

IMPACTS OF LOW UNEMPLOYMENT

March 2023



Serving Bruce Grey Huron Perth

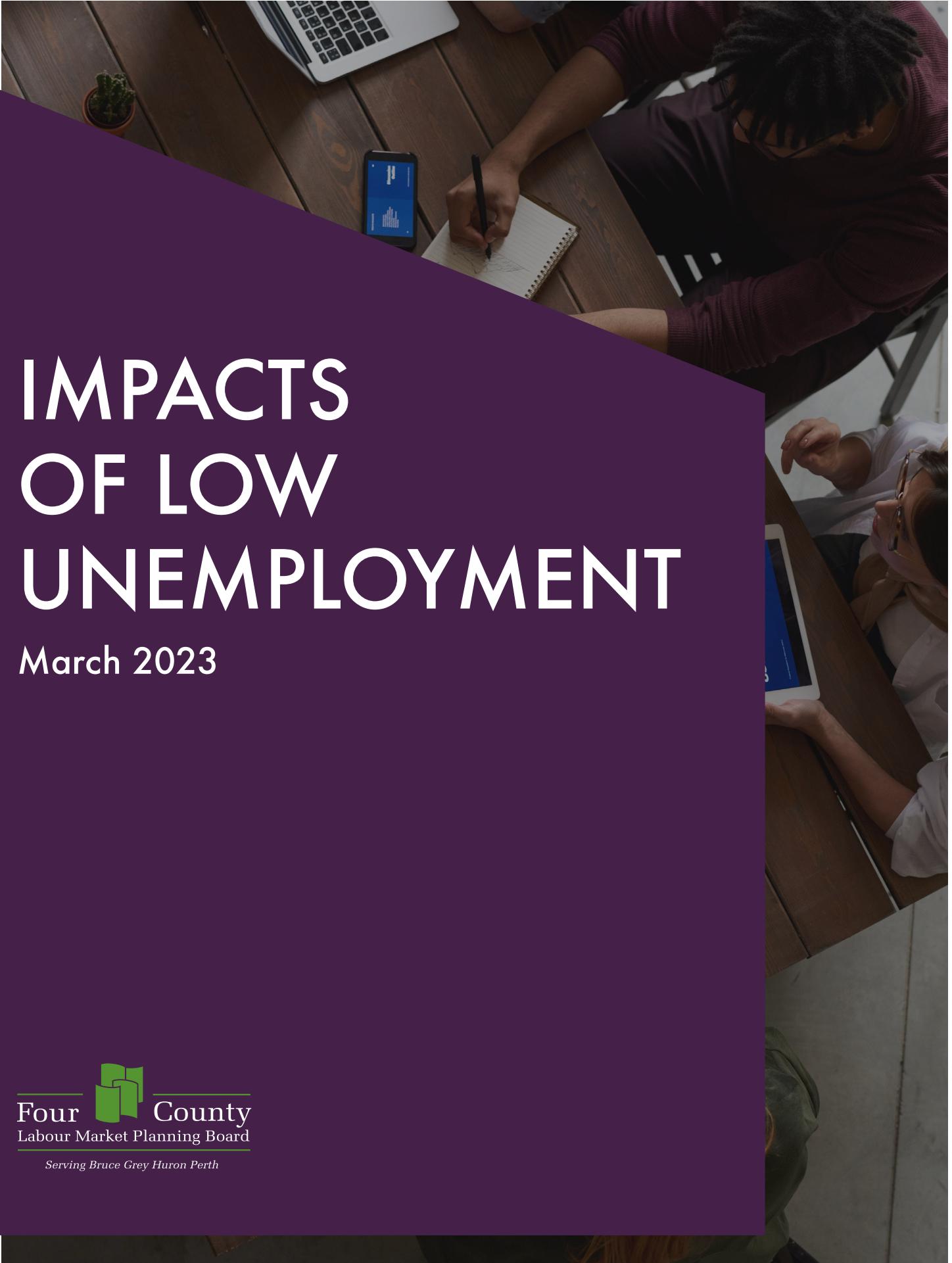


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ACKNOWLEDGEMENTS

The Four County Labour Market Planning Board (Planning Board) is a community-based, not-for-profit organization that specializes in providing labour market information for Bruce, Grey, Huron and Perth Counties (Stratford-Bruce Peninsula Economic Region).

We would like to express our sincere appreciation for those who took the time to meet with us and tell their stories. Regarding the impacts the current labour market shortage has had on them and how they are rising to the challenge.

Employer Interviews:

- Stratford Festival
- Stackpole International - Stratford
- Cooks Plumbing, Heating, Air Conditioning & Electrical

Focus Group Sessions:

- Conestoga Career Centre, VPI Working Solutions, Huron County Ontario Works, Ontario Works – City of Stratford, Human Services - Corporation of the County of Bruce, YMCA of Owen Sound Grey Bruce
- Town of Hanover, Town of St Marys, City of Stratford, Bruce County, Grey County, Perth County
- Excellence in Manufacturing Consortium, Stratford Tourism Alliance, Blue Mountain Village Association, Regional Tourism Organization 7

Four County Labour Market Planning Board Staff:

- Dana Soucie, Interim Executive Director
- Jordan Meisel, Market Research Coordinator

We would also like to acknowledge the Four County Labour Market Planning Board Staff and Contractors who worked on this project:

- Alyson Nyiri – Report Writer
- Jordan Meisel – Labour Market Research Coordinator
- Dana Soucie – Interim Executive Director



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PURPOSE OF THE IMPACTS OF LOW UNEMPLOYMENT REPORT

The Stratford-Bruce Peninsula Economic Region (covering Bruce, Grey, Huron, and Perth counties) has consistently experienced a low unemployment rate for the past 10+ years. The purpose of this report is to clarify what an unemployment rate represents and to how it impacts local employers and various stakeholders within our region.

As a Labour Market Planning Board, we have access to labour force data from federal, provincial, and economic regions that provide details about the unemployment rate itself and how it's calculated. We will explain how this data is relevant to understanding the unemployment rate and why employers and local stakeholder groups are finding it hard to recruit and retain workers.

In addition to using data to outline our labour market picture, we are adding the voices of several employers and stakeholder groups. Their firsthand experiences, challenges, and innovative solutions to a tight labour market offer a deeper understanding of what our community is experiencing.

HOW THE UNEMPLOYMENT RATE IS CALCULATED

Unemployment rate, sometimes also referred to as “jobless rate”, is the measurement of unemployment as a percentage of the total local labour force (population aged 15+). The unemployment rate is calculated by dividing the number of unemployed people by the number of people in the labour force. The unemployment rate is calculated nationally, provincially and at the economic region level on a monthly basis as a means of determining economic health of the workforce.

