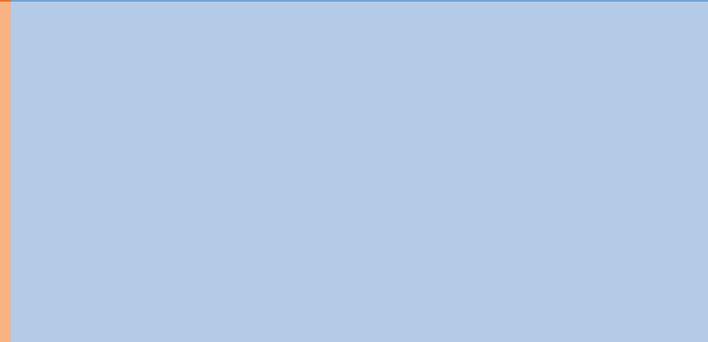




LOCAL LABOUR MARKET PLANNING REPORT

2014-15

Niagara Workforce Planning Board
Our Vision is Working



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Niagara Workforce Planning Board (NWPB) serves the Niagara region as a leader in local labour market planning, delivering authoritative research, identifying employment trends, targeting workforce opportunities, and bringing people together to create solutions. We conduct annual research on the trends, opportunities, and priorities that impact upon Niagara's labour market and releases an annual publication that captures strategic actions to address key priorities.

This report is our annual summary of the developments, challenges, and strengths of the local labour market. Much more depth and detail on these subjects is available on our blog at www.niagaraworkforce.ca, and any corrections or updates to this report will be delivered there. The most up-to-date version of this report is available on our website at www.niagaraworkforceboard.ca.

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Niagara Workforce Planning Board

Our Vision is Working

Our mission

NWPB is one of the 26 planning regions in Ontario that make up the Local Boards Network. Local Boards are funded through Employment Ontario. Each year, we provide labour market planning that is tailored to local economic realities, delivering activities and projects to help communities achieve better results.

Niagara Workforce Planning Board's role is one of facilitation and communication. Bringing community stakeholders of the Niagara region together to identify labour force issues and develop possible solutions for labour force development is our key focus. NWPB strives to ensure that information on community initiatives and actions are disseminated in an accurate and concise manner throughout the Region of Niagara.

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Our Values

Leadership

We commit to leadership that is innovative, visionary and relevant toward accomplishing shared goals.

Integrity

We commit to a strong ethical code of conduct, striving to continuously build trust with our partners, stakeholders, sponsors and the community.

Equality/Inclusiveness

To recognize the diversity within our region and its residents.

Accountability

To act in a responsible and open manner.

Commitment

To fulfill our role of partner to achieve maximum value and establish long-term relationships; to support the participants in Niagara's labour force to achieve sustainable employment.

Professionalism

We will conduct our business in a manner which is professional and respectful.

Niagara Workforce Planning Board is a member of:



Niagara Workforce Planning Board is funded by:

**EMPLOYMENT
ONTARIO**



Summaries



Executive Summary

This report provides an overview of current labour market conditions in the St. Catharines-Niagara Census Metropolitan Area¹, Grimsby, and West Lincoln. Our analysis includes data from the Canadian Business Patterns database, Statistics Canada's Labour Force Survey, custom tabulations from the 2011 National Household Survey, Taxfiler records, and aggregate data on Employment Ontario clients.

A comprehensive review of these sources allows us to identify key strengths and challenges for Niagara's labour market for the next three years. We hope that key stakeholders will recognize the urgency of the issues identified in this report and respond to them in a timely, effective, and evidence-driven fashion.

Our findings indicate that Niagara, much like the province, is becoming micro-business economy. In June of 2014, 52% of businesses in Niagara were owner-operated firms.² Many of Niagara's largest employers are found within the public sector (e.g. education, universities and colleges, municipal and regional government,

health care, etc.). As small enterprises are highly susceptible to economic fluctuations, but also highly flexible and capable of responding to changes in demand, NWPB recommends supporting these firms in all stages of their development.

Net-immigration patterns allow some insight into the age composition of our workforce. Historically, the largest cohorts of people migrating into Niagara were over the age of forty-five. This means that Niagara excelled at attracting a demographic that is potentially several decades into a chosen career path.

Between 2007 and 2011, migration patterns for individuals between the ages of 18-24 demonstrated an exodus from Niagara.³ When this data is combined with stagnant overall population growth in the region, it is not hard to understand why it is perceived as a retirement destination: our working-age population is greying while our young people leave for opportunities elsewhere.

The NWPB believes one of the highest priorities for Niagara must be the continued implementation of a youth-retention strategy. NWPB has demonstrated a commitment to this in founding NEXT Niagara. NWPB currently supports the Niagara Employment Crawl initiative led by Brock University and Niagara College. We welcome other opportunities to support the attraction and retention of young talent in Niagara.

This report builds upon labour market data explored in 2013's Niagara Labour Market Update, as well as the ongoing issues identified and explored on the Niagara Workforce Blog. One such issue is Niagara's seasonal economy, which harms seasonal workers during the off-season months. Unlike some other regions, Niagara lacks a cold-weather economy capable of employing displaced fair-weather workers. NWPB is concerned this may place a strain on the social safety net, create undue short-term hardships for individual workers, and prove potentially counter-productive to reducing poverty in the region.

Niagara continues to suffer from sluggish job growth, as has been the case since the late 1980s. Niagara remains one of the slowest-growing economies in Ontario, and has actually lost jobs since NWPB published the 2013 Local Labour Market Update.⁴ A realistic and evidence-based

job-creation strategy is vital for Niagara's prosperity. When the predominance of micro-businesses in Niagara is taken into account, initiatives aimed at nurturing and assisting entrepreneurs and small business owners should be undertaken.

As was the case in our 2013 report, NWPB received client data from Employment Ontario service providers for use in this publication. Employment Ontario's employment service providers are an invaluable asset for addressing unemployment, underemployment, and skills misalignment in the Niagara region. NWPB is committed to supporting the work of employment service providers as a vital link in building a stronger labour market for Niagara.

While some of the issues outlined within this report are rooted in the local economy, it is important to acknowledge that others are related to Ontario's sluggish recovery from the "Great Recession," the observed relationship between manufacturing in Ontario and the Canada-United States exchange rate,⁵ and other challenges of a national or international nature. Nevertheless, it is incumbent upon local decision-makers to embrace a data-driven approach to economic and labour market planning such that local issues can be addressed to provincial and/or federal government in a clear and concise fashion.



Our vision is working

This section provides an overview of NWPB as an organization and describes the purpose of this report. The report is a 23-page summary of a much broader body of evidence that is examined in greater detail on our blog. It captures the main issues of the day and is a living document that will evolve over time as we encounter new evidence and decision points, and as we implement solutions to overcome challenges.

NWPB is one of twenty-six Local Boards in Ontario and is funded by the Ministry of Training, Colleges and Universities (MTCU). Ontario is the only province in Canada to have a Local Board structure. NWPB is a partner in the Employment Ontario network of agencies, and we work to support front-line service organizations, and other educational/economic stakeholders with local research and information.

NWPB is a non-profit organization, and while our principal work involves the labour market, we support the delivery of targeted initiatives like the mentor-matching of foreign-trained professionals within the Niagara Immigrant Connections Initiative, and we welcome proposals for the use of our administrative and organizational capacity in leading or supporting workforce development initiatives.

The NWPB Board of Directors includes labour, business, and community leaders with a wide range of backgrounds and experiences. Our work engages Niagara's community leaders and organizations, businesses and citizens in a variety of ways. NWPB invites those who feel they have something to provide to the labour market conversation to join the Board or participate in a working group.

We value partnerships with the community and we encourage others to employ an evidence-based strategic planning process. We also understand the fine balance needed when addressing some of the challenges Niagara faces, and that waiting until all the evidence is in before acting is not always practical.

Background and context

This report is created to facilitate a continued understanding of Niagara's labour market for a variety of audiences. It contains recommendations drawn from current and previous research. It does not contain all of our recommendations, but only those in key areas that we believe are the main elements essential for progress. Readers should reflect on our work here (and online) as a basis for their own understanding of how this report and other evidence influences workforce choices and opportunities.

We also would like to remind our readers that human stories are not always apparent in statistics. We know through our consultations that there are many successful programs and initiatives as well as many people who work hard to provide employment services and economic development to the community. Job loss is always difficult, but there are advisory services that provide support. We know that striving for education and training is often a hard decision and a tough process, and people facing that should know that there are organizations which aim to support them as well.

Our task is to note the evidence for Niagara's successes and challenges in support of those who wish to see change. If we want to improve our labour market, many stakeholders must work together to make the changes necessary, and they must do so at a pace that is both sustainable and sufficient, and in keeping with innovations in other regions.





