select the top three competencies employers are looking for in hard-to-fill positions, employers responded:

- Work ethic, dedication, dependability (63%)
- Self-motivated/ability to work with little or no supervision (42%)
- Teamwork/interpersonal abilities (37%)⁴

These top three competencies remain unchanged when compared with last year's survey results. Employers are continuing to emphasize soft skills as necessary for workplace success.

⁴ Totals do not equal 100% because employers were asked to select the top three reasons that apply.

Anticipated Hires and Recruitment

Anticipated Hires

417 of surveyed businesses (75%) indicated that they anticipate hiring in 2018, for a total of 5,057 predicted hires across the four county area. Despite fewer survey responses overall, a greater total number of employers reported that they plan to hire in 2018, and the total number of expected hires is larger than was reported in last year’s survey.

When asked about the occupational group for which they anticipate hiring the most employees, responses were:

	Full-Time	Part-Time	Contract	Seasonal
Managers and Executives	76%	14%	3%	8%
Professionals	66%	15%	10%	9%
Technical	75%	11%	1%	13%
Trades (Journeyman)	74%	7%	4%	15%
Apprentices	80%	4%	0%	15%
Sales and Marketing	49%	29%	6%	15%
Administrative and Clerical	50%	29%	5%	15%
Production Workers	67%	12%	3%	18%
Service Workers	27%	33%	4%	36%

Similar to last year’s results, in all categories except service workers, the majority of employers anticipate full-time hires. For service workers, the majority of future hires are predicted to be either seasonal or part-time.

Methods of Recruitment

Of the surveyed businesses, the majority continue to identify word of mouth as the most often used method to find workers. The next most frequently used methods of recruitment are online job boards/postings, social media, company’s own internet site, and newspaper ads.⁵

Geographic Area of Recruitment

Based on 2017 activities, employers reported that their search for workers was primarily limited to the local area. 96% of employers focused their recruitment efforts locally, which is roughly equivalent to 95% of employers who did the same in the previous year. However, 27% of this year’s employers reported that they expanded their search to elsewhere in the province, whereas only 19% of last year’s respondents indicated that their search for workers extended provincially. Only 11% of this year’s respondents reported searching for workers at either the national or international level.⁶

The fact that employers are expanding the geographic area in which they search for potential workers speaks to an extremely limited supply of workers, as expressed by comparatively low unemployment and high participation rates in the four county region.

Employment Service Agency Use

In the previous year, 27% of employers used an Employment Ontario service provider to help in their search for workers, and 12% used a paid recruitment agency. When compared to last year’s results, this reflects an increase in the use of both these services:

Service Used	2017	2018
Employment Ontario Service Provider	18%	27%
Paid Recruitment Agency	10%	12%

Additionally, when employers were asked if they would like to be connected with an Employment Ontario service provider for immediate assistance with workplace issues, 119 surveyed employers reached out and shared their contact information. Last year, despite a higher number of survey responses, only 63 employers expressed interest in being connected with a service provider. Overall, our surveyed employers appear to be seeking out more assistance to find employees than we saw last year.

Succession Planning

103 surveyed employers indicated that they plan to retire and/or sell their business within the next three to five years. Most frequently, these employers indicated that they are training a current staff or family member to take over the business (43 responses), followed by those who indicated that they have approached – or been approached by – someone outside the business who is interested in purchasing the business (24 responses).

Over a quarter of respondents indicated that, although they plan to retire or sell within the next few years, they have not yet considered options around succession planning.

⁵ Company’s own internet site and newspaper ads have, respectively, moved from the fifth to fourth, and fourth to fifth, most popular recruitment methods compared to last year’s results.

⁶ Totals do not equal 100% because employers were asked to select all that apply.



Business Investment in Training

When employers were asked if they were able to provide or support ongoing training and education opportunities in 2017, responses were as follows:

