Trends, Opportunities and Priorities For the Niagara Region

Creating Niagara's strategic Labour market action plan

FOCUS GROUP DISCUSSION PAPER
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About NTAB …Niagara's Workforce Development Board

Niagara Training & Adjustment Board is a community directed, non-profit corporation leading Niagara in its approach to workforce development and labour market planning. NTAB functions as a neutral broker of research, disseminator of information, and facilitator of collaborative partnership development. Operating as part of the Local Boards Network of Ontario, NTAB is one of 25 local planning board areas mandated through Ministry of Training, Colleges and Universities to conduct and disseminate local labour market research and engage community stakeholders in a planning process that supports local solutions to local issues.

Trends, Opportunities & Priorities Report – TOP 2007

Resulting from a broad, community consultation and research process, the annual TOP report captures a current picture of the issues, trends, and community identified priorities relating to Niagara's labour market planning and workforce development. The primary focus of this report is to achieve clarity and understanding of Niagara labour market composition and influences. The TOP report is a reference document for community partners, business, labour, and government to support decision making and strategic planning around workforce development. NTAB continues to seek out information and enhance the process model to maximize the link between key strategic priorities that influence the region's workforce and economic development.

Purpose of this discussion paper

To assist you with the discussion scheduled for October 3-12, 2007 for the Flip Space focus group, this summary report has been compiled to provide a snapshot of labour market information for the Niagara area. Key trends are documented and a list of related, community identified, issues have been stated. As part of the focus group work, we will be seeking verification of the issues and asking your thoughts on their priority.

Expected outcomes for Flip Space include

- confirmation of key trends and issues impacting Niagara's labour market and labour market influences
- validation of priority issues that need to be addressed over the next 12-24 months
- consensus on 6-8 clearly defined strategic actions that address prioritized issues
- identification of common threads/focus among regional/organizational strategic priorities

Niagara Community Profile – At a Glance[i]

1. Total population, population
1996 – 403,504 2001 - 410,574 2006 – 427,421
This is an increase of 16,855 people or 4.1% growth, since 2001.

- Largest population growth within Niagara was in Niagara Falls, with an increase of 3,370 people since 2001; smallest was in Port Colborne with 150.
- The greatest percentage growth was in Grimsby, with a 12% population growth since 2001.
- The smallest was in Port Colborne and Thorold, each with 1%
- The oldest community is Niagara on the Lake, where the median age is 49.1 and 86.2% of the population is over age 15.
- The youngest community is West Lincoln, where the median age is 36.5 and 77.9% of the population is over age 15.
- Females matched or outgrew males in all but one community - Fort Erie.
- Communities with a growth in children age 0-4 were Grimsby, Niagara on the Lake, Pelham and Welland.
- The greatest percentage growth of any single age group in a community was by those age 55-64 in West Lincoln; a growth of 39% since 2001.
- The greatest percentage loss of any single age group in a community was by those age 0-4 in Wainfleet; a loss of 15% since 2001.

Niagara workforce (select ages) by Age and Occupation:

Age 50-64 Niagara	
Retail salespersons and sales clerks	1805
Retail trade managers	1040
Secretaries (except legal and medical)	900
Janitors, caretakers and building superintendents	835
Registered nurses	830
Elementary school and kindergarten teachers	820
Light duty cleaners	710
Farmers and farm managers	610
General office clerks	605
Truck drivers	590
Secondary school teachers	560
Cashiers	555
Motor vehicle assemblers, inspectors and testers	545
Bookkeepers	520
Administrative officers	440

[i] http://www12.statcan.ca/english

Age 15-24 Niagara	
Food counter attendants, kitchen helpers and related occupations	2895
Retail salespersons and sales clerks	2830
Cashiers	2070
Food and beverage servers	1825
Grocery clerks and store shelf stockers	1230
Cooks	1185
Nursery and greenhouse workers	835
Landscaping and grounds maintenance labourers	580
General farm workers	520
Customer service, information and related clerks	450
Light duty cleaners	410
Other elemental sales occupations	355
Material handlers	350
General office clerks	325
Service station attendants	300

Table 1 - Average Monthly Employment by Industry, Niagara CMA January – August, 2007[ii]

Sector and Industry	**Estimated Labour Force, 000s**
Total employed, all industries[iii]	189.7
Goods-producing sector	45.1
Agriculture	6.6
Construction	12.0
Manufacturing	25.3
Services-producing sector[iv]	144.5
Trade	29.8
Transportation and warehousing	7.4
Finance, insurance, real estate and leasing	8.0
Professional, scientific and technical services	7.5
Business, building and other support services	10.1
Educational services	12.0
Health care and social assistance	21.1
Information, culture and recreation	14.3
Accommodation and food services]	18.3
Other services	9.1
Public administration	7.1