Analysis



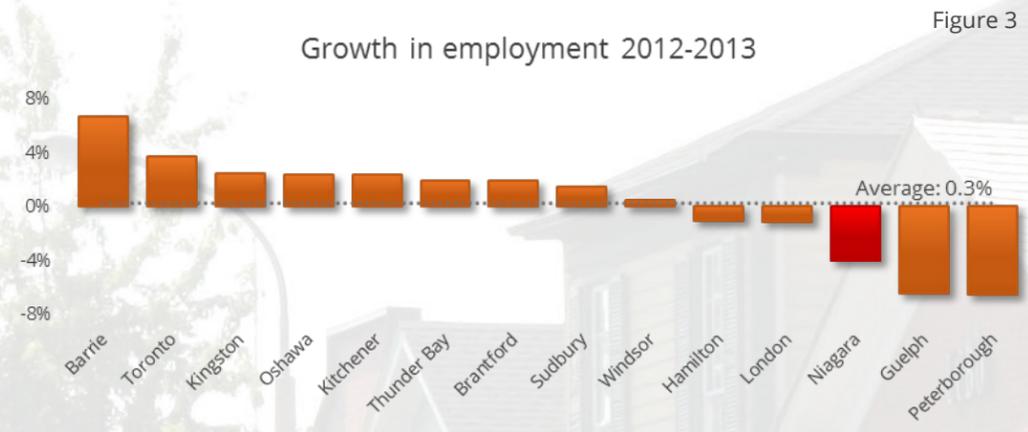
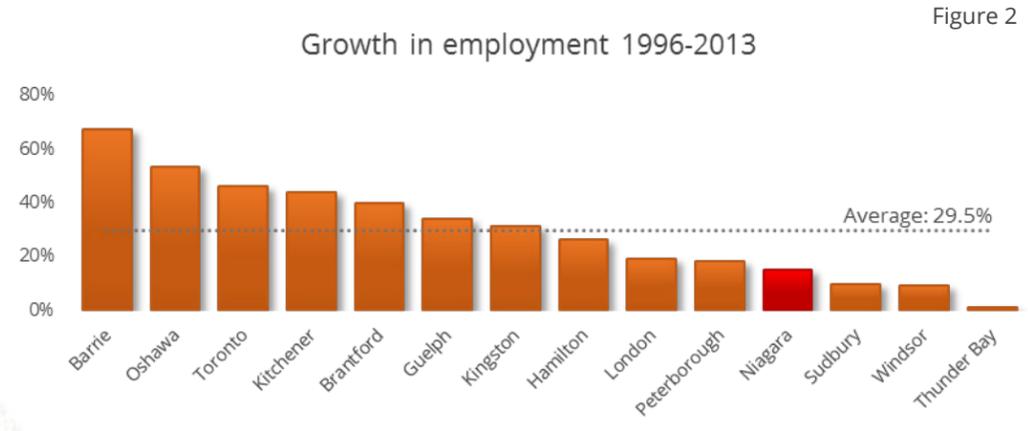
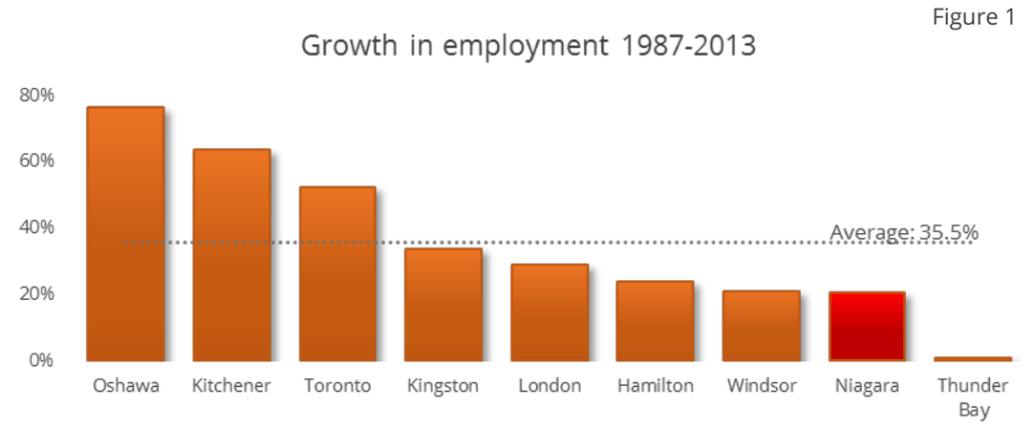
Employment growth

A key challenge in Niagara is our highly seasonal economy, which causes large swings in the unemployment rate, diminishes opportunities, and likely reduces quality of life for many Niagara workers. Another is sluggish job growth, which is possibly linked to stagnant population growth. Niagara is unlikely to attract many new residents if it cannot offer work to so many who already live here.

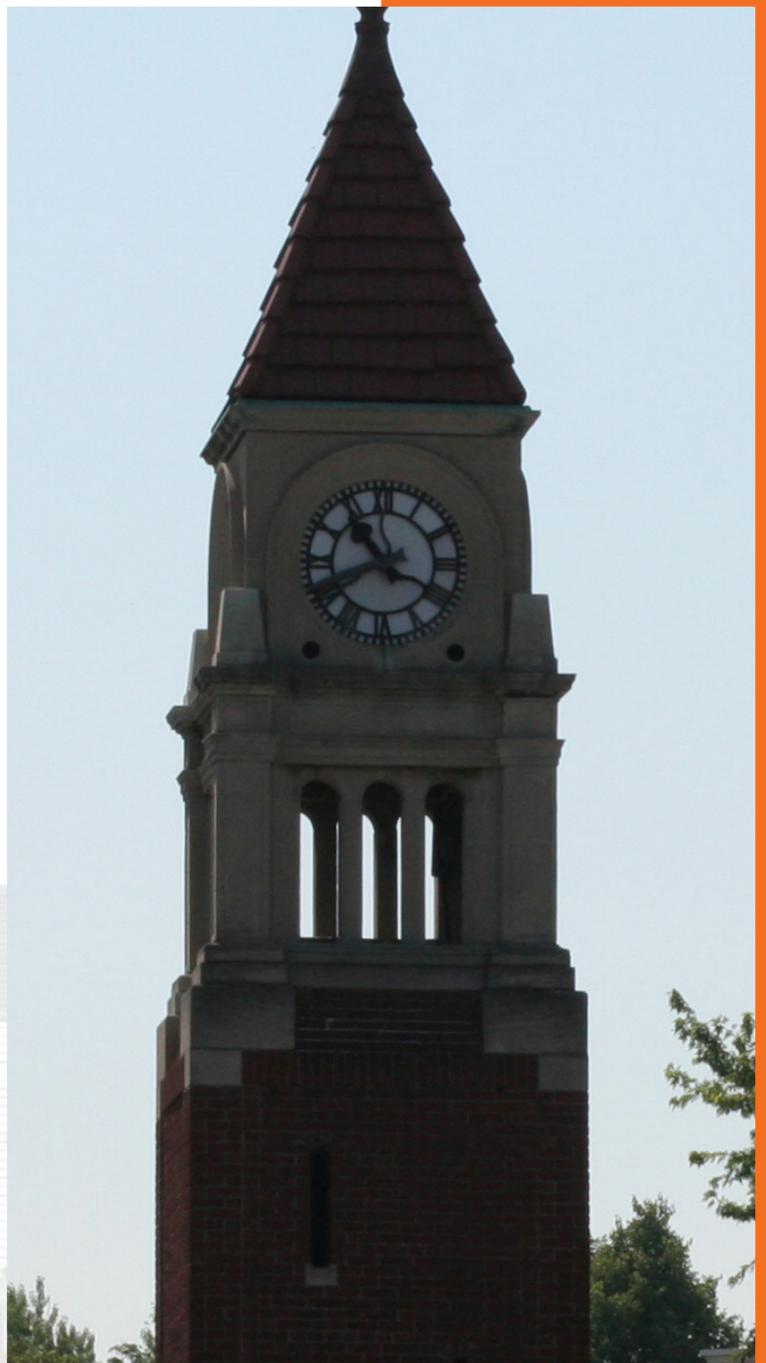
In job numbers, Niagara remains one of the slowest-growing regions in Ontario. Between 2012 and 2013 (figure 3), Niagara shed 4% of its jobs. Only Guelph and Peterborough lost more, at 6.4% and 6.6% respectively. Sluggish job growth in Niagara has been a trend for almost thirty years. Between 1996 and 2013 (figure 2), Niagara grew the number of jobs by 15%, the fourth-slowest in Ontario. Comparisons could be made with peer regions such as Kitchener, which grew its job numbers by 44% in the same time, and Kingston, at 31%. Less data is available between 1987 and 1995, with only nine census metropolitan areas eligible for inclusion in a 1987-2013 time series.

Nevertheless, between 1987 and 2013 (figure 1), Niagara was the second-slowest-growing region of all, with just over a quarter of the relative job growth shown by the top-performing region. In order to reach even the national average unemployment rate (7.1% in 2013), Niagara would have to create about 3,000 jobs (assuming no change in population or workforce size) – a 1.5% increase. As this data is drawn from the Labour Force Survey, data for 2014 will not be available until January 2015.

Overcoming this sluggish job growth and creating jobs in Niagara remains a key challenge; NWPB urges economic planners and developers to give this issue top priority. Given Niagara's status as an economy dominated by microbusinesses, initiatives aimed at nurturing start-ups and entrepreneurs are probably a good start. One possible example of this support is the U.S. "Just Add One" initiative, which encourages small businesses to hire one employee.



Source: Statistics Canada, Labour Force Survey



Labour force composition

Local labour market conditions

The composition of the labour force in 2013 continues long-established trends. The workforce is evenly split along gender lines, and the age composition of the workforce changes little over the course of a year, save for seasonal fluctuations in the 15-24 age range caused by the ebb and flow of the student workforce.