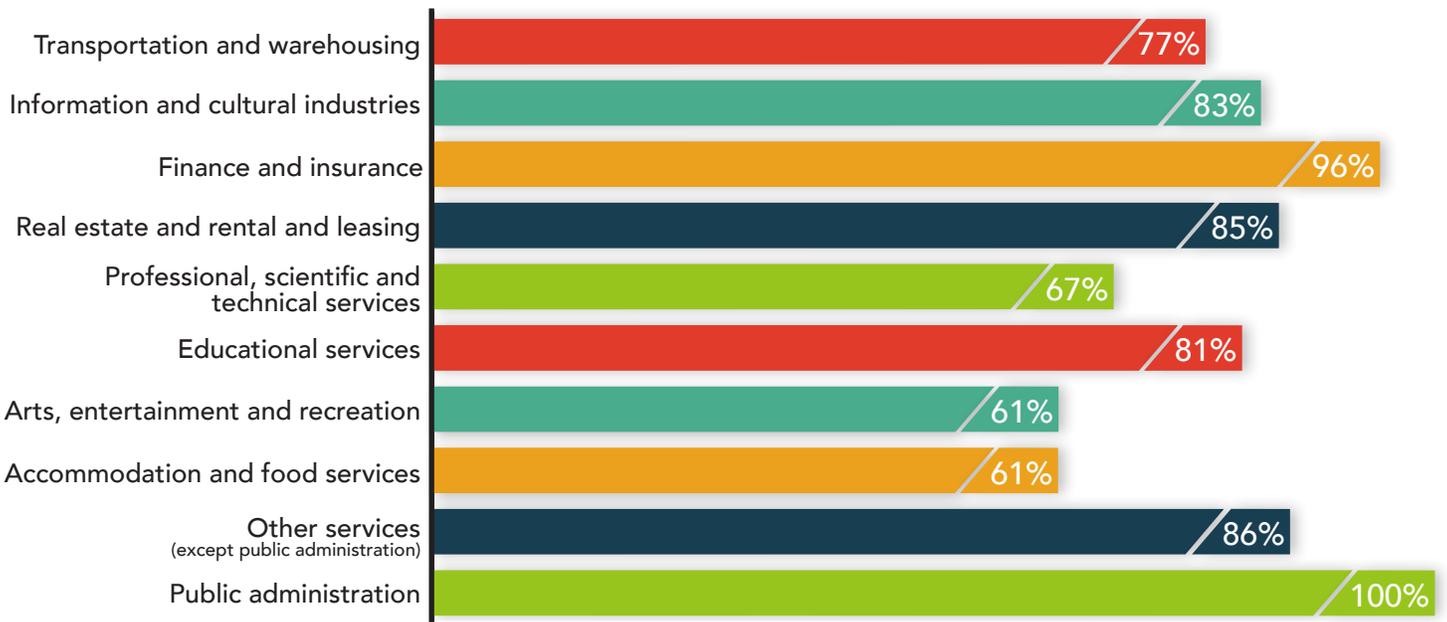


Compared to last year, slightly fewer employers indicated they were able to provide training (72% compared to 75%); however, 14% of employers indicated that they had no training needs, and this option was not included in previous surveys.

Of our top five sectors, compared to last year, a smaller percentage of businesses in Agriculture, Construction, Manufacturing, and Wholesale and retail trade were able to provide training in 2017.

Top 5 Sectors: Percentage of Employers that were able to Provide Training in 2016 vs. 2017





Consistent with last year’s results, when asked how they were able to support training, employers most frequently responded that they were able to fund it (fully or partially), they were able to offer the training internally, or they were able to offer flexibility in work schedules to accommodate staff training needs.

Thirty-three percent of surveyed employers indicated that they had no barriers preventing them from providing training. Of those who did have barriers, the top responses were:

- Cost (42%)
- Relevant training is not offered locally (30%)
- Loss of productivity during training time (28%)
- Distance to training facility (27%)
- Losing trained employees to other businesses (24%)⁷

“Losing trained employees to other businesses” was not one of the top five responses in last year’s survey.⁸ It has replaced “not aware of existing training programs” as the fifth most frequent response. The top four responses have remained consistent with last year’s results; however, in all but one category (“distance to training facility”), the percentage of employers reporting each barrier has decreased.

Barrier	2017	2018
Cost	56%	42%
Relevant training is not offered locally	40%	30%
Loss of productivity during training time	41%	28%
Distance to training facility	26%	27%

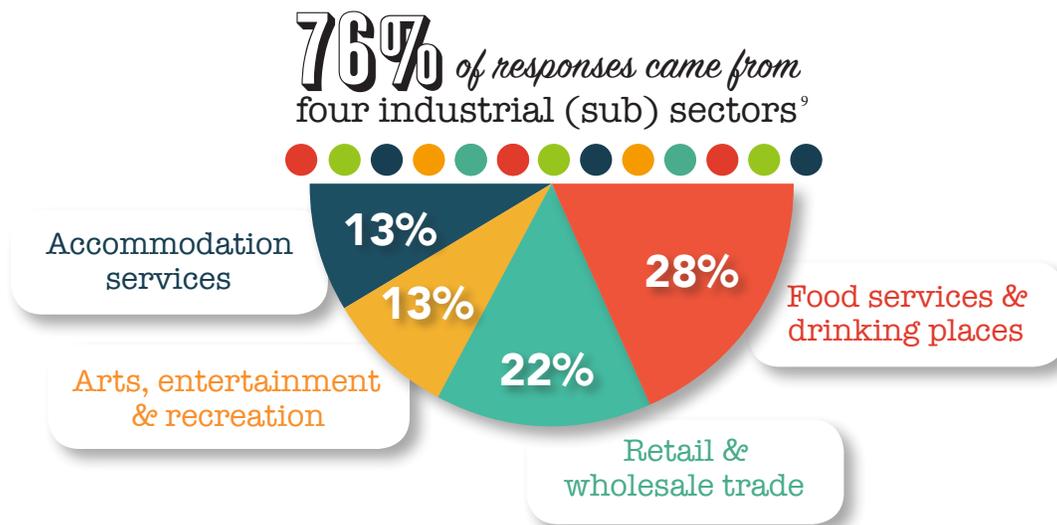
⁷ Totals do not equal 100% because employers were asked to select all that apply.