Stratford-Bruce Peninsula Economic Region Employment Data

Age (Years)	Population	Employed Full-time	Employed Part-time	Unemployed (Job Seekers)
15-24	33,500	13,700	8,600	1,500
25-44	84,700	65,400	7,500	2,500
45-54	31,300	24,000	3,300	*Suppressed
55-64	44,500	21,600	5,500	*Suppressed
65+	74,800	6,700	5,300	*Suppressed

Source: 2022 Labour Force Survey (Custom Tabulation)

*Suppressed to meet confidentiality requirements of the Statistics Act when the number falls below the threshold

In Statistic Canada's April 27, 2022 release of The Daily, they report the working-age population, persons aged 15 to 64 who produce the bulk of goods and services in the Canadian economy, has reached a turning point. More than 1 in 5 (21.8%) persons of working age are aged 55 to 64. According to the release this is an all-time high in the history of Canadian censuses and one of the factors behind the labour shortages facing some industries across the country. The aging of many baby boom cohorts—the youngest of whom are between 56 and 64 years today—is accelerating population aging in general.

Unemployment rate data, among other important labour market indicators such as participation rate, is collected through the Labour Force Survey (LFS). The LFS is conducted nationwide, at the household level with all members of the household over 15 years of age required to participate. Selected households (or dwellings) remain in the LFS sample for six consecutive months. It is important to note that some groups are excluded from the survey's coverage.

This includes:

- Persons living on reserves and other Aboriginal settlements in the provinces
- Full-time members of the Canadian Armed Forces
- The institutionalized population
- Households in extremely remote areas with very low population density

Recently, the monthly LFS sample size has been approximately 56,000 households, resulting in the collection of labour market information for approximately 100,000 individuals. The large sample size of this survey allows Statistics Canada to provide reliable data especially when looking at particular groups such as youth, older workers, and recent immigrants. If your household is selected to participate, responding to the survey is mandatory under the Statistics Act.

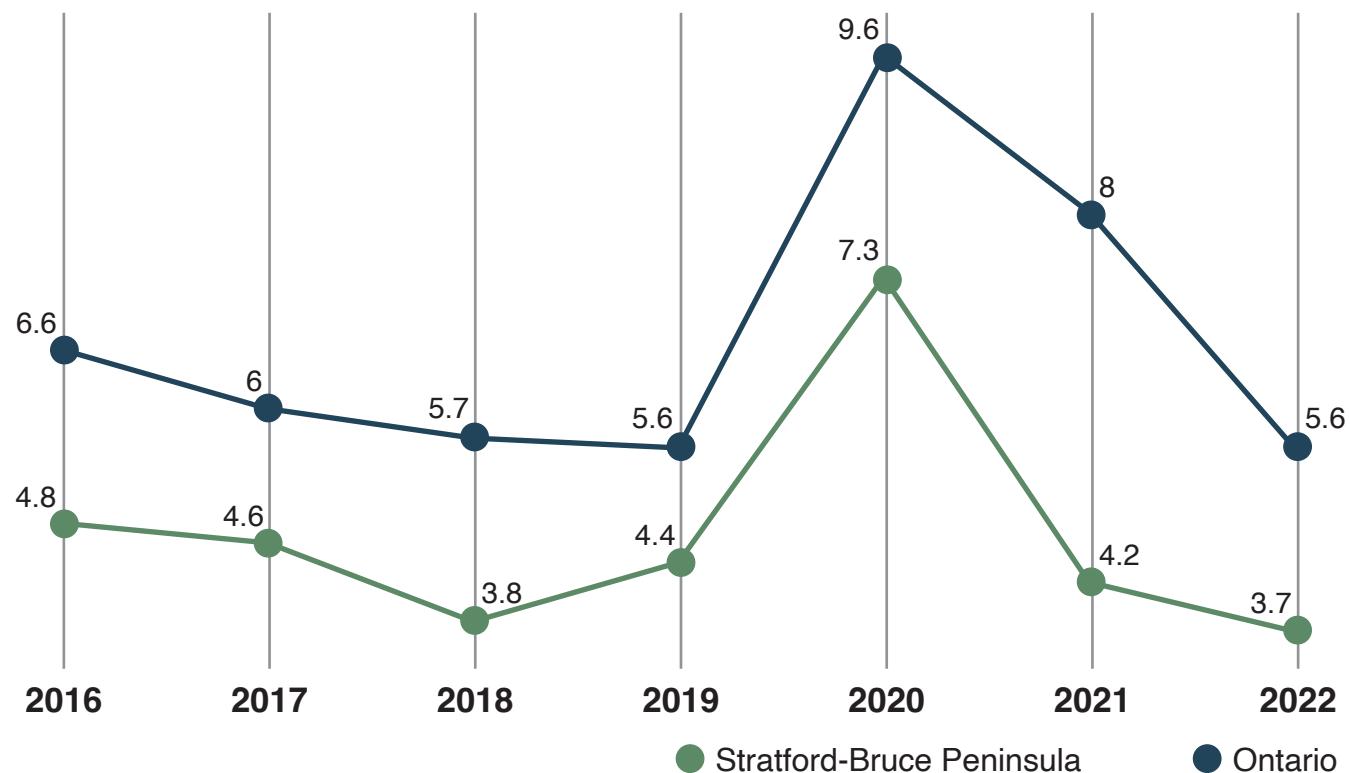
Stratford-Bruce Peninsula Economic Region Compared to Ontario

In the Stratford-Bruce Peninsula Economic Region, we have experienced a chronically low unemployment rate for the past 10 years; due to an acute labour shortage, an aging labour force, and barriers to attraction and retention.

In 2022, the region's unemployment rate reached a historic low of 3.7%. Provincially, the unemployment rate sat at 5.6%. We also saw monthly historical low in the unemployment rate in 2022; reaching a low of 2.3% in October of 2022.

Looking at the graphs below, we see how our unemployment rate in the region remained consistently lower than the provincial rate since 2016. COVID drove the unemployment rate up in 2020 as employers shed workers during the initial shutdowns. Some of those workers were recalled to their positions and others decided not to return. Our Re-engaging Retreated Workers Survey Report delves into why some workers chose not to return and what it would take for them to go back to their positions.