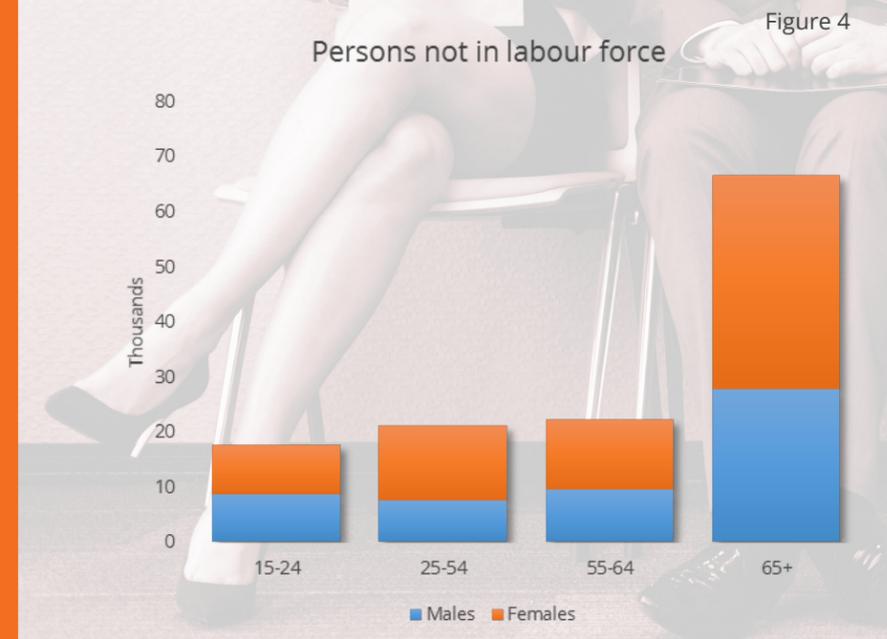
The full-time workforce remains almost equally divided along gender lines, with males forming a slight majority; however, the part-time workforce remains predominantly female, with almost two part-time female workers for every male.

This gender balance has fluctuated over the course of the year. In March, 2013, 71% of the part-time workforce was female, but by November, it was down to 60%. Additionally, more females than males do not participate in the labour force (figure 4 and 5). The numbers are even in the 15-24 age range, but in the 25-54 range, there are 1.76 females for every male

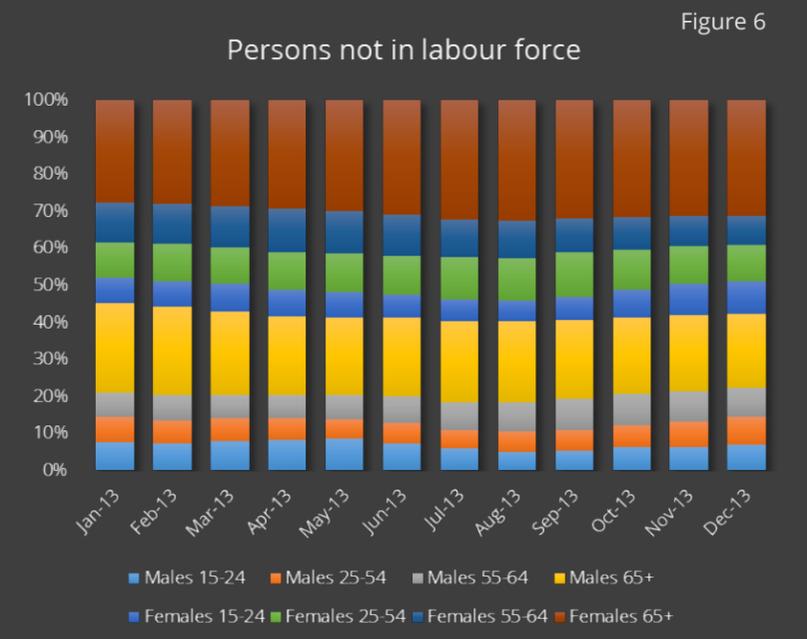
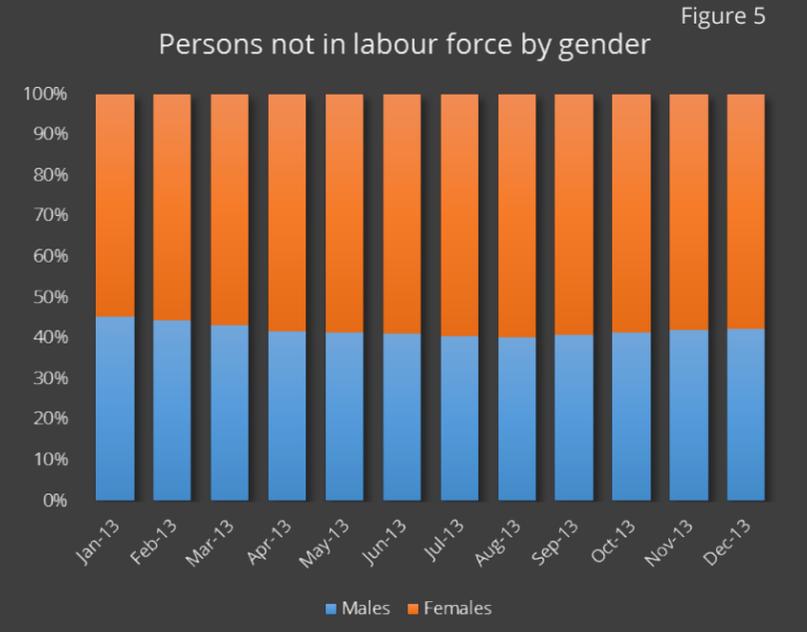
not participating (figure 6). This ratio decreases as age increases, but never returns to parity. Childcare, eldercare, and other family responsibilities not evenly split along gender lines are the most obvious cause for this phenomenon. It is fair to say that many females who leave the workforce never return to it again.

Remedying this issue would require fairly major social innovations in the provision of childcare and eldercare, and upsetting the age-old gender inequity in unpaid domestic labour.

The number of retirement-age workers is also concerning. The number of workers aged 65 and over peaked at 11,700 in the summer of 2013. Research indicates that many of these jobs are entry-level and, in the face of high youth unemployment, it might be better for the long-term health of the economy if they were held by the young.



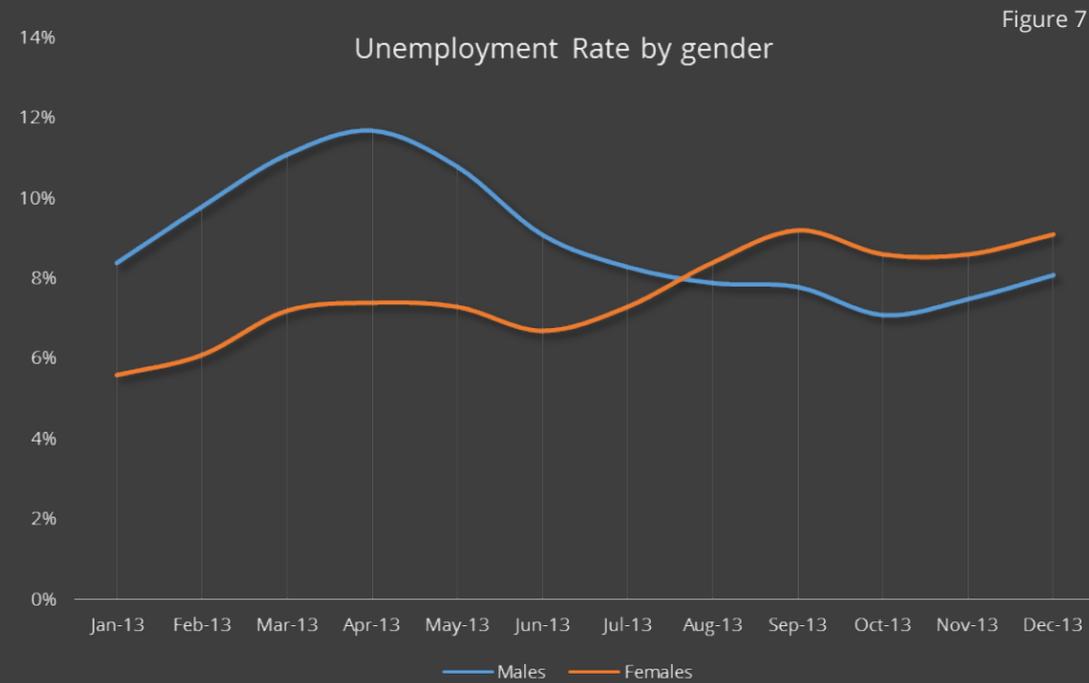
Source: Statistics Canada, Labour Force Survey



Unemployment

The unemployment rates are markedly different by gender (figure 7). This is probably because the labour markets for males and females are somewhat different; there are more females in part-time and low-paid work, which also tends to be more seasonal, and this would explain the rise in female unemployment at the end of the summer. Niagara continues to struggle with a

highly seasonal economy, with large segments of the economy focused on cyclical economic sectors such as agriculture and tourism. Higher unemployment rates are experienced every winter. In some years, the swing between summer and winter unemployment rates has been as much as five percentage points, which can double the unemployment rate in two seasons.