[ii] Calculations based upon CANSIM - Labour Force Survey Estimates (Unadjusted), Statistics Canada, January to August 2007.
[iii] Statistics Canada does not reveal the numbers for variables (sectors) with fewer than 1,500 people. Therefore, two sub-sectors (Forestry and Utilities) are not separately listed in the Goods-producing sector; their numbers are however included in the Goods-producing sector's total numbers
[iv] *Rounding* accounts for the minor variation between the sector total and the total when adding individual sub-sectors

Table 2 - Average Monthly Employment by Occupation, Niagara CMA January - August, 2007[v]

Major Occupational Clusters	Estimated Labour Force, 000s
Total employed, all occupations	189.7
Management occupations	14.6
Business, finance and administrative occupations	27.3
Natural and applied sciences and related occupations	8.6
Health occupations	11.6
Occupations in social science, education, government service and religion	14.4
Occupations in art, culture, recreation and sport	5.3
Sales and service occupations	59.5
Trades, transport and equipment operators and related occupations	27.9
Occupations unique to primary industry	12.4
Occupations unique to processing, manufacturing and utilities	12.8

Year Over Year Update and Significant Change Summary, Niagara 2006–2007

Niagara's average monthly labour force is projected to edge up slightly by approximately 1,900[vi] in 2007, which is a little below the 1.2 % average annual employment growth[vii] projected by the Conference Board of Canada for the 2006 to 2009 period. Niagara's services' sector, which struggled in 2006, is expected to recover approximately half of the gains that had been made in 2005; whereas Niagara's goods-producing industries appear to have lost the gains they made in 2006, with their average monthly labour force projected to decline by 2,300 from 2006 to 2007, largely due to declining employment in the manufacturing sector.

Construction

In 2007 Niagara's construction sector is forecasted to record a minimal increase in employment, consistent with the nominal growth in 2005, and much better than the significant decline in employment experienced between 2004 and 2005.

Manufacturing

Manufacturing employment is projected to decline by approximately 1,900 people in 2007. The closing of Hayes Dana has continued to impose challenges for the sector in 2007. Overall, Niagara's manufacturing employment is expected to remain relatively constant through to 2009, with employment ranging between 24,000 and 26,000.

Agriculture

Niagara's agricultural industry is expected to remain relatively stable in 2007, after a experiencing such robust growth in 2006. In 2007 the monthly labour force is projected to average approximately 6,600[viii] for this sector, which includes greenhouses and tender fruit and grape farms. The closing of Cadbury Schweppes Beverages will affect more than one hundred juice grape growers, and prompt a further transition toward wine grapes.[ix]

[v] Calculations based upon CANSIM - Labour Force Survey Estimates (Unadjusted), Statistics Canada, January to August 2007

[vi] Calculations based upon CANSIM - Labour Force Survey Estimates (Unadjusted), Statistics Canada, January to November 2005 & 2006

[vii] Metropolitan Outlook 2B, Conference Board of Canada, May 2005

[viii] Calculations based upon *CANSIM - Labour Force Survey Estimates* (Unadjusted), Statistics Canada, January to November 2005 & 2006

[ix] *Labour Market Bulletin*, Niagara Area, Volume III, Issue I, Service Canada Centre, April 2007

Services

In 2006 employment in Niagara's services sector experienced a decline across most industries within the sector, which led to drop of 5,400 in employment for the overall sector, relative to 2005. The unadjusted monthly employment estimates for 2007 look much more promising though, with an average monthly increase of approximately 4,200 anticipated, year over year. The employment gains within the sector can be attributed to growth in the following service industries, Information, culture and recreation, Transportation and warehousing, and Educational Services, and the 2nd quarter growth in the Health sector.

The greatest gains in employment by occupational cluster can be found in the Sales and Service occupations.

Niagara's services sector is comprised of a wide variety of services, including basic personal services such as hairstyling; leisure services such as theatre performances and golfing; community services such as health care and education; and business services such as computer repairs, and legal and marketing services.

Hospitality & Tourism

Employers in Hospitality & Tourism have indicated a need for approximately 2300 new hires over the period 2007-2009. These positions cross all levels from entry level to management and across departments including food & beverage, maintenance, rooms division and fitness.

Health Care Services

It is important to note that research indicates that the average retirement age for healthcare employees is 58. In addition to this concern, the Niagara Health System's current vacancy rate is 8.8%. This percentage is considered critical for the organization and increased efforts to work with Ontario Colleges and Universities have brought more new graduates into the system than ever before. Niagara is also attempting to recruit foreign trained health care professionals to fill their workforce needs.