⁸ In 2017, only 18% of surveyed businesses indicated that “losing trained employees to other employers” was a barrier to providing training.

Spotlight on the Tourism Economy

While tourism is not properly classified as an industrial sector, businesses from several sectors contribute to tourism. These most commonly include: Retail trade; Arts, entertainment and recreation; Accommodation and food services.

Tourism business is defined by the Ontario Ministry of Tourism as business activity from visitors who have travelled greater than 40km from their place of residence. Regardless of the sector to which they belong, businesses that identified over 25% of their business as relating to tourism are included in this overview of the tourism economy in the four county region. The following is a summary of results gathered from the 152 businesses that have self-identified as having over 25% of their business derived from tourism:



⁹ "Food services and drinking places" and "Accommodation services" are not separated out for the rest of the EmployerOne report as "Accommodation and food services" is a 2 digit NAICS code (72), consistent with how we have identified industrial sectors by 2 digit NAICS throughout this report. However, within the tourism economy, separating food services from accommodation services provides valuable insight, so these sub-sections of NAICS 72 are separated for this section of the report only.

Comments from Employers

As in previous years, we asked employers if they wanted to share anything else about their labour market concerns. Beyond the scope of the survey questions, the following key issues were raised:

1 Many employers expressed concerns about how new provincial legislation – particularly the increase in minimum wage – could impact their businesses. At this point, concerns remain speculative, as the new legislation has only recently come into effect; however, several employers are concerned that these changes may mean they are unable to keep current staff and/or hire new staff in the future.

2 Significant concerns about transportation and housing issues continue to dominate feedback received from employers in our region, as well as in focus groups and ongoing interactions with a broad range of employers throughout the past year. While there are no easy solutions to these complex challenges in rural communities, we acknowledge the pervasiveness of these concerns, and the Planning Board is committed to conducting research that will inform strategies aimed at minimizing these obstacles.

3 Some employers shared positive experiences hiring immigrants and refugees, as well as a commitment to reaching out beyond the local area in order to fill vacant positions. This is becoming a growing recruitment strategy, as the local labour supply continues to be extremely limited.

4 Several employers shared that they are considering downsizing, selling or closing their businesses due to lack of available workers. Similarly, several mentioned an inability to expand or take on additional contracts because they cannot find enough employees to hire.

5 Many employers reiterated concerns that new hires are lacking necessary soft skills including motivation, reliability and willingness to learn.



Community Engagement Strategies

In 2017, labour market needs and worker shortages were addressed by several projects in the four county area. Several important initiatives included:

Hospitality and Tourism & Manufacturing and Construction

The Planning Board received funding from the Ministry of Advanced Education and Skills Development (MAESD) for two Sector Partnership Planning Grants: The first focused on Hospitality and Tourism in Grey County, while the second looked at Manufacturing and Construction in Bruce, Grey, and Huron counties. In both cases, employers were consulted and recommendations for how to build and sustain a workforce to support these industries were outlined.

Local Action Training Team

In Bruce County, the Local Training Action Team (LTAT) is responding to economic opportunities that are emerging as part of Bruce Power's multi-year Life Extension Project. The goals of the LTAT program are to: assess the feasibility for local training opportunities and resources; identify and move forward on apprenticeship opportunities, and develop opportunities for alignment of the local education curriculum with the nuclear industry and energy sector. Bruce County is also pursuing the development of an annual "Exploring the Future of Work" Youth Event, and is actively investigating emerging online platforms such as EdgeFactor and Magnet.

New to Grey

In Grey County, "New to Grey" is a 15-month pilot initiative funded by the Province of Ontario, that aims to build capacity and partnerships to aid in newcomer retention and attraction efforts by becoming a welcoming community, well prepared to integrate newcomers into neighbourhoods and the labour market. Additionally, a Regional Skills Training, Trades and Innovation Centre (STTIC) is being developed in Owen Sound; this centre will focus on skills training and include an innovation centre, expanded post-secondary, trades and entrepreneurship programs to support local businesses and the broader economy.