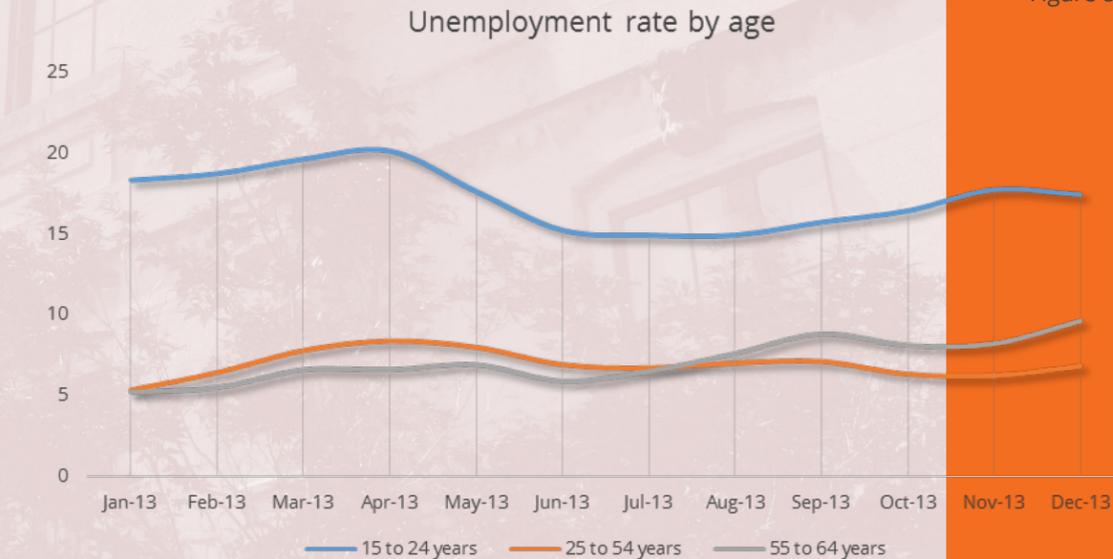
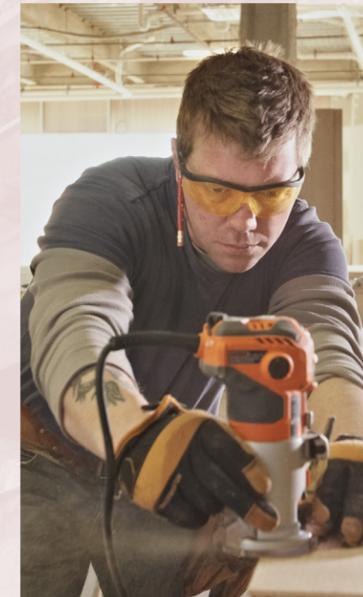
Source: Statistics Canada, Labour Force Survey

Local labour market conditions

Youth unemployment continues to remain a challenge for Niagara, although the region is by no means unique in this regard – the province and the country both struggle with the same problem. In 2013 (figure 8), the Canadian youth unemployment rate was almost double the overall rate (13.7% vs. 7.1%), and in Ontario, it was more than double (16.1% vs. 7.5%).

Contributing factors to this problem might include lack of experience, a perception that young people have traits undesirable for workers (whether generally true or not), higher dismissal rates among youth when older workers have more experience and seniority (last-in, first-out), less experience in job-seeking and fewer contacts and networking opportunities, or credential inflation.

The Conference Board of Canada finds that poverty in childhood and youth leads to less time spent in education and increased poverty in adulthood and later life. While addressing youth unemployment likely won't impact on this directly, facilitating access to the labour market early in a person's career can only help in ameliorating the impact of poverty.⁷



Source: Statistics Canada, Labour Force Survey

Most people in the Niagara workforce have not completed any post-secondary education (figure 11). In 2011, there were 180,455 workers with no education past Grade 12, and 175,925 with at least some.

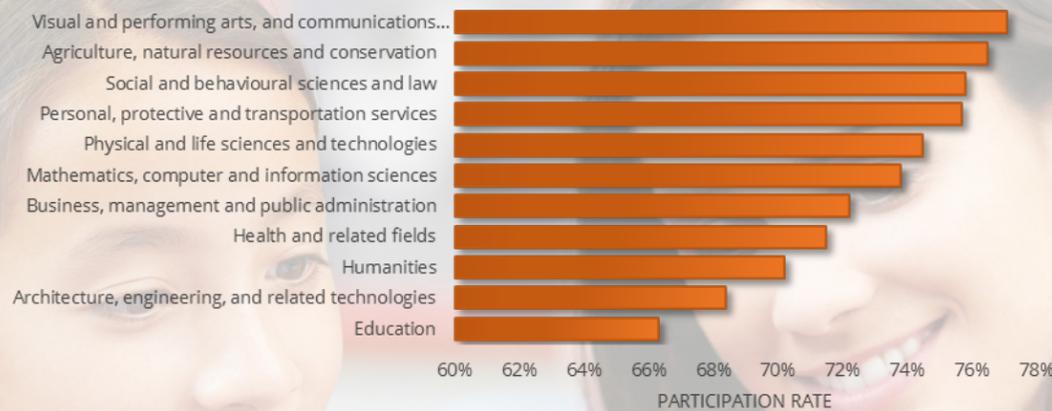
The most common fields of study within the Niagara labour force were in architecture, engineering, and related technologies, although these workers also had the second-lowest rate of labour force participation in Niagara. In terms of employment, the best field in Niagara to study remains education (figure 10) – majors have only a 3.3% unemployment rate.⁸

The worst is visual and performing arts and communications technologies, at 9.9% - although still ahead of the 11.9% rate for workers with no post-secondary education at all.⁹

Post-secondary education is clearly still a worthwhile investment, although if students are aiming for employment as an outcome of their education, a wise choice in the field of study can make an enormous difference. It can also pay to study outside the conventional “good job” fields. While agriculture, natural resources and conservation is the smallest field of study by number of workers, it also has one of Niagara’s highest labour force participation rates, and one of the lowest unemployment rates (figure 9).

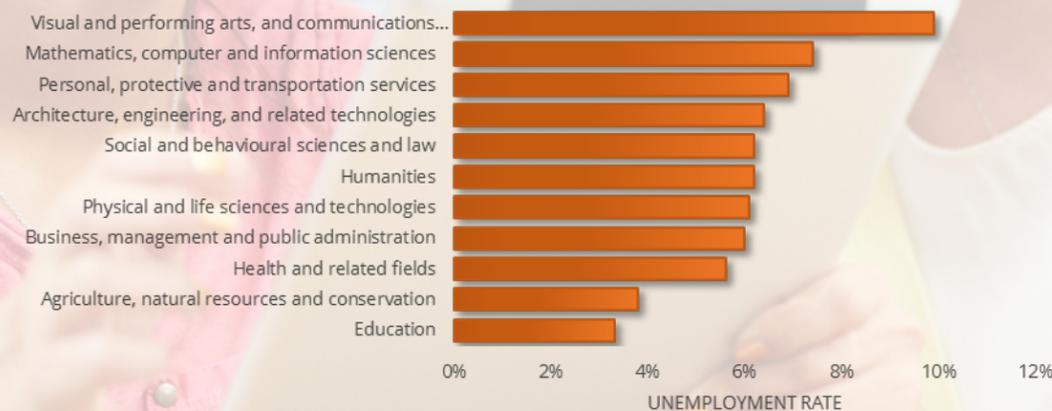
Participation rates in Niagara by discipline of study