Niagara Economic Growth Strategy – 2005

On April 28, 2005 Regional Council formally approved **Navigating Our Future: Niagara's Economic Growth Strategy 2005-2010.**

The economic strategy outlines six directions that are intended to help steer Niagara towards a more prosperous future

1. **Build a Stronger Collective Voice**
2. **Create A Competitive Business Environment**
3. **Target Strategic Employers**
4. **Improve Transportation and Related Infrastructure**
5. **Re-Brand Niagara**
6. **Develop Niagara's Talent Pool**

The 6th pillar – Developing Niagara's Talent Pool links directly to the workforce development strategy and action planning process that NTAB is currently undertaking as part of its Trends, Opportunities and Priorities consultation process. Proposed actions related to the 6th pillar in the Economic Growth Strategy are listed below. You are encouraged to utilize these actions in your responses and to share your thoughts on implementation and placing emphasis on those that you see are priority.

Niagara Trends and Issues (based on the 2007 TOP Report):

Labour market research and local intelligence clearly depict five key trends that are impacting local labour force development:

- Economic restructuring – Niagara is experiencing a transfer of jobs from manufacturing to the service sector;
- Increased age of the regional population – Niagara continues to experience a modest population growth and out-migration of youth;
- Low labour force participation among equity groups;
- Lower education attainment at the university level (as compared to Ontario) while employer demand for higher skills is increasing;
- Lack of inter-municipal transportation system is impacting negatively on job seeker mobility across municipalities.

The implications of these trends are visible in the workforce and workplace, including composition and skills of the workforce, the nature of work, workplace arrangement and workplace learning. These present both challenges and opportunities at the local level.

TREND: INCREASED AGE OF THE REGIONAL POPULATION

Issue 1: There is a need to increase participation of such labour force groups as youth, women, persons with disabilities, and foreign trained professionals, maximizing participation and increasing workforce supply to meet sector needs, particularly in areas where labour shortages exist.

Issue 5: There is a need to address the specific training and labour market needs of women including promoting education and training in non-traditional employment which could work to address differences in income between males and females as well as address skills shortages in specific areas in the labour market.

TREND: SHIFT IN LOCAL ECONOMY - CONTINUED TRANSFER OF JOBS TO THE SERVICES SECTOR - Economic Restructuring

Issue 2: Over the past decade, Health Care and Social Services (including Nursing and Residential Care Facilities) has emerged as one of the top three services sectors (9% of all employment in Niagara). However, professional occupations in health experienced a 9.4% increased share of workers in the 45 years and older cohort, threatening a continued shortage of skilled professionals in all aspects of health care. This trend is being experienced in other sectors such as transportation. As well, many skilled trades are experiencing an increased share of workers in the 45 years and older cohort*.*

TREND: Niagara Educational attainment Lags Ontario

Issue 3: Dynamic industries tend to locate in areas that have an available labour force that meets their educational and skill level requirements. As a result of the increase in technological change across occupational clusters, there is an increasing demand for higher skills by employers.

Trend: Employer Engagement in Skills Development
As we progress further into the 21st century, accessibility to a skilled labour pool will increase employer motivation to find innovative solutions to maximize utilization of their workforce.

Issue 4: Employer engagement is essential in the transfer of experiential skills and knowledge between experienced workers and new entrants to the workplace.

ADDITIONAL CONSIDERATIONS: Is Niagara being impacted by any of these issues? Should any receive priority action?

Skilled Trades Shortages

- Not enough youth are entering the trades, resulting in skilled trade shortages.
- Not enough employers are hiring apprentices, resulting in skilled trade shortages.
- The trades are not seen as a viable career option by parents and teachers, creating skilled trade shortages.
- A high number of journey persons have retired and there aren't enough apprentices to take their place, creating skilled trade shortages.
- There are low rates of completions by apprentices, creating skilled trades shortages.

Workforce Shortages

- Industry (name of industry or sector) is experiencing workforce shortages because not enough people are being trained in that field.
- Industry (name of industry or sector) is experiencing workforce shortages because not enough workers are aware of the opportunities in that field.
- Industry (name of industry or sector) is experiencing workforce shortages because potential workers do not have the skills and education required to fill the positions.
- Industry (name of industry or sector) is experiencing workforce shortages because the sector is not providing high enough pay or benefits to attract workers.
- Industry (name of industry or sector) is experiencing workforce shortages due to the high retirement rate of workers in that sector.