Unemployment Rate %, Yearly



Source: Labour Force Survey (Custom Data Purchase)

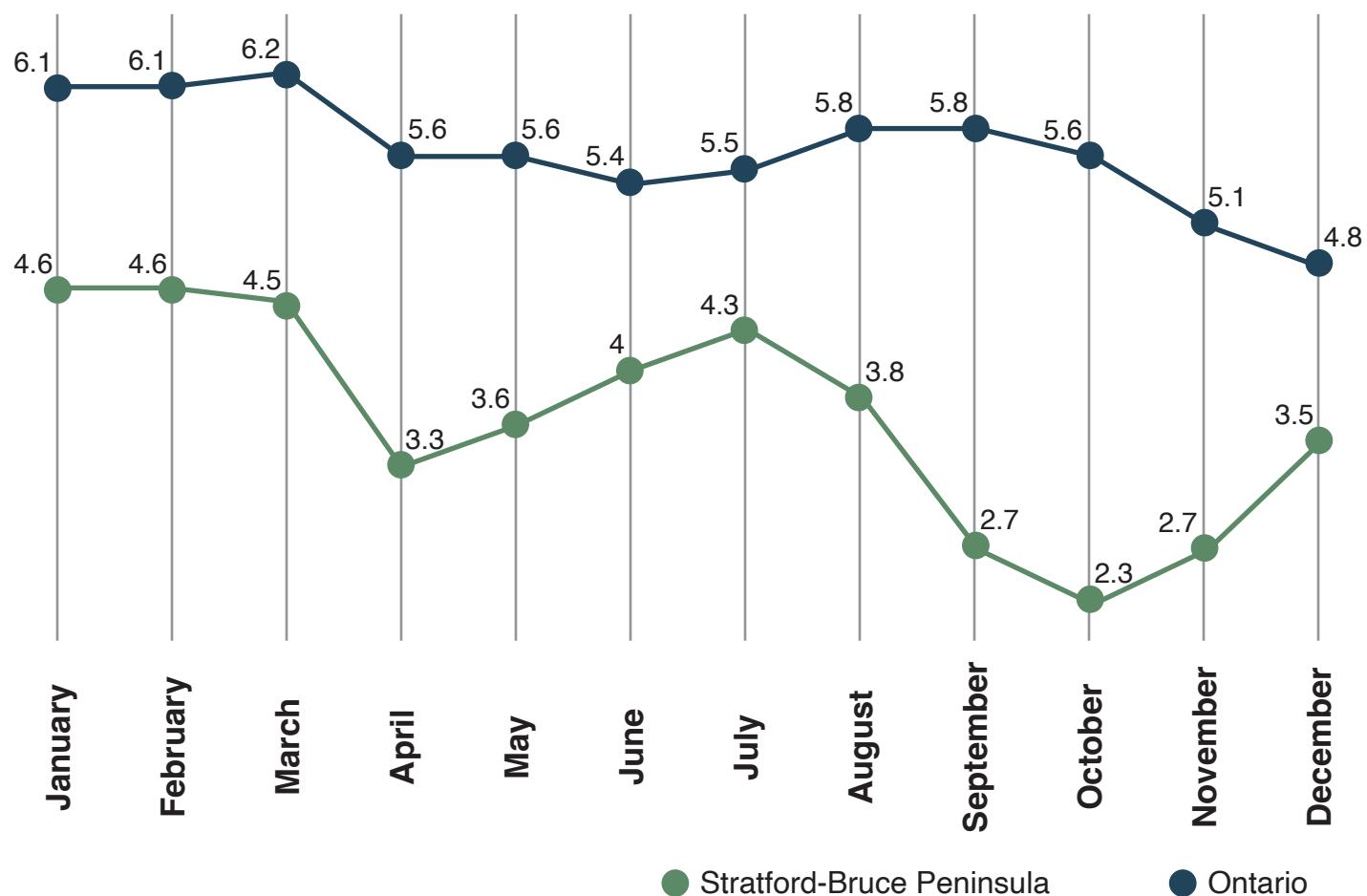
The Four County Labour Market Planning Boards tracks and releases the unemployment rate for the Stratford-Bruce Peninsula Economic Region via our monthly News Releases on our webpage.

In the last quarter of 2022, the unemployment rate dipped to its lowest rate. In October, the unemployment rate for the Stratford-Bruce Peninsula Economic Region decreased by 0.4 percentage points to 2.3%, once again the lowest in Ontario. This represents the region's lowest unemployment rate recorded by Statistics Canada since 2006¹. The provincial unemployment rate decreased by 0.2 percentage points to 5.6%, both unadjusted for seasonality.

By November the unemployment rate for the Stratford-Bruce Peninsula Economic Region increased by 0.4 percentage points to 2.7%, once again the lowest in Ontario for the fourth consecutive month. Alternatively, the provincial unemployment rate decreased by 0.5 percentage points to 5.1%, both unadjusted for seasonality. And by December, the unemployment rate for the Stratford-Bruce Peninsula Economic Region increased by 0.2 percentage point to 3%. At the same time, the provincial unemployment rate decreased by 0.6 percentage points to 5.8%, both unadjusted for seasonality.

¹ Methodological changes to the Labour Force Survey don't allow for comparisons prior to 2006

Unemployment Rate %, January - December 2022



Source: Labour Force Survey (Custom Data Purchase)

The unemployment rate tells us that a large portion of our community who want to work are working. But can we learn more about those who are working and those who are looking for work? What are the sex and age ranges of those participating in the workforce? Conversely, what are the sex and age ranges of those not participating in the workforce?

PARTICIPATION RATES

Participation rate is the measurement of the percentage of people aged 15 years or older that are participating in the labour force (meaning they are either working or actively looking for work). When broken down by age cohort, the Stratford-Bruce Peninsula Economic Region experiences higher participation rates than the province in 4 out of 5 age categories. This again points back to an acute labour shortage, especially those in the bulk of the working age population (25-54 years).

When we examine the 55-64 age cohort, we can see that it is the only category in which our region's participation rate is lower than that of the province by 4.3%. In our Re-Engaging Retired Workers Report some in this age cohort took the opportunity that COVID provided to seek early retirement. For employers, this can mean offering flexible work, offering new training, or mentoring roles to draw early retirees into the workplace.

Both the 25-44 and the 45-54 age cohorts have high participation rates. Those in either age cohort currently not participating in the workforce, such as women, who are burdened by child and elder care, would come back to the labour force if childcare and flexible hours could be negotiated. Others have less interest in or ability in entering the labour force. Disability, language, housing, and lack of transportation can prohibit potential job seekers from entering or re-entering the workforce.

Stratford-Bruce Peninsula Economic Region Participation Rates

Age Cohort	Stratford-Bruce Peninsula Participation	Ontario	Difference in Participation compared to ON	Non Participation (Not Seeking)
15-24 years	70.7%	61.7%	+ 9 %	29.3%
25-44 years	89.1%	88%	+ 1.1%	10.9%
45-54 years	89.5%	86.8%	+ 2.7%	10.5%
55-64 years	62.9%	67.2%	-4.3%	37.1%
65+	16.8%	15%	+1.8 %	83.2%

Source: Labour Force Survey Annual Data 2022 (Custom Purchase)

JOB VACANCY RATES

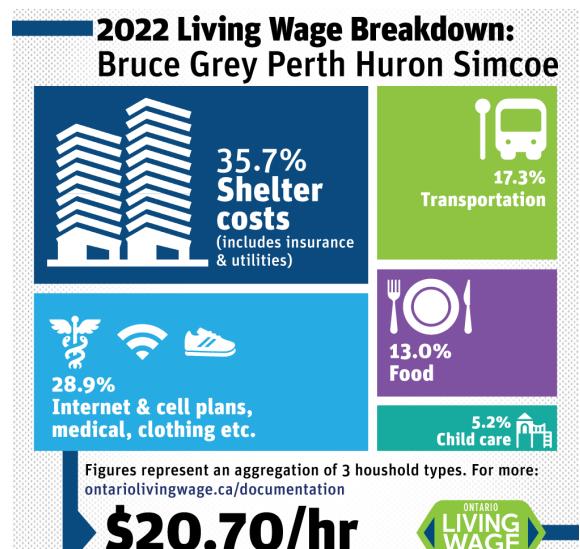
Job vacancy rate refers to the number of vacant positions expressed as a percentage of total labour demand (including both occupied and vacant positions). The Job Vacancy and Wage Survey provides data on a quarterly basis for our economic region which can be broken down by sector and educational requirements.

