

FOUR COUNTY LABOUR MARKET PLANNING BOARD PRESENTS

EMPLOYER ONE

SECTOR REVIEW

Executive Summary



2020

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A LOOK BACK

Through the annual EmployerOne surveys which were conducted by the Four County Labour Market Planning Board between 2015 and 2020, employers shared their experiences with hiring and separations, hard-to-fill positions, recruitment methods and availability of workers. In addition to the following Executive Summary, the five reports in this series highlight the specific experiences of employers in Agriculture, Construction, Retail Trade, Healthcare and Social Assistance, and Manufacturing. These top five employment sectors in Bruce, Grey, Huron and Perth counties give us key information concerning how the local labour market has developed over time. For detailed reports on each sector, please see www.planningboard.ca/reports. The following report highlights key similarities and differences between these sectors based on EmployerOne findings. This will help establish a baseline for understanding employer experiences before COVID-19 and the associated disruptions to the labour market that began in March 2020 and, at the time of this writing,¹ had not yet stabilized.



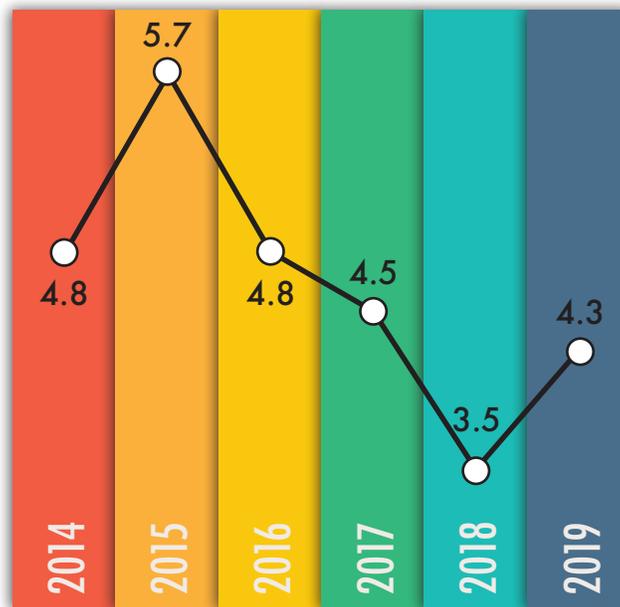
¹ January 2020

LABOUR MARKET CONDITIONS AND BUSINESS COUNTS

THE STRATFORD-BRUCE PENINSULA ECONOMIC REGION OCCUPIED THE LOWEST UNEMPLOYMENT RATE IN ONTARIO

With one exception,² between 2014 and 2020, the Stratford-Bruce Peninsula Economic Region occupied the lowest unemployment rate in Ontario. Chronically low unemployment led to a widespread shortage of workers, and challenges for employers seeking certain skillsets and credentials. Responses to questions concerning hard-to-fill positions and availability of qualified workers may be particularly reflective of this tight labour market.

UNEMPLOYMENT RATE IN STRATFORD BRUCE-PENINSULA



TOTAL NUMBER OF BUSINESSES IN STRATFORD BRUCE-PENINSULA

CONSTRUCTION BUSINESSES EXPERIENCED THE LARGEST OVERALL GROWTH

Between 2014 and 2019, growth was seen in the total number of businesses in Agriculture, Construction, Healthcare, and Manufacturing. Construction businesses experienced the largest overall growth, with a total increase of 197 businesses during this five-year time period. The number of Retail Trade businesses dropped slightly, by 15, between 2014 and 2019. Overall the total number of businesses in the top five sectors grew from a combined total of 5,429 in 2014 to 5,727 in 2019.

Between 2014 and 2019, growth was seen in the total number of businesses in Agriculture, Construction, Healthcare, and Manufacturing. Construction businesses experienced the largest overall growth, with a total increase of 197 businesses during this five-year time period. The number of Retail Trade businesses dropped slightly, by 15, between 2014 and 2019. Overall the total number of businesses in the top five sectors grew from a combined total of 5,429 in 2014 to 5,727 in 2019.