Marginalized Workforce

- Our marginalized workforce (name of equity group or sector of population) is under-utilized due to industry's perceived notion about their lack of abilities resulting in low employment rates.
- Our immigrant workforce is under-utilized due to a lack of recognition of credentials and past work experience resulting in low employment rates of immigrant workers.
- Our marginalized workforce (name of equity group or sector of population) is often not fully integrated into the community resulting in low employment rates.
- Our marginalized workforce (name of equity group or sector of population) often lack the skills required to fully participate in the workforce resulting in low employment rates.
- Our marginalized workforce (name of equity group or sector of population) often lacks sufficient language skills to fully participate in the workforce resulting in low employment rates.
- Our marginalized workforce (name of equity group or sector of population) often face systemic barriers to employment (child care, transportation, etc.) resulting in low employment rates.

Youth Out-Migration

- Youth are leaving our community because of the lack of opportunities for post-secondary education resulting in workforce shortages.
- Youth are leaving our community because of a perceived notion that there are few job opportunities in rural communities resulting in jobs not being filled.
- Youth are leaving our community resulting in a lower number of college and university programs and services being offered in our community to meet overall training and workforce needs.
- Youth are leaving our community because of a lack of opportunities for entry level positions resulting in an older workforce.
- Youth are leaving our community due to a lack of apprenticeship opportunities resulting in workforce shortages.

Aging Workforce

- An aging workforce that remains in the workplace will limit employment opportunities for younger workers.
- An aging workforce that remains in the workplace will require employers to adapt workplace practices and policies to meet worker needs resulting in additional time and expense for the employer.
- An aging workforce will require employers to prepare for succession planning and knowledge transfer to avoid workforce shortages and lost productivity.
- An aging workforce will result in added health insurance costs for employers.
- An aging workforce will require employers to focus more on the unique needs of older workers.

Lack of Essential Skills

- The demand by employers for higher levels of essential skills results in some workers not being able to access employment leading to higher unemployment rates.
- The lack of essential skills in the workforce results in lower productivity in the workplace.
- The lack of essential skills limits workers ability to adapt to technological change resulting in job loss.
- The lack of essential skills in the workforce limits their ability to transition to other jobs.
- A lack of essential skills among the unemployed means that they often hold low paying jobs or require income assistance.
- The demand by employers for better ‘soft skills’ – being on time, attitude, customer service – limits many workers from obtaining and retaining employment.

Ongoing Rural/Urban Disparities

- The lack of employment training programs and services in rural areas puts rural residents at a disadvantage when competing for employment.
- The lack of post secondary educational institutions in rural areas puts rural residents at a disadvantage when competing for employment.
- The lack of post-secondary educational institutions in rural areas results in difficulties attracting professionals and skilled workers to the rural area.
- The lack of modern technology in some rural communities limits people’s access to online learning opportunities creating a barrier to employment.
- The lack of post-secondary educational institutions in rural areas puts employers at a disadvantage when training is needed to upgrade the skills of their workforce.
- The requirement by educational institutions for a minimum number of participants results in fewer training programs and services being offered in rural communities and puts rural residents at a disadvantage when competing for employment.

Increasing Requirements for Higher Levels of Education (credentials)

- Employers are not aware of the value of alternative educational equivalencies which creates barriers to employment.
- The requirement by employers for higher levels of education needs to be communicated to students, parents, and teachers to ensure that young people will be able to attain and retain employment.
- The requirement by employers for higher levels of education is preventing the lower educated worker access to well-paying jobs.
- The requirement by employers for higher levels of education is forcing youth to leave the community to obtain the necessary training.

- The requirement for higher levels of education is preventing workers from entering many fields.
- Employees do not recognize the necessity and benefit of lifelong learning to help them advance or adapt to changing technologies resulting in potential job loss.

Shift in Key Employment Sector

- A major shift in key employment sector through worker layoffs and closures requires a process to assess skills, identify gaps and determine training needs in order to assist workers to take advantage of available job opportunities.
- A major shift in key employment sector through worker layoffs and closures results in a high number of displaced workers needing employment and training programs and services to transition to other sectors.
- A major shift in key employment sectors often results in a mismatch between the demand and supply affecting the overall economy.
- A major shift in a key employment sector through worker layoffs and closures often results in lower salaries as workers move to other sectors which will have an impact on the local economy.
- a major shift in key employment sector is resulting in more demand for (specific skills) which limits employment growth in the sector.

Shift in Community Demographics

- A shift in community demographics from an increase of early retirees who want to work in the service sector has resulted in fewer entry level jobs being available for youth.
- A shift in community demographics from an increased Aboriginal population will lead to the need for training and employment opportunities to be offered in Aboriginal communities.
- A shift in community demographics from a significant decline in the population has resulted in increased workforce shortages.

INFORMATION SOURCES

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