In Quarter 2 of 2022, job vacancy numbers in our region reached a record high of 9,465. With increased job vacancy numbers, employers typically report having a more difficult time recruiting employees and a lengthier hiring process.

We have shown in the chart below how the wages have changed with the increase in the job vacancy rate for the Stratford-Bruce Peninsula Economic Region.

Employers are having to become more competitive in order to attract the talent they require.

According to the United Way for Bruce, Grey, Perth, Huron, Simcoe; the Living Wage is now calculated as \$20.70, a 12.5% increase from last year (\$17.95).



Source: Calculating Ontario's Living Wages Calculating_Ontario's_Living_Wages_-_2022.pdf (nationbuilder.com)

Job Vacancy Numbers and Average Hourly Wages

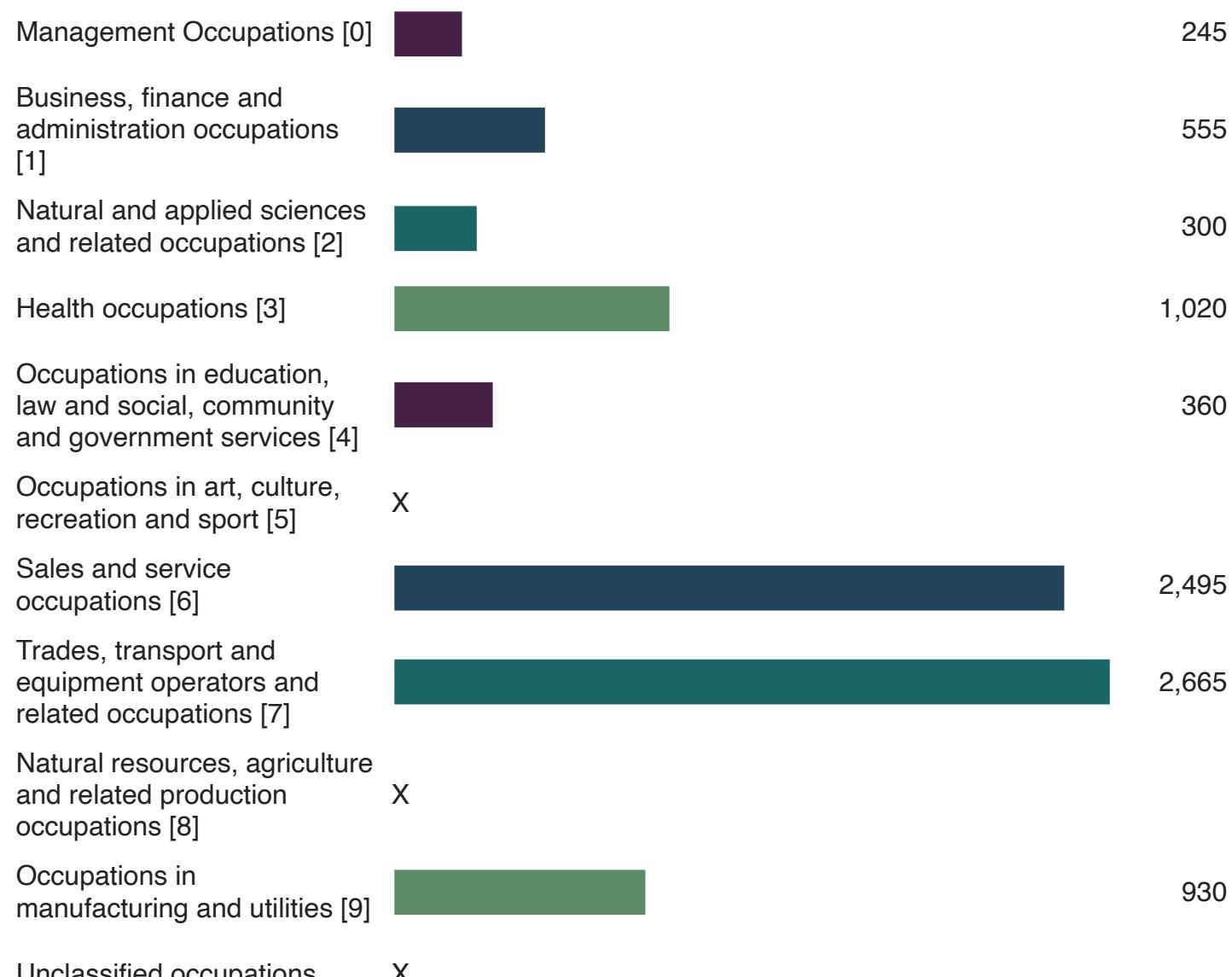
Quarter/Year	# Job Vacancies	Average hourly wage
Q4 2018	5,040	\$18.80
Q1 2019	5,010	\$18.00
Q2 2019	5,130	\$18.65
Q3 2019	5,400	\$18.40
Q4 2019	4,185	\$20.35
Q1 2020	4,185	\$19.30
Q4 2020	4,540	\$20.50
Q1 2021	4,215	\$21.90
Q2 2021	6,410	\$20.40
Q3 2021	8,480	\$20.40
Q4 2021	8,890	\$20.90
Q1 2022	7,805	\$21.60
Q2 2022	9,465	\$21.60
Q3 2022	9,155	\$22.30

Source: Statistics Canada. [Table 14-10-0325-01](#) - Data for the second and third quarters of 2020 are unavailable due to some Statistics Canada operations being temporarily suspended during the COVID-19 pandemic.

Vacancies by Occupational Grouping

When we examine these job vacancies by broad occupational group, we can see that over 50% of total job vacancies in our region fall under Sales and service occupations (NOC codes beginning with 6) or Trades, transport and equipment operators and related occupations (NOC codes beginning with 7). These are followed by Health occupations (NOC codes beginning with 3) and Occupations in manufacturing and utilities (NOC codes beginning with 9).