GROWTH WAS SEEN IN THE TOTAL NUMBER OF BUSINESSES IN AGRICULTURE, CONSTRUCTION, HEALTHCARE, AND MANUFACTURING.

² In 2015, the Stratford-Bruce Peninsula Economic Region occupied the second lowest unemployment rate in Ontario. The rate for this region was the lowest in Ontario for all other years in which EmployerOne was conducted.

HIRING

PERCENTAGE OF BUSINESSES WHO HIRED DURING THE PREVIOUS YEAR

AT LEAST HALF OF EMPLOYERS REPORTED HIRED AT LEAST ONE EMPLOYEE DURING EACH SURVEY YEAR

employers in our top five sectors hired a total of 18,200 employees during this period. Factors such as unemployment and participation rates, age of workforce and retirements, and other unanticipated influences on the local labour market can create circumstances for business creation and growth in some sectors but not in others.

The percentage of surveyed businesses who reported hiring at least one employee during the previous year fluctuated widely between 2015 and 2020. At least half of employers in all five sectors reported hiring at least one employee during each survey year. Surveyed

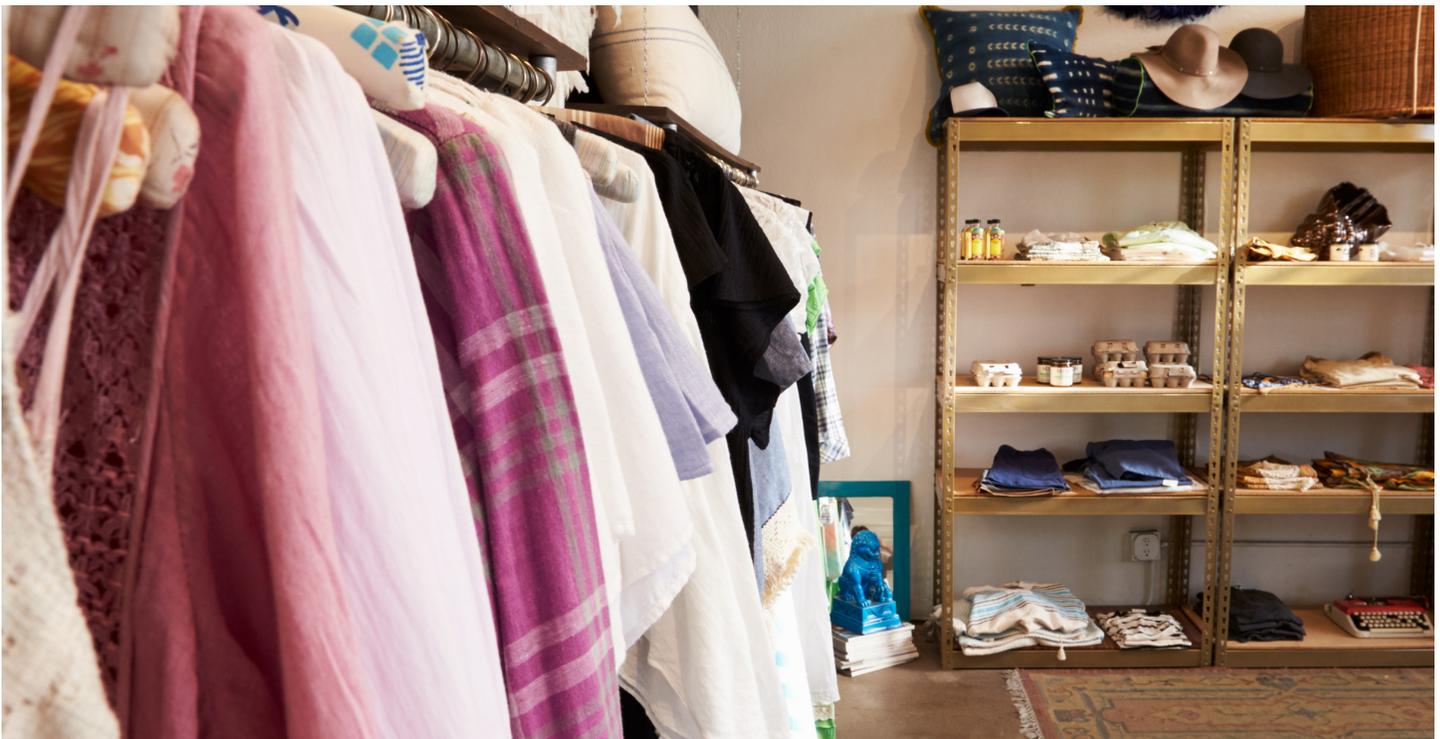
18,200
EMPLOYEES WERE HIRED DURING THIS PERIOD