Figure 9



Unemployment rates in Niagara by discipline of study

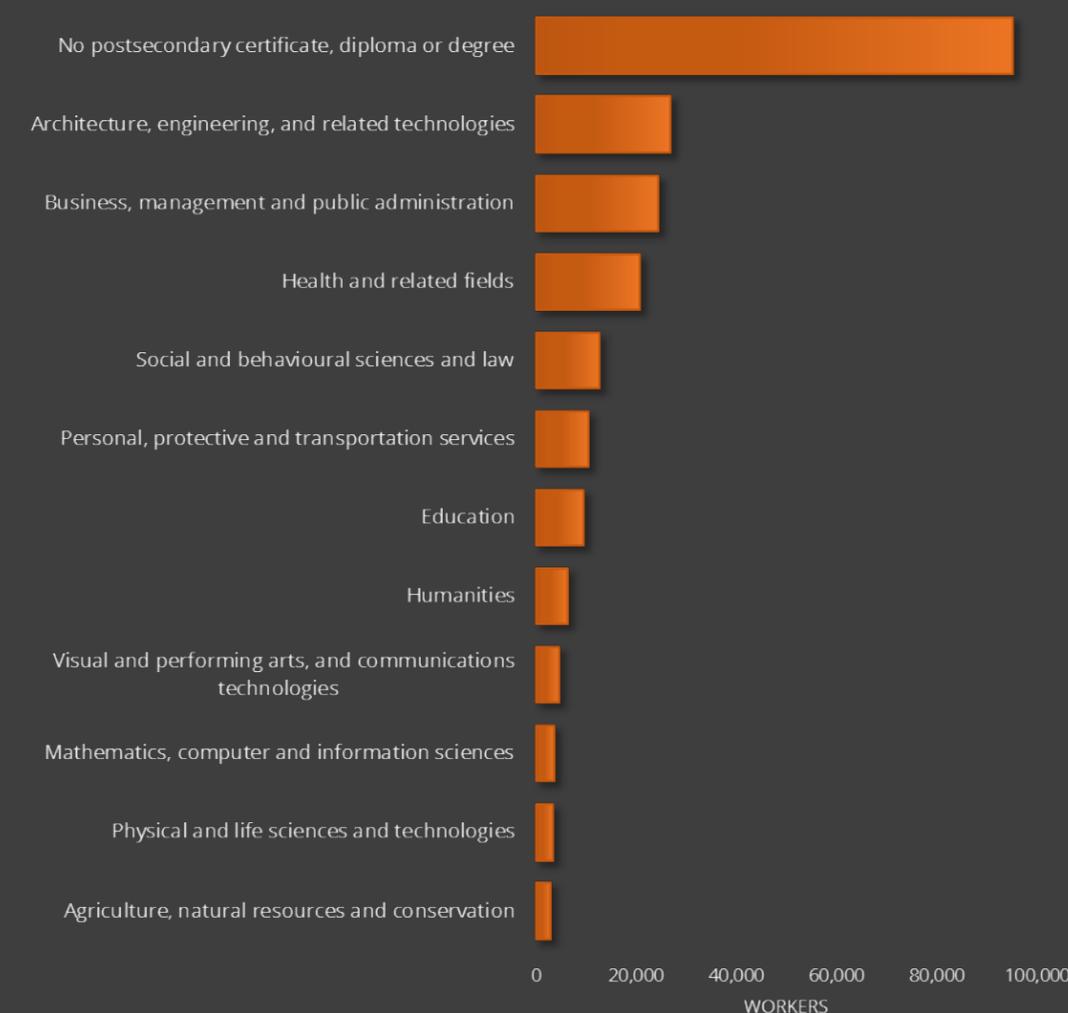
Figure 10



Source: Statistics Canada, National Household Survey

Most common fields of study in the Niagara labour force

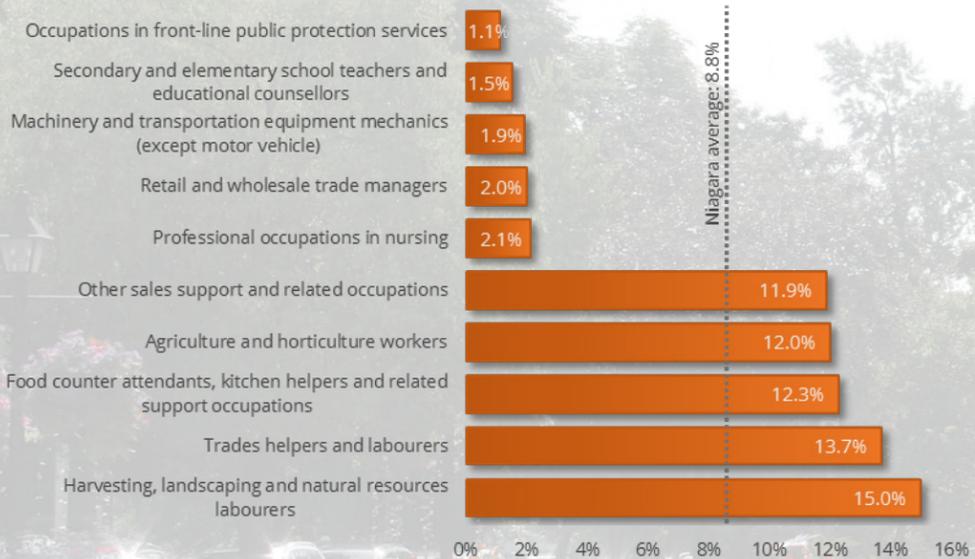
Figure 11



Occupations and industries

It is notable that four of the five occupations with the highest unemployment rates in Niagara (figure 12) are highly seasonal, working in agriculture, food service, trades, or harvesting and landscaping; doubtless this plays a significant role in their high unemployment rates. These rates are averages for the year and thus cannot show seasonal swings. It is also noteworthy that three of the five best occupations with the lowest unemployment rates in Niagara are unionized, public-sector jobs, whereas the five worst are all predominantly private-sector and non-unionized. NWPB will be examining these extremes, as well as occupations with more moderate unemployment.

Figure 12
Niagara's five best and worst major occupations by unemployment (3-digit NOC)



Source: Statistics Canada, National Household Survey

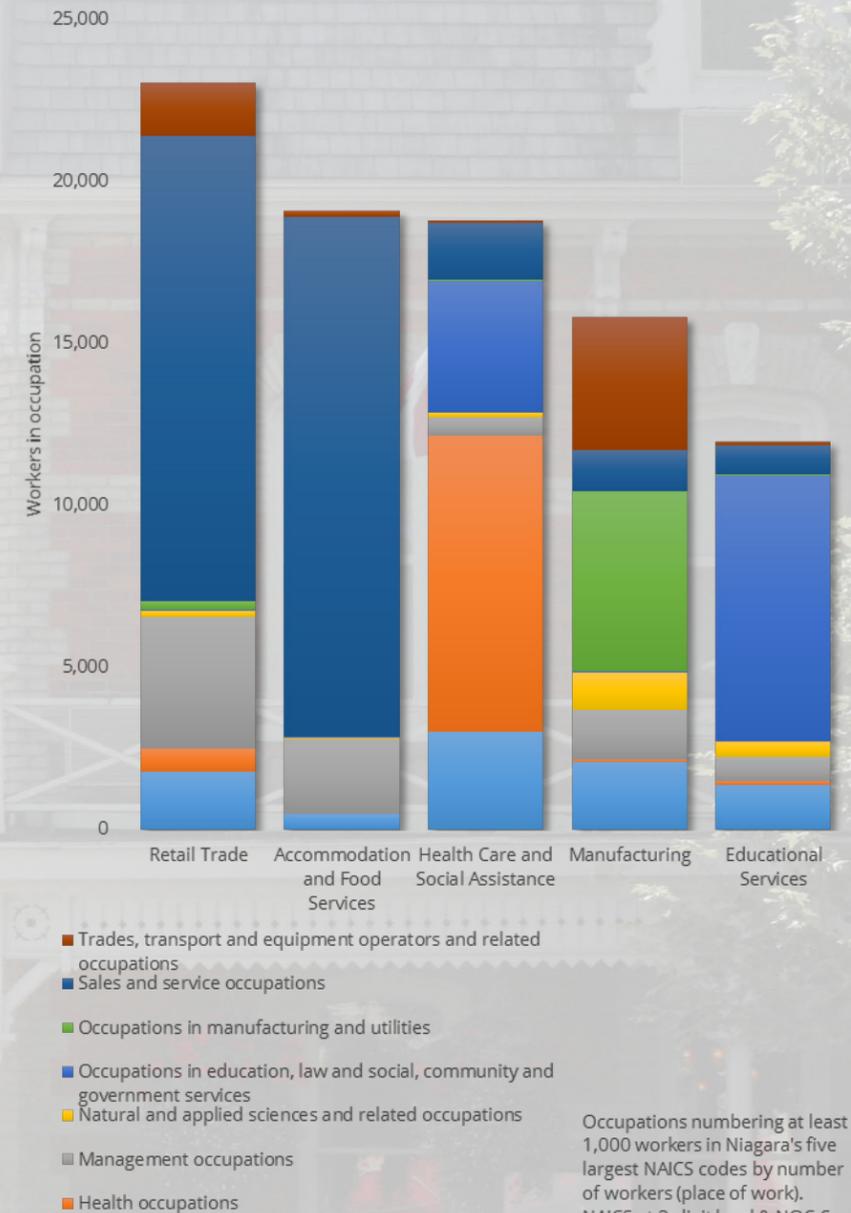
Local labour market conditions

The occupational composition of Niagara's five largest industries (figure 13), comprising almost a third of the entire Niagara workforce, is not very surprising. However, there are a few interesting points, such as the large number of business, finance, and administrative occupations in healthcare.

Niagara's healthcare and social assistance system as a whole contains roughly one administrator for every six healthcare or community service professionals. One in six Niagara workers in a hospital or a university are administrative, financial, and business personnel. In Niagara's nursing and residential care facilities, the ratio is one in twenty-eight.

Over the following three years we will be exploring this pattern to see if it is consistent with other regions.

Figure 13
Occupational Breakdown - Niagara's Top Five Industries

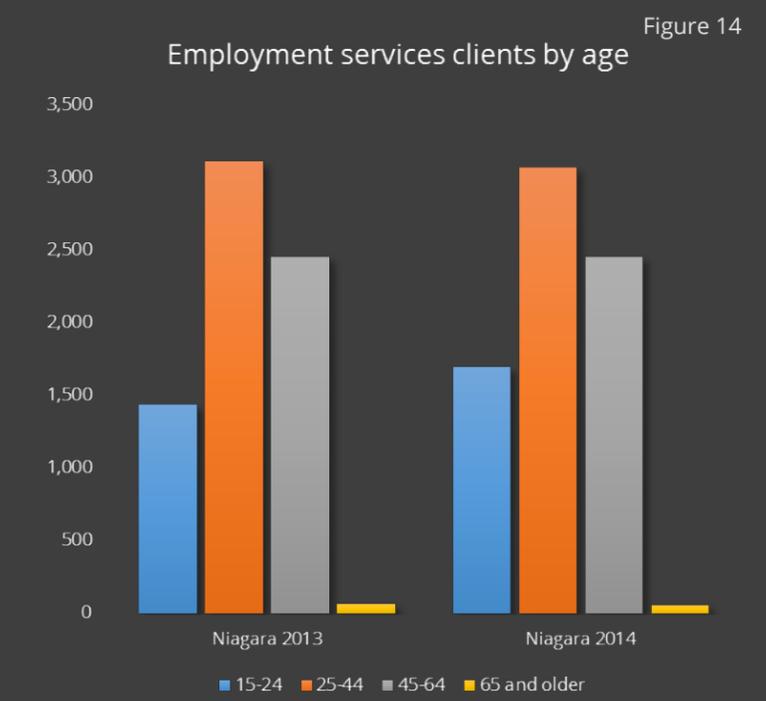


Source: Statistics Canada, National Household Survey

Employment Ontario Overview

Employment Ontario's front-line service providers are one of Niagara's best systems for addressing unemployment, under-employment, self-employment, literacy, and workplace skills training. As was the case for our 2013 Niagara Labour Market Update, the Ministry of Training, Colleges, and Universities provided NWPB with aggregate client data for Niagara's Employment Ontario service providers. In an attempt to integrate

our analysis of this data with the expert opinions of individual service providers, NWPB conducted a survey, a preliminary briefing, and a focus group with EO network representatives before producing this report. Our observations are thus an attempt to synthesise as much of the available data as possible. It is our hope that this section represents a consensus among service providers in Niagara.