Workforce Attraction and Retention Strategy in Huron County

In Huron County, as part of a larger Workforce Attraction and Retention Strategy to meet the labour supply shortage, Economic Development received funding from the Ministry of Citizenship and Immigration for a recruitment and training pilot. This aims to attract an immigrant and refugee workforce from urban centres to meet the labour demand in Huron County.



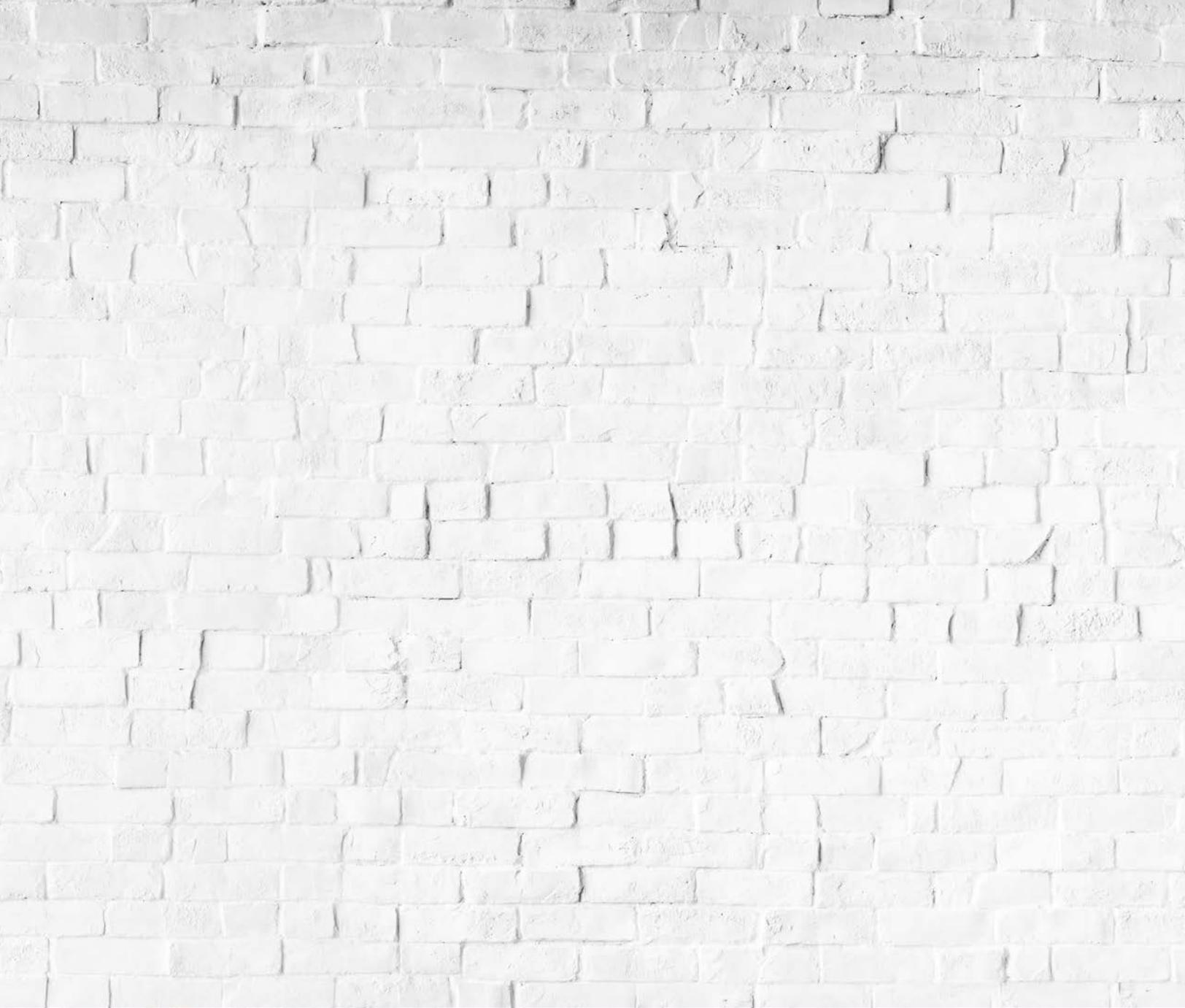
connect2SKILLS

In Perth County, connect2SKILLS is a new initiative that is focusing on short-term training and employability for individuals interested in careers in manufacturing. With the support of local employers, this program is currently training future employees for manufacturing careers throughout the county. Additionally, Opportunity Lives Here is an ongoing promotion of job opportunities in geographic Perth County, and Perth4Youth project partners are working collectively to support youth attraction and retention across Perth.



The above projects highlight initiatives across the four county region that are being undertaken in an effort to bring workers to the area, provide appropriate skills and training for recognized job vacancies, and address the chronic impact of worker shortages in our region.





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