PERCENTAGE OF HIRES THAT WERE FULL-TIME

In our top five employment sectors, there was considerable variation in the percentage of hires that were full-time. This could be due to factors such as the higher percentage of seasonal employment in some sectors, the size of businesses and their relative growth, and overall occupations and skills that are more in demand in some sectors than in others. Over the survey period, employers in Manufacturing were the most likely to report full-time hires, while those in Healthcare were the least likely to report that hires were full-time.

MANUFACTURING
MOST LIKELY
TO REPORT
FULL-TIME HIRES

HEALTHCARE
LEAST LIKELY
TO REPORT
FULL-TIME HIRES



SEPARATIONS

PERCENTAGE OF BUSINESSES WHO EXPERIENCED SEPARATIONS DURING THE PREVIOUS YEAR

As with hiring trends, the percentage of surveyed businesses who reported at least one employee separation during the previous year fluctuated widely between 2015 and 2020. With one exception,³ in each of our top five sectors at least half of employers experienced at least one employee separation each year. Separations between employers and employees may be attributable to any number of factors, the reasons for which are beyond the scope of the collected survey data. In 2018, the Planning Board conducted a survey of employees and job seekers in the region and found that the majority of employees who quit their jobs did so because of: Workplace bullying, unpredictable scheduling, a job with higher pay, not using skills and experience at work, or not experiencing enough variety at work.⁴

AT LEAST HALF OF EMPLOYERS EXPERIENCED AT LEAST ONE EMPLOYEE SEPARATION EACH YEAR

PERCENTAGE OF SEPARATIONS THAT WERE QUILTS

The percentage of separations that were quits varied considerably, but was consistently lowest for employers in Construction, ranging from 10% to 40%,

84%
OF SEPARATIONS IN RETAIL TRADE WERE QUILTS

depending on the survey year. In contrast, the percentage of separations that were quits reached a high of 84% in Retail Trade and 78% in Manufacturing.



3 Fewer than half (44%) of employers in Retail Trade reported separations in the 2017 EmployerOne survey.

4 Employee Survey 2018 - Four County Labour Market Planning Board, p.10.

AVAILABILITY OF QUALIFIED WORKERS

The availability of qualified workers has been an ongoing problem for employers in each of the top five sectors in the four county region since the first year of this survey. EmployerOne asked employers to rate the availability of qualified workers as excellent, good, fair, or poor. Each year, over half of surveyed employers reported that the availability of qualified workers was either fair or poor.⁵ Employers who were consistently the least satisfied with the availability of qualified workers were found in Manufacturing, Construction and Agriculture.

**EMPLOYERS IN
MANUFACTURING,
CONSTRUCTION
AND AGRICULTURE
LEAST SATISFIED
WITH AVAILABILITY OF
QUALIFIED WORKERS**



HARD-TO-FILL POSITIONS

**EMPLOYERS IN CONSTRUCTION
WERE MOST LIKELY TRYING
TO FILL POSITIONS FOR MORE
THAN A YEAR**

years of the survey. Of the top five sectors, employers in Construction were most likely to report that they had been trying to fill these positions for more than a year.