Source: Ministry of Training, Colleges, and Universities; EOIS-CAMS

The following data (table 1) represents all Employment Ontario providers in the Niagara region.

The total number of assisted Employment Service clients increased slightly from 7,056 in the 2013 fiscal reporting year, to 7,270 in the 2014 fiscal reporting year. Based on 2013 figures, this could account for as much as 40% of Niagara's unemployed population.¹⁰ The largest concentration of these clients is found in the 25-44 age demographic.

During the consultative phase of this report's production, many Employment Service agencies indicated that the age brackets provided to NWPB align with Statistics Canada's age brackets but not with the default age groups utilized by Employment Service providers. We believe this to be a structural challenge that should be addressed in future collaborative efforts between the Local Board Network and Employment Ontario service providers.

Employment Service Demographics

Number of Assisted Clients	7,270
Female Clients	3,221
Male Clients	4,044
Newcomer	189
Visible Minority	162
Person with Disability	310
Aboriginal Person	112

Education at Intake

Less than Grade 8	62
Less than Grade 12	897
Completion of Secondary	2,920
Cert. Apprentice/Journey person	141
Completion of College	2,038
Completion of University	859
Other	353

Source of Income

Employment Insurance	1,449
Ontario Works	1,609
Ontario Disability Support	146
No Source of Income	2,169
Other	1,897

Outcome at Program Exit

Employed	4,854
Training/Education	1,110
Other	1,306

Literacy and Basic Skills Demographics

Number of Learners	1,403
Female Learners	842
Male Learners	559
Newcomer	38
Visible Minority	17
Person with Disability	204
Aboriginal Person	97

Labour Force Attachment

Employed Full Time	237
Employed Part Time	194
Full Time Student	52
Part Time Student	11
Self Employed	20
Under Employed	30
Unemployed	842

Source of Income

Other	246
Employed	360
Employment Insurance	78
No Source of Income	61
Ontario Disability Support	262
Ontario Works	302
Self Employed	16

Table 1

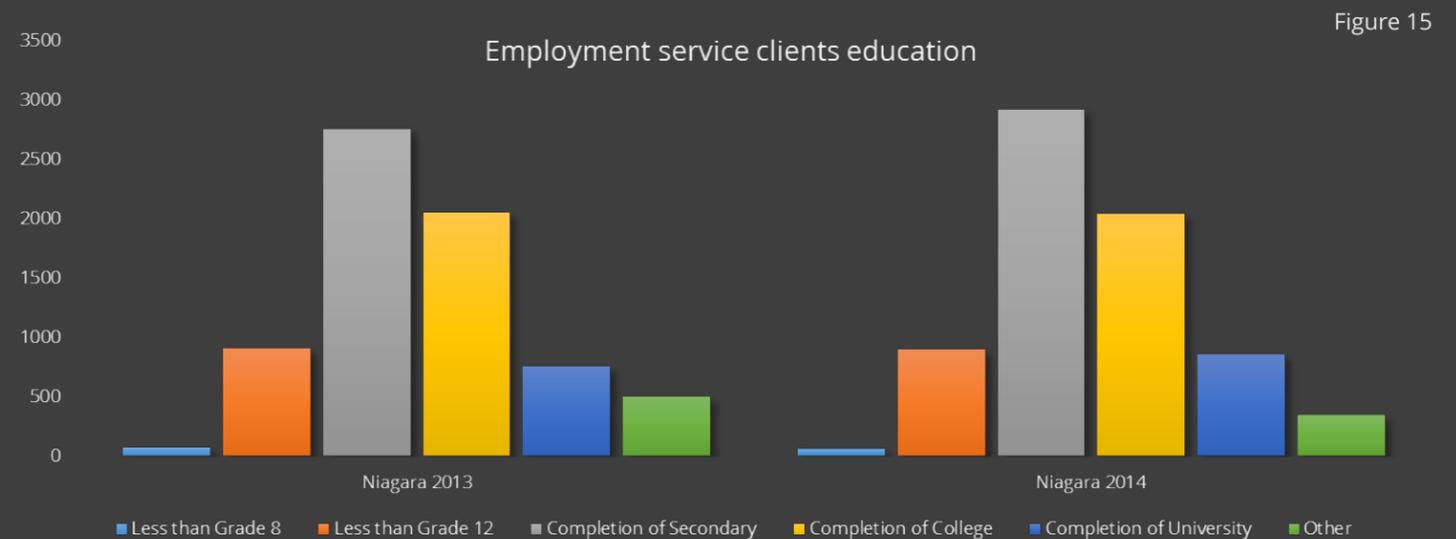


This year, there was a 12.7% increase in the number of university-educated clients (figure 15). Consultations with ES providers offered some interesting insights into this particular demographic. A majority of providers indicated that these individuals are between the ages of 24 and 45, and that access to the Youth Employment Fund (YEF) is a likely reason for this growth.

While the YEF is a vital link in helping young people build an experience profile for themselves, our consultations reveal that it is symptomatic of university- and college-educated individuals not being able to find work in their field. University-educated ES clients were generally

coming from liberal arts programs, and college clients frequently had a general arts-and-sciences background.

Although these insights may speak to a skills mismatch, NWPB does not believe that the narrative of employment challenges for post-secondary graduates ends with the assertion that graduates are not taking the right programs to find a job. Indeed, a complete analysis of this issue requires research into hiring practices, particularly those that focus on “turnkey” employees (i.e. “entry level” work that actually requires years of on-the-job experience.)



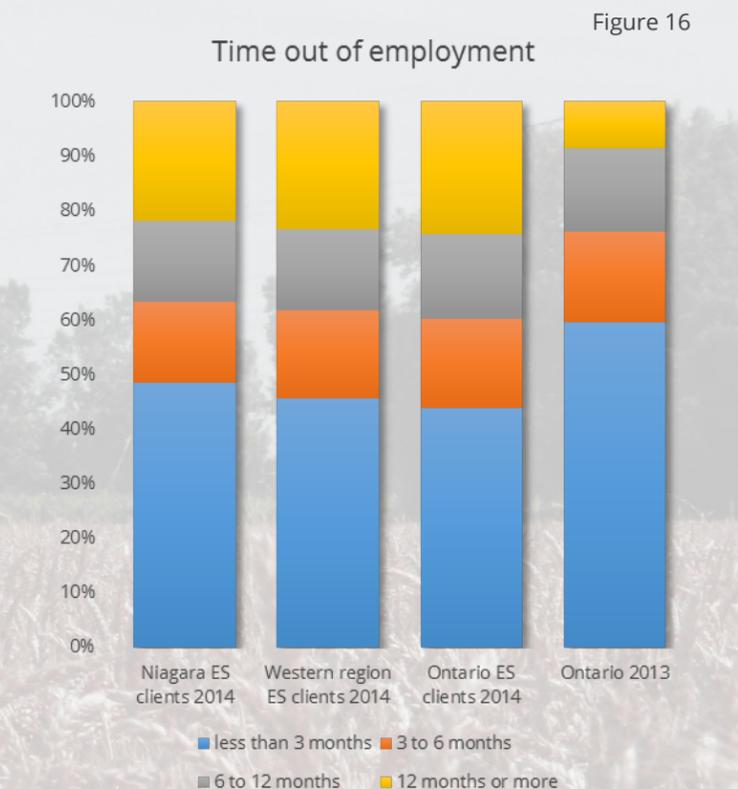
Source: Ministry of Training, Colleges, and Universities; EOIS-CAMS

Time out of employment

In their 2013 Employment Outlook for Canada, the Organization for Economic Co-Operation and Development (OECD) cited long-term unemployment as a considerable risk factor for Canada’s economy.¹¹ The OECD specifically noted that “the share of the unemployed who have been jobless for a year or longer has nearly doubled since the recession and this group needs additional assistance to be able to benefit from an improving labour market.”¹²

Employment Service clients were twice as likely to be unemployed for over a year than the average unemployed Ontarian in 2013 (figure 16). Furthermore, our consultations with Employment Service providers have revealed that the time out of employment measurement in ES clients also includes a person’s time out of education. Conceivably, a person who is unemployed for five years, for example, but has completed a retraining program would effectively have their “unemployment clock” reset, despite still facing the difficulties that come with being out of the labour force for a prolonged duration.

This presents a considerable challenge in truly understanding the labour force engagement of ES clients. In terms of producing the best possible data for ES clients, NWPB recommends that future data sets offer a distinction between time-out-of-education and time-out-of-employment.



Source: Ministry of Training, Colleges, and Universities; EOIS-CAMS

Occupations and industries

Although we reviewed industry and occupation outcomes for Employment Service clients in the 2013 Niagara Labour Market Update, we were not able to do so in this report. The data provided to NWPB included employment and industry data at a four-digit NAICS and NOC-S level. This attempt at producing high-resolution data for a small population size, while laudable, resulted in widespread data suppression.