Number of Vacancies by Broad Occupational Group



Source: Statistics Canada. [Table 14-10-0356-01](#)
X - Data Suppressed

The monthly Job Demand report is created using data from the connect2JOBS job aggregator site – a website that houses job postings in the Four County region from 50 various job boards*. As opposed to broad occupational categories as shown above, the job demand shows us in-demand occupations at the 4 digit NOC code level.

Top Occupations by Skill, Frequency & Duration

4 Digit NOC	4 Digit NOC Name	Skill Level	Posting Count	Average Posting Length in Days	Median Posting Length in Days
6421	Retail salespersons	NOC Skill Level C	256	23.5	24
3012	Registered nurses and registered psychiatric nurses	NOC Skill Level A	220	23.7	24
4412	Home support workers, housekeepers and related occupations	NOC Skill Level C	197	25.3	24
6711	Food counter attendants, kitchen helpers and related support occupations	NOC Skill Level D	178	23.7	24
6322	Cooks	NOC Skill Level B	176	27.5	24
3233	Licensed practical nurses	NOC Skill Level B	169	25.7	24
4212	Social and community service workers	NOC Skill Level B	119	22.4	24
6731	Light duty cleaners	NOC Skill Level D	99	27.0	24
1241	Administrative assistants	NOC Skill Level B	98	25.9	24
6622	Store shelf stockers, clerks and order fillers	NOC Skill Level D	95	24.7	24

Source: connect2JOBS Monthly Job Demand Report (January 2023) [01-23-C2J_Monthly_Job_Demand_Report.pdf \(connect2jobs.ca\)](https://connect2jobs.ca/01-23-C2J_Monthly_Job_Demand_Report.pdf)

UNEMPLOYMENT & PARTICIPATION RATES OF WOMEN & MEN

At the beginning of the pandemic, COVID-19 had a disproportionate impact on women's employment. Our previous report analyzing the effects of COVID-19 on women in our region covers, in detail, how many women and men left the labour force, how many went back to work, and how age and stage affected their choices or options. Below are key points from that Report.

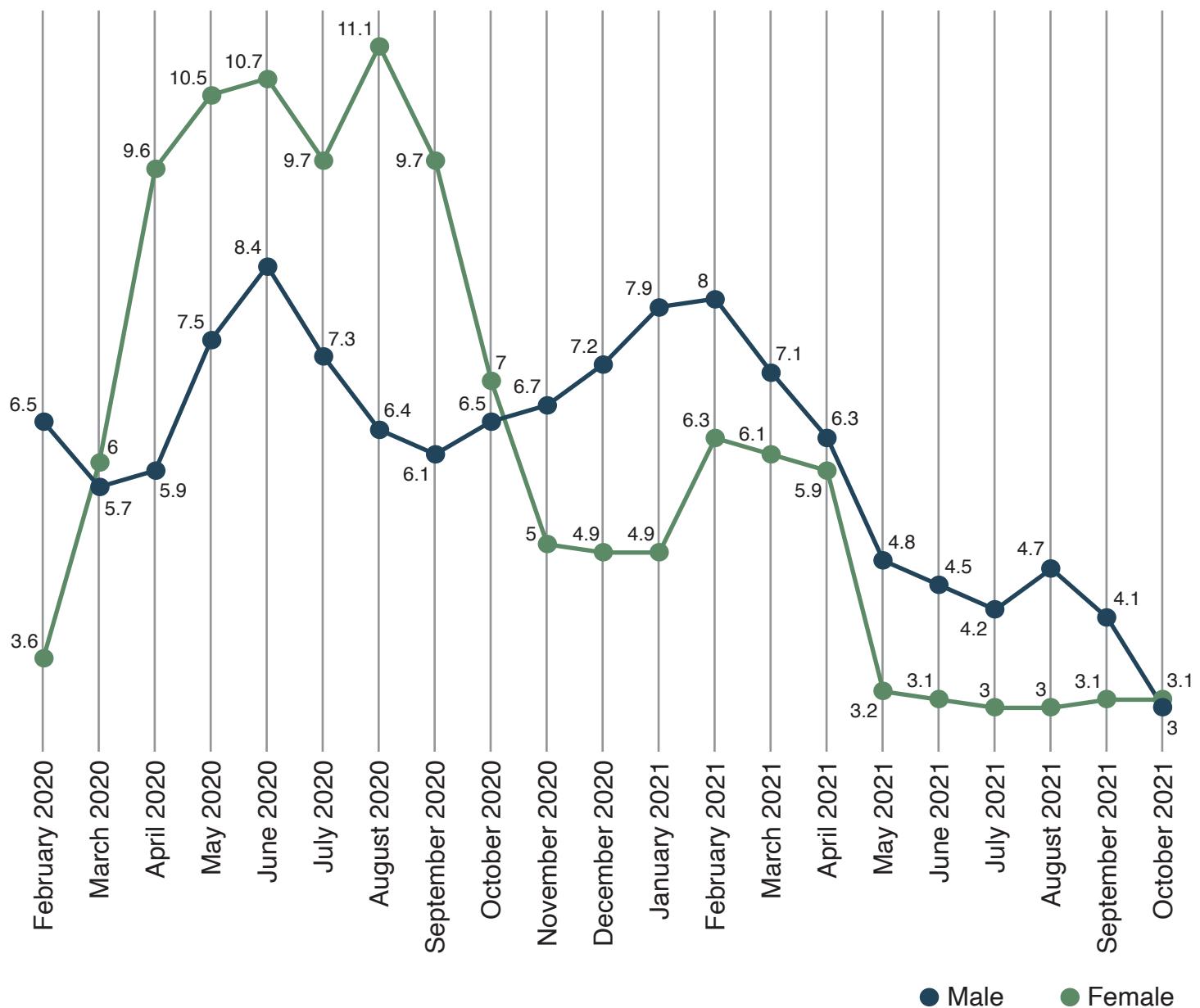
For a comprehensive review go to our report [The Impact of the Covid-19 Pandemic on Women in the Four County Region.](#)

- COVID-19 has had a disproportionate impact on women's employment. According to the RBC report, "The pandemic has pushed women's participation in the labour force down to its lowest level in three decades."
- Women accounted for 51% of the initial job losses compared to 17% in previous recessions.
- More than 70% of the job losses among women during this period were in lower-earning occupations.
- Women are overrepresented in the hardest hit sectors such as food and accommodation services that have been slow to recover as the economy reopens.
- Considering that women often carry greater care and domestic responsibilities, trying to work full-time and parent full-time as the pandemic continued, it became increasingly unsustainable for most.

In the Stratford-Bruce Peninsula Economic Region, male employment fluctuated more than female employment in 2020. By the spring of 2021 women saw a quick rebound of employment, bringing their employment beyond the pre-pandemic level.