Hard-to-fill positions were a concern reported by employers in each of the top five sectors across the four county region throughout the survey years. Responses varied widely, but increased overall with most sectors showing an overall increase in hard-to-fill positions between the first (2015) and final (2020)

When asked why positions were hard to fill, employers across all sectors most frequently reported that there were not enough applicants. Lack of motivation and lack of qualifications were the next most frequently cited reasons.

**IT WAS MOST FREQUENTLY
REPORTED THAT THERE WERE
NOT ENOUGH APPLICANTS**

⁵ The one exception to this was employers in Retail Trade in 2015, when slightly fewer than half, 49%, rated the availability of qualified workers as fair or poor.

TOP HARD-TO-FILL POSITIONS

While the top hard-to-fill positions in each sector varied over the years, those occupations that employers found most difficult to fill were likely to be entry-level positions that do not require post-secondary training, with the exception of hard-to-fill positions in Healthcare:

ENTRY-LEVEL
POSITIONS
WERE MOST
DIFFICULT TO FILL

AGRICULTURE: **LABOURERS**

CONSTRUCTION: **LABOURERS**

HEALTHCARE: **NURSES, PSW'S**

RETAIL TRADE: **SALES POSITIONS**

MANUFACTURING: **PRODUCTION WORKERS**

RECRUITMENT METHODS

USE OF SOCIAL MEDIA AND ONLINE JOB BOARDS FOR RECRUITMENT HAS INCREASED



Over the six years in which the EmployerOne survey was conducted, there was an increase in the use of social media and online job boards as recruitment tools. This shift reflects both employers' and job seekers' increasing use of online tools and forums. Word of mouth, however, remains the top recruitment tool in most sectors which illustrates that many jobs are filled without formal postings, online or elsewhere. The importance of networking and connecting with potential employers remains critical for local job seekers.



EMPLOYER FEEDBACK SESSIONS

In February 2021, the Planning Board conducted focus groups with employers representing businesses in Agriculture, Construction, Healthcare, Retail Trade and Manufacturing. The goal of these discussions was to collect feedback about survey data we had gathered during the EmployerOne survey years (2015-2021) and to understand how accurately these survey results reflect the experiences of individual businesses. A low unemployment rate, despite a recent increase in job seekers since COVID-19, has created a labour market climate that continues to be challenging for most employers. Given this, our discussions also focused on the immediate difficulties and opportunities employers are facing as a result of the pandemic.

The following report is subdivided into two sections. Part 1 captures the most common discussion threads when we asked employers to reflect on specific aspects of the EmployerOne reports which were all completed before the emergence of COVID-19. Part 2 captures themes that emerged from discussions which, while not always directly tied to EmployerOne, nevertheless reflect employers' current concerns. These topics are almost entirely focused on labour market disruptions resulting from COVID-19. The discussions below do not highlight sector differences, except where noted.

PART I: EMPLOYERONE REFLECTIONS

CHANGES IN HIRING AND SEPARATION TRENDS

Consistent with what was observed over the last several years, most employers believe they will continue to have similar hiring challenges in the next year. For example, prior challenges attracting and hiring workers in skilled trades and healthcare, in particular, are anticipated to continue in the future. Alternatively, employers whose businesses depend on tourism or special events do not anticipate the same level of hiring as in pre-COVID years, yet anticipate the same struggles to find strong employees when they do need to hire.

Employers feel the local area continues to lack enough job seekers with the right qualifications to fill available positions. Some employers addressed additional concerns related to potential employees feeling unsafe with the working conditions created by COVID-19, primarily in occupations that cannot be undertaken remotely. One opportunity that was mentioned was the chance to redirect people to different sectors. For example, those who are now without employment in hospitality or tourism could perhaps be open to retraining in manufacturing or agriculture (Relevant training programs are available at <https://www.connect2skills.ca/>)

For those employers who are continuing to hire, some mentioned adjusting schedules away from full-time work in order to accommodate the challenges posed by closed daycares and schools due to the pandemic. By introducing job sharing or alternative shift schedules, these employers are continuing to hire, though not for as many full-time positions as in the past. Other employers reflected on the impossibility of creating these alternate arrangements, due to the nature of work at their place of business.