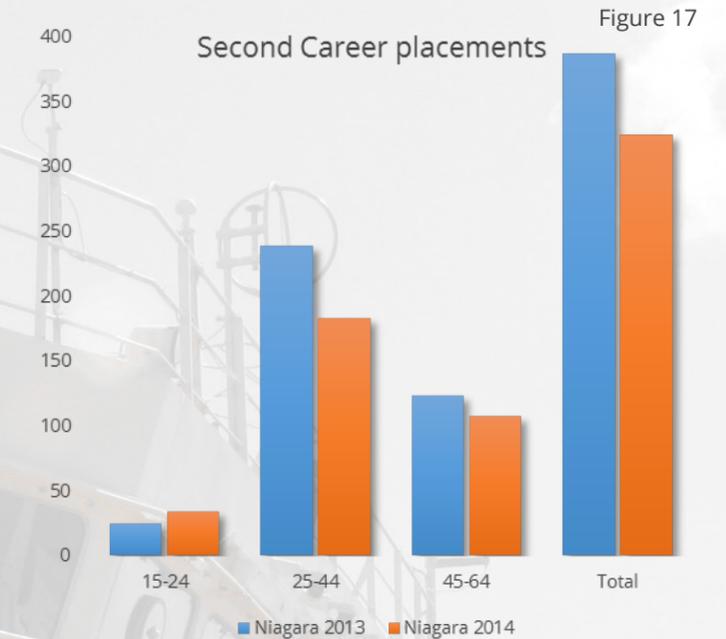
During consultations, ES providers confirmed that a comprehensive data source on a client's point of exit and re-entry into the workforce was also vital to their work. As such, we recommend a return to NAICS and NOC-S measurements at the 1- or 2-digit level as we expect this will produce more consistent and useable data, while being less of a workload for ES staff.



Second career placements in Niagara in the 2013-14 fiscal year compared to 2012-13 indicate a slight drop in enrollment within this program (figure 17). 387 clients used this program in 2012-13, and only 325 in 2013-14 – a drop of 16%.

Consultation with Employment Service providers indicated that decisions to make use of the Second Career program are often informed by fluctuations in the labour market. In Niagara, manufacturing was

historically an industry which could offer high-paying jobs even to relatively unskilled workers (who would be in the greatest need of retraining in the event of job loss), but it has been relatively stable since the recession (figure 18). Likewise, manufacturing employees with backgrounds in the trades would likely see little need to retrain, as their skills offer a high degree of labour market mobility. These factors could account for the slight decline in clients seeking retraining through Second Career.



Source: Ministry of Training, Colleges, and Universities; EOIS-CAMS



Source: Statistics Canada, CANSIM 282-0112

Second Career

Employers in Niagara

The most recent data from Statistics Canada's Canadian Business Patterns database allows us to compare a snapshot of Niagara's employers in June of 2013 and June of 2014. Here we can see that there has been relatively little change in the composition of firms by number of employees in Niagara. The largest shift was in the number of owner-operated firms.¹³

In 2013, owner-operated firms accounted for 52.1% of all of Niagara's employers. In absolute terms, Niagara increased the number of owner-operated businesses from 13,195 in 2013, to 13,708 in 2014 (table 2). These data show that the number of medium-to-large enterprises in Niagara fluctuated between June 2013 and June 2014. While large employers (i.e. those employing more than 100 employees) decreased, there were some increases in the 20-49 and 50-99 cohorts. From the available data, it is difficult to determine if these changes reflect new businesses opening operations in Niagara or a change in size of existing firms.

While these figures speak to the entrepreneurial strength they also indicate we have room to grow our base of owner-operated businesses before matching proportions seen at the provincial level. It is also possible that the increasing number of owner-operated enterprises in Niagara could be symptomatic of the stagnation and decline in medium and large sized employers in the region (i.e. that many workers have struck out on their own since failing to find employment). Whatever the case, this calls for greater local, provincial, and federal support for entrepreneurs and small businesses in Niagara.

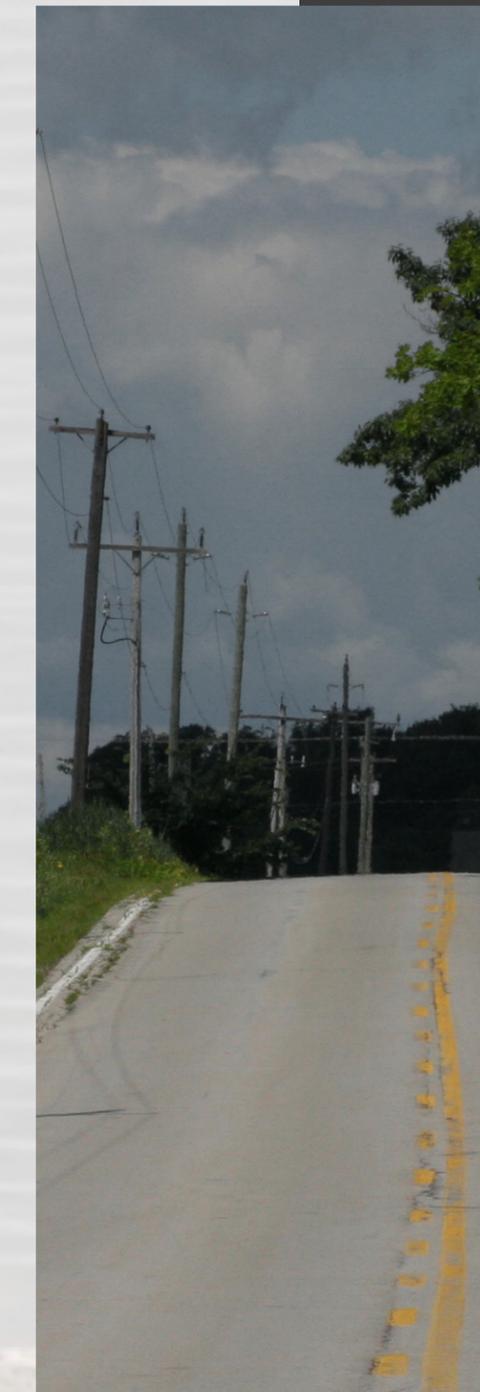
With signs of an aging population, a growing concentration of smaller employers and self-employed individuals raises questions about pensions, health-care benefits, and increased burdens on social services. A detailed examination of this question is beyond the scope of this document, but we are interested in exploring it with others.

Table 2

Size of business	Niagara, June 2013	Niagara, June 2014	2012-2013 % Change	Absolute Change	% of Niagara Businesses in June 2014
Owner-operated	13195	13708	3.9%	513	52.1%
1-4	6204	6199	-0.1%	-5	23.6%
5-9	2787	2804	0.6%	17	10.7%
10-19	1713	1709	-0.2%	-4	6.5%
20-49	1213	1253	3.3%	40	4.8%
50-99	376	389	3.5%	13	1.5%
100-199	181	177	-2.2%	-4	0.7%
200-499	72	64	-11.1%	-8	0.2%
500+	17	17	0.0%	0	0.1%
Total	25758	26320	2.2%	562	100%

Size of Business	Niagara, June 2014	Ontario, June 2014	% of Niagara Businesses in June 2014	% of Ontario Businesses in June 2014
Owner-operated	13708	572625	52.08%	57.28%
1-4	6199	241047	23.55%	24.11%
5-9	2804	79193	10.65%	7.92%
10-19	1709	50950	6.49%	5.10%
20-49	1253	35179	4.76%	3.52%
50-99	389	11627	1.48%	1.16%
100-199	177	5357	0.67%	0.54%
200-499	64	2712	0.24%	0.27%
500+	17	1076	0.06%	0.11%
Total	26320	999766	100.0%	100%

Source: Statistics Canada, Canadian Business Patterns



Migration trends

Please note, although the most recent data in this section is from 2011, these migration estimates are derived from taxation records, not the National Household Survey.

Migration data from 2011 suggests Niagara is most attractive as a migration destination for individuals aged 45 to 64.¹⁴ Of the 1,817 net migrants to the Niagara region in 2011, 917 were between the ages of 45 and 64, and 298 were aged 65 and over. In other words, 67% of 2011's net immigrants were individuals over the age of 45. For comparison, 28% of migrants were 17 or younger, and only 6% were aged 25 to 44. A net emigration of individuals aged 18-24 is grounds for some concern, particularly for a region with a university and a college, even if the number is relatively small.

Niagara's 2011 migration figures accounted for a mere 0.5% of the total 2011 population, half of the Canadian CMA average of 1%. These data suggest that Niagara is considerably less successful than the rest of the country's urban centres in attracting individuals to the region.

Net-migration patterns for Niagara from 2007 to 2011 (figure 19) are generally consistent with the 2011 data outlined in this section. The migrant group aged 45-64 represents 54% of Niagara's migration between 2007 and 2011. Once again, the 25-44 cohort has the smallest positive net-migration, accounting for 6% of total migration. Over this five year period, youth emigration from Niagara was pronounced, with net emigration of 7%. Even if this were entirely caused by college-aged individuals leaving for education elsewhere, the lower number of net migrants aged 25-44 indicates that some of them never return.