- Since the onset of the pandemic in March 2020, there were 11,700 women added to the "not in the labour force" category from February 2020 to October 2020 in the Stratford-Bruce Peninsula ER.
- In that same time, only 3,000 men reported they were not in the workforce. The ratio of women leaving the workforce compared to men was 4:1.
- Between March and June 2020 women accounted for 100 percent of the increases in the number of people who are not in the workforce. There were fewer men who reported they were "not in the labour force" than the pre-pandemic level.
- Women were more likely to leave the workforce than men, putting them at risk of long-term job-separation and future wage penalties.
- By October 2021, the number of women reporting they were not in the labour force was 9,500, while only 600 men reported the same. The longer women stay out of the workforce they "risk skills erosion, making it harder for them to get rehired or transition into different roles as the economy evolves."

Unemployment Rate, Stratford Bruce Peninsula (15 years and over)



Source: The Impact of the COVID-19 Pandemic on Women in the Four County Region Report <https://www.planningboard.ca/reports/the-impact-of-the-covid-19-pandemic-on-women/>

UNEMPLOYMENT & PARTICIPATION RATES OF OLDER WORKERS

Among all age groups, employment for those aged 45-54 dropped the most in the beginning of the pandemic. By 2021 employment of workers aged 45-54 recovered to nearly pre-pandemic levels.

- Employment among the 55-64 age cohort increased the most from the pandemic. By May 2021 34,100 were employed which was 6,400 than its pre-pandemic level.¹
- Employment among the 65+ cohort initially decreased due to the pandemic but rebounded slightly.
- In October 2021 there were 9,100 65+ working, 2,300 below its pre-pandemic level

In Statistic Canada's April 27, 2022 release of The Daily, they report the working-age population, persons aged 15 to 64 who produce the bulk of goods and services in the Canadian economy, has reached a turning point.

- More than 1 in 5 (21.8%) persons of working age are aged 55 to 64. According to the release this is an all-time high in the history of Canadian censuses and one of the factors behind the labour shortages facing some industries across the country.
- The aging of many baby boom cohorts—the youngest of whom are between 56 and 64 years today—is accelerating population aging in general

According to the Survey of Older Workers, many individuals would continue to work if they could work part-time (47%), collect their pension and wage at the same time (38%), or work from home (35%). [Surveys and statistical programs - Survey of Older Workers \(statcan.gc.ca\)](https://www.statcan.gc.ca)

HOW EMPLOYERS ARE AFFECTED BY A LOW UNEMPLOYMENT RATE

Just as COVID-19 affected workers, employers faced problems of their own. The most critical problem is attracting and retaining employees throughout the pandemic and beyond. Despite having to shed workers in the early days of COVID, employers are now faced with a workforce that either didn't want to come back or wanted a hybrid working environment or demanded more pay for customer-facing roles.

The three employer interviews provided valuable knowledge of the local landscape. In every session we provided an overview of our unemployment rate and how a high participation rate plus an aging workforce created a labour shortage, leaving a small labour pool for employers. We invited our interviewees to share their experiences with their workforce and what strategies they are using to attract and retain workers.

The employers we spoke with include:

- Stackpole International – Stratford
- Cook's Plumbing, Heating & Electrical -Owen Sound
- Stratford Festival – Stratford

Top Areas Identified by Employer Interviews:

- Housing is a critical concern. Rising costs of rent and leases makes it difficult for employers to purchase housing for employees.
- Due to high and limited availability of housing, drawing qualified candidates from other cities is challenging.
- Finding employees for front-line customer-facing positions remains at critically low levels, resulting in fewer services available for customers
- Immigration remains an option and some use local service supports to help bring in qualified immigrants and their families.
- Attracting the youth cohort is difficult. Youth are less interested in frontline jobs.
- Recruitment is changing. Employers are looking at their internal workers to train for positions in hard to find trades such as Tool & Die and Millwright.
- Employers and Service providers report customers have become angrier and more belligerent since the pandemic.

Stackpole International

[Stackpole International](#) is one the largest North American powder metal component producers with manufacturing facilities in Canada, China, Korea and Turkey. They have sales and technical centers in Canada, China, France, Germany, the UK and the US. In total they have over 4000 employees in fifteen locations.

We spoke with the HR Manager at their Stratford facility. There are 667 employees at this location. At the time of our interview, they had 63 vacancies, all for the production floor. The two most urgent positions were for Production Operators and CNC Technicians. The latter has specific knowledge, skills, and abilities so all potential applicants are put through testing to see who is qualified and who could potentially do this job with more training. According to the HR Manager, “there isn’t that much labour in Stratford” but attracting potential workers from surrounding markets is difficult because “not a lot of people want to drive 40 minutes and get paid \$21 per hour”. Despite the wage issue, they do attract newcomers to Canada, especially from India, who are skilled CNC technicians. However, because they request long vacations to travel to India for cultural holidays back-ups for their position are needed.

With only three people in the HR department, 2 are focused on recruitment with the Manager focused on immigration: to bring skilled trades from across Europe, the UK and other countries, employers have to follow [Government of Canada's guidelines and processes](#). The HR Manager said because they are unable to find local candidates willing to apply with the education and skills required, they continue to explore the foreign worker option. The majority of the newcomers they hire speak English quite well. They are also participating in a program to bring in Ukrainians. They help them with housing and with the process of becoming a permanent resident. English is a major barrier but for now, they use translator apps on their phones and on some computers.

Housing is a major concern. Stackpole works with a local real estate agent and their Health & Safety person to find Airbnb's if they can't find an apartment or house. They also work with hotels to provide temporary housing

Manufacturing has a high turnover rate. To help ameliorate this problem, Stackpole hires a lot of students. But students generally work either the summer, fall or winter, depending on their school program, then they leave. Other employees who are newcomers, request to go home for three to four months. Since it's not a medical leave or an ESA approved leave, they must resign. The work environment can be hard for some workers; it's hot and fast paced. Wages start at \$20.40 and max out at \$24 per hour. They offer fully paid benefits and a good pension plan. Their workforce is aging so developing a succession plan for key positions is critical moving forward.

Cook's Plumbing, Heating & Electrical

[Cook's Plumbing, Heating & Electrical](#) is located in Owen Sound and has been operated by the Cook family for over 30 years. They have a range of different trades that can offer Heating & Cooling, Electrical, Plumbing, Wood Burning, Off Grid Living, Hot water heaters, Heat pumps, and water treatment.

In the last few years, Luke Cook (Owner) says he's "perpetually looking for somebody", whereas a few years ago, when he advertised, he would get ten applicants; today, he might get one. His job ads are active for two months before he might have a qualified applicant apply. In some cases, without any qualified applicants, he has given up or shifted gears in another direction. He has vans that used to be occupied but are now idle. Even worse, he has had jobs sold that couldn't be done in a timely manner. Without the ability to add qualified trades workers, his growth is limited.