Employers spoke about the same frequency of separations as in the past, but the reasons they cited were often different. Lack of childcare due to COVID-19 closures and restrictions was the biggest reason for which they have had employees quit over the previous year. As it has become challenging for parents to anticipate when they will need to be home, it is similarly difficult for employers to plan around these needs. Some employers also spoke about how stress related to the pandemic has caused difficulties with work performance, causing separations with employees that would not otherwise have occurred.

RECRUITMENT

Focus group attendees reflected on their use of online recruitment tools and social media. Most agreed with EmployerOne results that have found an increase in the use of online recruitment methods in recent years, and most felt positively about this shift. With COVID-19, there was discussion about an upcoming virtual job fair as employers embrace new ways of trying to recruit and hire employees. Hiring processes including interviews and onboarding were also discussed as moving to online formats. While the results of these shifts may not yet be known, most employers felt positive about pursuing new trends in recruitment and hiring practices.

There were also specific changes to recruitment noted in agriculture, due to changes in the temporary foreign worker program, as well as in healthcare due to delays in clinical placements and qualifying exams. In both cases, employers representing these sectors felt these changes and delays were putting additional pressure on some recruitment and hiring plans.

Some employers noted that employees are still being bussed to the area for work, which was the case for entry-level positions in some businesses throughout the region in previous years, and is continuing. This suggests that the same challenges observed in EmployerOne data concerning the impact of a tight labour market are still present in the four county area in 2021.

HARD-TO-FILL POSITIONS

The majority of employers reported that the hard-to-fill positions they had in the past have persisted in the era of COVID-19. Some expect these positions to become even more difficult to fill in 2021. One employer identified a general hesitancy for people to move into new roles at new companies in the middle of a pandemic which may be impacting efforts to fill positions.

Positions that have remain chronically hard-to-fill often include entry-level labourers and other lower-skilled positions that are typically impossible to be done remotely. Given this, some employers feel these positions will be even harder to fill as the pandemic persists. Similarly, hard-to-fill positions in industries that have experienced COVID-19 workplace outbreaks may continue to be less desirable for job seekers.

Alternatively, some hard-to-fill positions for which employers can hire remotely may now be easier to fill given the lack of geographical barriers with remote work. Some employers see this as a positive opportunity for filling these positions, though most acknowledge that their hardest-to-fill positions are not ones that could be fulfilled with remote employees.

There was also discussion about how skills have changed in some industries, and jobs often require more technical expertise than in previous years. For example, as positions become more automated in agriculture, the expertise required is for equipment technicians who are difficult to find. Aligning training with in-demand skills remains an ongoing concern.

PART 2: CHALLENGES AND OPPORTUNITIES

The timing of these focus groups (February 2021) gave us an opportunity to ask employers about how they are coping with challenges one year after COVID-19 began to impact the labour market. Several common themes emerged from these discussions including transportation and housing limitations. While these concerns echoed feedback received from local employers over the past several years, new concerns and opportunities emerged when we discussed the impact of COVID-19 on the labour market. Employers spoke optimistically about the possibilities associated with recruitment and remote work options for certain occupations. Finally, some focus groups respondents focused on the need to give opportunities to young people who are trying to build careers in rural areas, and others focused on the ongoing challenges for newcomers to our region, particularly those coming from different cultural and language backgrounds. They acknowledged that communities need to work harder to welcome and support everyone in our region.