Luke says the growth of his company has been fairly steady, increasing by 10% each year. COVID offered new growth opportunities, especially for Mechanical HVAC in the construction industry, as people from the city moved into the Four County area and built new homes. But without the ability to hire the 10 extra workers he was unable to take on all that work. Instead, they had to focus on their existing customers.

Luke attributes his steady growth to his commitment to his existing employees, recognizing that this commitment results in a good track record of employee retention. Luke is the second generation, managing the business with his brother. He is 37 and his brother is a bit younger, making them the median age of their technicians. As a result, they are all friends and treat their employees like family, allowing time off for family emergencies. Some employees started as high school co-ops or College co-op programs and are now licensed or early in their apprenticeships. He reports he has more luck building his trades people from the ground up rather than hiring licensed trade from other companies.

The Bruce Power Plant does affect employers like Cook's, who often loses licensed trades workers, who he trained, to the Plant. Luke doesn't fault them, it's a great place to work. Plus, he can't afford to pay the same rates. A few of those who jumped ship returned, saying the extra money wasn't worth it. Luke realizes that "It's an environment thing" and that his careful selection of employees has created a positive working environment. He recently introduced benefits to their employees, mainly because it helped to attract talented new recruits. Even so, Luke pays careful attention to the attitudes of new employees, weeding out those who don't fit. For some of his older office staff who have an eye on retirement, he allows them to decrease their hours. For older technicians, he hopes to move them into a managerial role, so they don't have to do the heavy physical work.

Stratford Festival

The [Stratford Festival](#), located in Stratford, is North America's largest classical repertory theatre company. Since the first season opened with the production of Richard III staring Alec Guinness in the title role, the Festival has charmed, stirred, and provoked audiences ever since. Before COVID, the Festival attracted nearly a half a million tourists each year. Today, only 325,000 have returned.

Today, there are four theatres operating on a seasonal basis from April to October. There is a full HR department overseen by Shelley, who is the Administrative Director. They employ about 1000 people every year with 150 full-time year-round salaried staff and 850 seasonally employed. One group of employees are the artistic, technical, theatre-specific jobs. This includes actors from across Canada. There are 250 to 300 customer service jobs such as ushers, bartenders, valets, and the call centre. The customer service positions are filled from the local workforce as the wage rate would not draw commuters from London or Kitchener.

With such a large temporary workforce, the Festival helps them find accommodation. They hold 60 or 70 property leases in Stratford and a department that helps manage the flow of people in and out of the properties. During the pandemic, when they had to close everything, they dropped their leases. As the pandemic eased and the season could resume, the dropped leases were not available for the pre-pandemic prices. In some instances, the leases had doubled in price. Housing prices in general have all increased dramatically. To hire an IT professional to their full-time roster, for example, who wanted to move to Stratford, housing prices made that decision difficult. For seasonal workers who stayed in their temporary accommodations, the Festival had to subsidize some of the rents.

COVID has affected all customer facing/service jobs in detrimental ways. For the theatre, many of the front line staff did not want to return, regardless of the protocols implemented. Pre-COVID, the Festival had a certain cache that drew students from the age of 16 and up to university students. It also drew what Shelley calls "young retirees" such as retired teachers and nurses and other retired professionals who are collecting pensions. The call centre is primarily staffed by people in prime working ages. But COVID changed the landscape. Customers, some polarized in their views regarding the pandemic, were rude to staff, particularly around the masking. Patrons wearing masks seated with unmasked patrons became angry and demanded they or the unmasked patrons be seated elsewhere. For many of the young retirees, making \$16 per hour and faced with these situations, decided to not return.

Despite a lot of turnover, she is seeing a trend of people taking stock of their life and changing jobs. As a result, they have been "hiring like crazy". Except for some front line positions, they haven't had much challenge finding the people they need. Some of the new recruits require more training to fill a position held for 20 years by the person who left. Reorganizing positions and moving responsibilities around has worked when certain positions remain unfilled. As an arts organization, Shelley says, we reorganize certain areas a lot.

They do offer some flexibility for staff who can do their work from home. Some staff have returned full time, some come in four days per week and others have remained at home. They have hired two marketing people who live in Vancouver and another from Winnipeg. None plan to move to Stratford. Same for their IT database and security employee living in Toronto. He can do his role capably without being on site. Before the pandemic, employees were expected to live in or near Stratford. Today, the focus is on the skills they need.

Salaries have been an issue and the Festival has felt the upward wage pressure, especially for professional positions like marketing and IT. But, paying higher salaries for new recruits while an existing employee in the same role is paid less creates problems. Even if they desperately need that employee, it is a friction point. For temporary positions they can negotiate a one-off salary.

Though they are hiring like crazy for some positions, other, less skilled positions such as housekeeping, parking lot attendees or bartending are more difficult to fill. For these positions, they are advertising every week. They typically do the first interview over Zoom and if the applicant is a match, they are brought in for a tour. But today, they can book five Zoom calls and only three will show up. No follow up from the two who didn't show. The concern is that the quality of candidates applying has gone down because the unemployment rate is so low.

Equity, diversity, and inclusion is important to the Festival. They have been very successful with the actors on stage, largely because they draw actors from across Canada. Implementing the strategy backstage is more difficult because they draw staff from Stratford where diversity is limited. Actors of colour and Indigenous artists have experienced “some real racist incidents and discrimination issues in Stratford”. The City of Stratford has hired a new diversity team with the hope of making Stratford a more welcoming city.

HOW LOCAL STAKEHOLDERS ARE AFFECTED BY A LOW UNEMPLOYMENT RATE

Three focus group sessions we facilitated provided further insight into the local challenges and innovative solutions happening in this tight labour market. The three focus groups were comprised of one Support Services group, one Industry Group, and one Economic Development representative group.

The Focus group sessions included representation from the following organizations:

- Conestoga Career Centre, VPI Working Solutions, Huron County Ontario Works, Ontario Works – City of Stratford, Human Services - Corporation of the County of Bruce, YMCA of Owen Sound Grey Bruce
- Excellence in Manufacturing Consortium, Stratford Tourism Alliance, Blue Mountain Village Association, Regional Tourism Organization 7
- Town of Hanover, Town of St Marys, City of Stratford, Bruce County, Grey County, Perth County

Top areas identified by local stakeholder focus groups:

- Housing. Rising costs and lack of availability. Tourism industries are particularly harder hit. With employers buying or leasing housing options, drawing tourists for overnight stays is challenging.
- Industry groups report difficulties attracting qualified candidates, especially youth.
- As the cost of living continues to increase, people on fixed incomes are coming into employment services for help entering the workforce.
- Some job seekers need little help while others require a lot of ongoing support.
- The level and length of ongoing support for job seekers with multiple barriers exceeds the human resources available. Some report burnout and others report being assaulted.
- Settlement services have demonstrated success in placing immigrants in local jobs.

As our data presented above shows, the participation rate in the Four County area labour force is very high. While challenging for employers, Employment Service agencies will be working more closely with individuals who might struggle to become or stay employed.

The Support Services group was convened to see how a tight labor market was affecting their client groups: job seekers (voluntary and mandated), job developers, employers, and other service providers. During these sessions, staff also shared how a low unemployment rate affected their ability to provide the additional support needed by clients, in some cases leading to burnout and in others, to creative solutions and collaboration. Job developers are seeing high vacancy rates and few applicants to fill them. Employers are faced with cutting services, shutting down their drive thrus or dining room, or reducing their hours.

Clients coming into employment services have many barriers. With the cost of living increasing, clients on a fixed income are coming in for help entering the workforce. Many have been out of the workforce for a long time and need to learn about the world of work and what skills they have to enter it. Older workers are also feeling the pinch of inflation and are coming in for resume assistance. Job developers are working closely with both groups to ensure they can match them with local employers.

For individuals on fixed incomes like the Ontario Disability Support Program (ODSP) they require more time and support to help them enter the workforce. Counsellors can support these clients by helping them get through the onboarding and the basic health and safety requirements. They also offer a resource room where clients can learn how to manage issues around mental health (their own and others around them), ensuring they have supports in place if they need help. Clients are challenged to consider whether they can work full-time or if a part-time role to start would be better.

Staff are spending much more time with people who want to work and/or are desperate to work. However, many have significant mental health barriers that get in the way of their journey into the workforce. Amazingly, some employers have stepped up and made accommodations for individuals with crippling anxiety or childcare. These positions are entry level in service industries and in long term care. These employers have also hired newcomers who we supported through our settlement services, where we can provide some language translation to get them into the job and then ongoing job support.

Settlement Services can also provide job shadowing support where a worker will be on the job site with the new employee. They also help newcomers connect their children to schools and provide support if there are any issues at the school. And they are providing language training and social contact, both of which help newcomers adjust to life here and learn English. With this level of support many of the newcomers find permanent employment.

The Ontario Works program faces many of the same issues identified above. Getting people employment ready is an integral step in helping someone become self-sufficient. There is a major transformation happening in employment services part of which is focusing on providing life stabilization and the stability supports to help people move toward employment. People on Ontario Works have been moving off assistance because their earnings exceed what's allowed. However, they are not making enough to be sustainable.

Housing is a problem. Some employers in Stratford have been providing housing for their employees as a means of attracting applicants. While it's a good idea in principle, it becomes a problem when employees have workplace concerns with their employer who is also their landlord. These employees had difficulty growing within the company without threatening their housing. Consequently, they need more advice, support, and information than the Career Centre can provide.

Other agencies report they are seeing clients accessing services less because there are a lot of jobs available, most for minimum wage. Many smaller employers in Bruce County have raised their wages, partly due to inflation and partly to attract labour. Larger employers and corporations are not following suit. So dissatisfied employees are jumping to other opportunities. Employers are adapting, shifting schedules to four day workweeks to help retain employees. More employers are accessing federal grants to employ foreign workers.

Agencies dealing with referrals from Ontario Works and Probation and Parole, people who are the most removed from the workforce, deal with aggressive and violent individuals. Frontline staff have reported being assaulted and some are nearing burnout.

All industries with frontline staff are struggling to fill those positions. The level of abuse, low wages, and long hours are making it harder for employers to find workers willing to do the work. A common theme in all our sessions is the reluctance of workers to deal with customers who have become angrier and more aggressive throughout the pandemic. For many employers in the hospitality and food service industry, this means scaling back or eliminating parts of their services: closing dining rooms, serving either lunch or dinner, or reducing hours.

The Industry group identified the lack of housing as a critical problem. Without enough housing, employers in various industries, manufacturing or tourism can't operate at full capacity or expand. Employers can't bring workers in from other communities if they can't house them. While some employers buy houses or B&B's or rooms in hotels, tourism operators can't bring tourists to the area for overnight stays. Most tourism venues require frontline, customer-facing employees but finding workers to fill those roles is difficult. With fewer skilled or qualified candidates applying to job postings employers hire people who require a lot of training. Consequently, small businesses are devoting a lot more time on human resource issues than they did before the pandemic. With jobs going unfilled some companies are looking at innovative ways of continuing operations by investing in robotics.

During the pandemic, people living in larger cities like Toronto, moved to the Four County area to escape the city. With remote jobs, they could sell their property in Toronto and purchase a home in our rural community. They take up housing stock and don't work in the local labour force.

The Industry group also talked about the difficulty of attracting youth into the workforce. The 15-24 age group isn't participating in the labour force in great numbers. They might have side hustles that make enough money for travel or luxury items, but few are interested in the minimum wage jobs offered.

The push to have employers adopt a living wage has been beneficial for workers. And with higher wages, prices for goods and services rise with it. From a tourism standpoint, balancing wages and prices becomes tricky. To have tourists to come and stay in our communities we must be competitive. After the pandemic, people are eager to travel, go on tours, ski vacations, stay at the beach, see a play, or experience local markets and restaurants.

CONCLUSION – IMPACTS OF LOW UNEMPLOYMENT

Our region has consistently experienced a low unemployment rate for the past ten years. This combined with a high participation rate and an aging workforce leaves our region with a labour shortage, and a very small labour pool for employers to pull from. Nearly 90% of those in the workforce are between the ages of 24 and 55. Since 2016, the number of job vacancies has steadily increased putting upward pressure on wages.

Housing was identified as a central problem. Housing costs have doubled or tripled in some instances. Building, buying, renting, or leasing housing has become so expensive that employers are unable to draw qualified candidates from outside the region. Some employers have bought or leased houses, bought out B&B locations, or hotel rooms to house new employees. For other industries operating in the region, such as tourism, attracting workers for seasonal positions becomes difficult.

Employers, industry groups, and employment services report that hiring or placing qualified candidates, youth, or early retirees, in front line, customer-facing positions has become difficult. They report that customers have become more aggressive and/or rude with staff, leading many to not pursue careers in those industries or leave their current position. The low wages that typically accompany these positions is another reason people aren't attracted to these industries.

With a small labour pool, some employers are exploring how to bring in foreign workers to fill skilled positions. Private immigration consultants can offer help bringing immigrants to Canada and getting them housed in our area. The YMCA Settlement Services also offers comprehensive support to the new immigrant and their family. Communities and employers are starting to implement equity, inclusion, and diversity principles partly because they realize how critical immigrants are to filling growing vacancies.

Creating a clearer awareness of how low unemployment impacts our local economy will provide employers and stakeholders with better options when updating or implementing Attraction and Retention strategies. The Four County Labour Market Planning Board will continue to focus our projects based on the data we are seeing to work with our partners to provide the resources and tools they need for a sustainable workforce that supports employers and the communities that exist in the Stratford-Bruce Peninsula Economic Region.

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