1. TRANSPORTATION

As highlighted in EmployerOne reports and ongoing discussions with employers over many years, transportation continues to be a significant barrier to both recruiting and maintaining a necessary workforce. However, discussions concerning transportation initiatives such as the Grey County transit program (<https://www.grey.ca/grey-transit-route>) are providing opportunities for individuals to work outside the communities in which they live. As noted by employers, this provides significantly more opportunities to individuals living in rural communities who lack access to a personal vehicle.

2. HOUSING

As with transportation, the housing crisis – particularly that of attainable housing – has been a significant barrier in many local communities for a number of years. One aspect of this that has become more pronounced as a result of COVID-19 is the pressure being put on the housing market by those who are leaving urban areas, and looking for rural living opportunities. Some employers identified this as additional pressure on an already challenging housing market, and something that will potentially drive up local housing prices even further which will make it difficult to recruit workers who will be paid a comparatively lower rate consistent with salary expectations in rural regions.

3. REMOTE WORK

COVID-19 has presented options for some people to remain in our rural communities, while working elsewhere. Employers identified that the widespread success of remote working may provide opportunities to keep people with diverse skillsets in our area, even if work is not available locally. There are now more opportunities for those who may not have skills that fit the local employment landscape yet can now work remotely and still live here. Similarly, some identified how this may provide an opportunity to recruit young people back to the region after they leave for post-secondary training. However, focus group participants also reflected on how recruiting people to the region who are not actually working for local employers does not solve our workforce challenges. Still, many felt this was still a net-positive for rural communities.

4. AGEISM

One discussion thread that emerged was how important it is for employers who are typically hiring from within a limited pool of applicants to give younger people opportunities to take on managerial and other senior level roles. An interesting discussion focused on giving as many opportunities as possible to younger workers who have already chosen to live and work in rural communities and how important this is as part of ongoing workforce strategies in our region.

5. OPPORTUNITIES FOR NEWCOMERS

As with many past discussions with employers, one of the themes emerging from these discussions was the difficulty retaining immigrants and newcomers in small rural areas. Employers identified a lack of shared cultural communities, including religious and social supports. (Relevant resources can be found at <https://www.huroncounty.ca/economic-development/our-services/immigration-partnership/> and upcoming www.greybrucelip.ca)

“WE HAVE A LOT OF WORK TO DO AROUND BEING TRULY WELCOMING AND WE’RE HAPPY TO SEE PEOPLE JOIN OUR COMMUNITY BECAUSE WE NEED THE WORKFORCE, BUT DO WE INVITE THEM TO OUR DINNER TABLE?”
- FOCUS GROUP ATTENDEE

FINAL THOUGHTS

As we heard throughout the EmployerOne surveys, and again in the above focus groups, employers continue to struggle to find the right people to fill available jobs. In some cases, these difficulties have become more pronounced in the COVID-19 era; in other cases, the pandemic has provided opportunities to pursue creative recruitment, training and hiring methods. Overall, employers appear to be encountering many of the same challenges they have always experienced.

Common reflections about current challenges include:

- lack of consistency with childcare/school, which makes it challenging for parents to plan work schedules, particularly when they cannot work remotely;
- ongoing challenges with transportation and housing;
- difficulties recruiting and retaining newcomers in rural communities.

The most positive things employers reflected on at the beginning of 2021 include:

- opportunities to connect with more applicants through online job fairs, or streamline recruitment and onboarding processes;
- opportunities to bring back young people who wish to live in our region and now have remote work options elsewhere.

For more information focusing specifically on local employers’ responses to COVID-19, please see the Planning Board’s recent scenario-based planning project (www.planningboard.ca/reports/) or connect with Tingting Zhang (tingting@planningboard.ca).

CONCLUSION

From 2015-2020, the EmployerOne survey gathered feedback from employers about their experiences during the previous year. This can help us to understand the struggles and challenges, particularly in our top five employment sectors. The above report highlights some of the commonalities between these sectors on various topics, as well as where they differ. For complete reports detailing EmployerOne findings by sector, please see www.planningboard.ca/reports or contact Gemma Mendez-Smith (executivedirector@planningboard.ca).

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