Figure 19

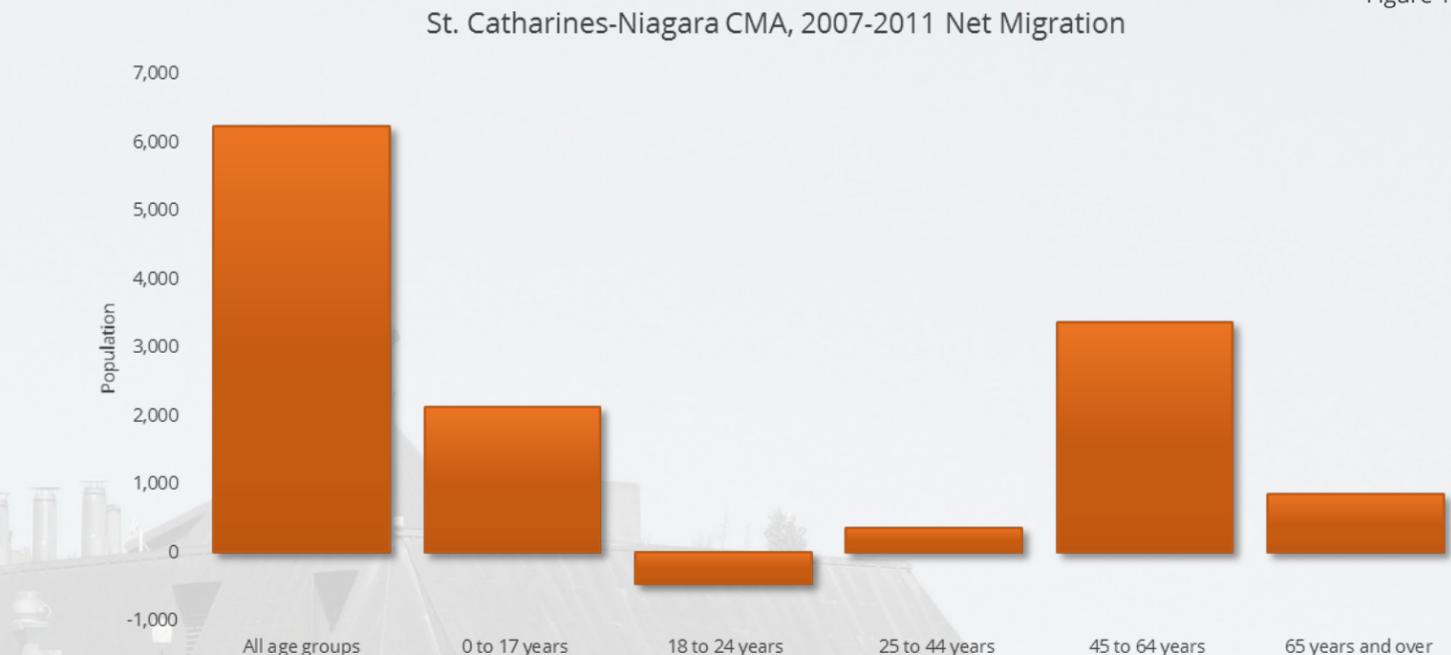
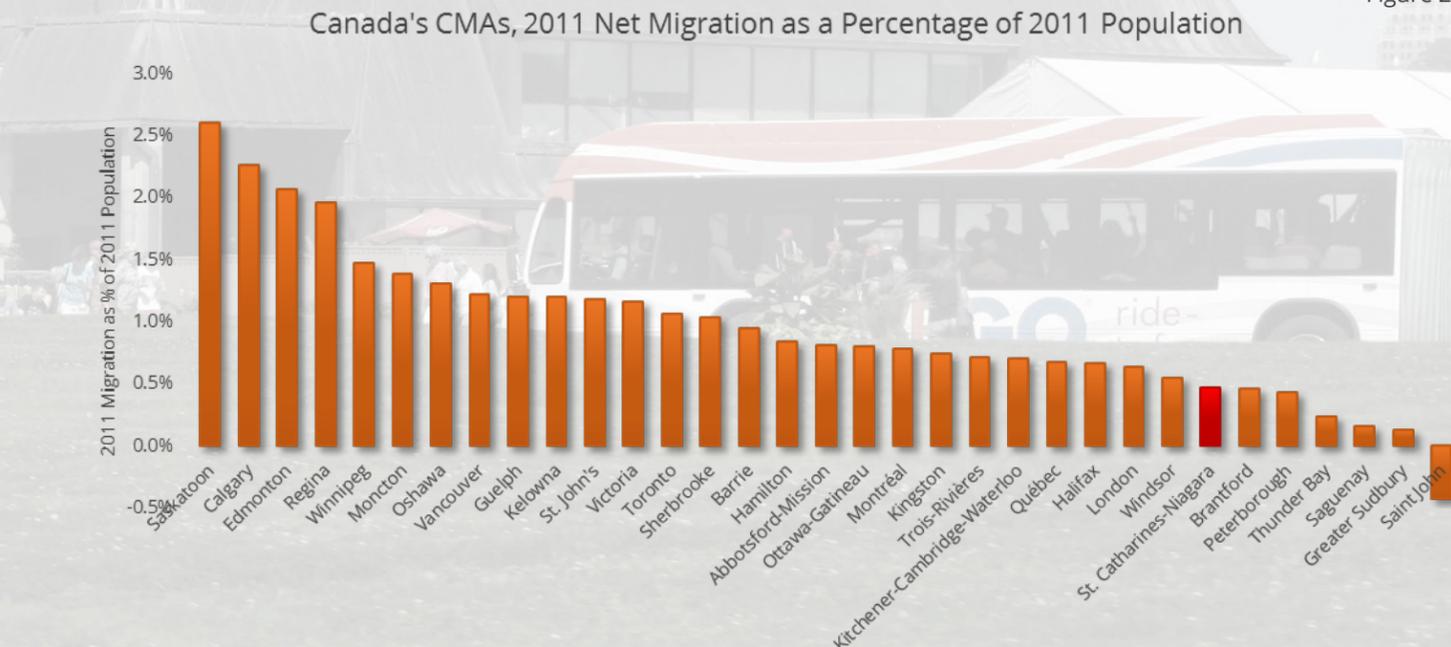


Figure 20



Source: Statistics Canada, CANSIM 111-0028

Migration trends

Local employment changes
Migration patterns

These data indicate a potential demographic challenge for Niagara in the coming years. While educational opportunities and family relocation may account for some of Niagara's 18-24-year-old emigration, the challenges of a relatively sluggish local labour market may also be a "push factor," i.e. these people have no choice but to leave for work.

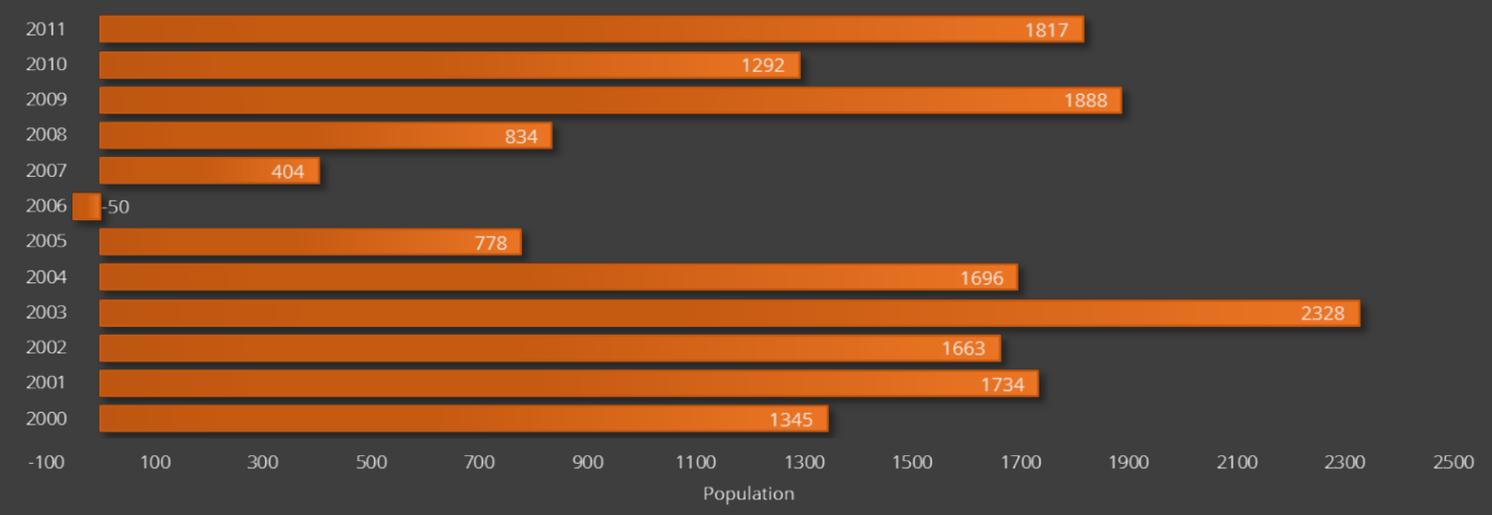
With respect to younger workers, our goal should be to not only attract young, educated workers from outside Niagara, but also retain those who are already here. Since this is goal easier said than accomplished, NWPB will be

undertaking a study to attempt to better understand the entry-level opportunities available in Niagara for youth of all levels of education.

Niagara's ranking in net-migration for individuals aged 45-64 raises interesting questions about what factors are pulling this cohort to Niagara. Since this age group is not necessarily of retirement age, there is a possibility that jobs opportunities are bringing these people to Niagara. Over the coming three years, NWPB plans to explore the nature of the late-career work force opportunities and challenges in Niagara.

St. Catharines Niagara CMA, Annual Net Migration

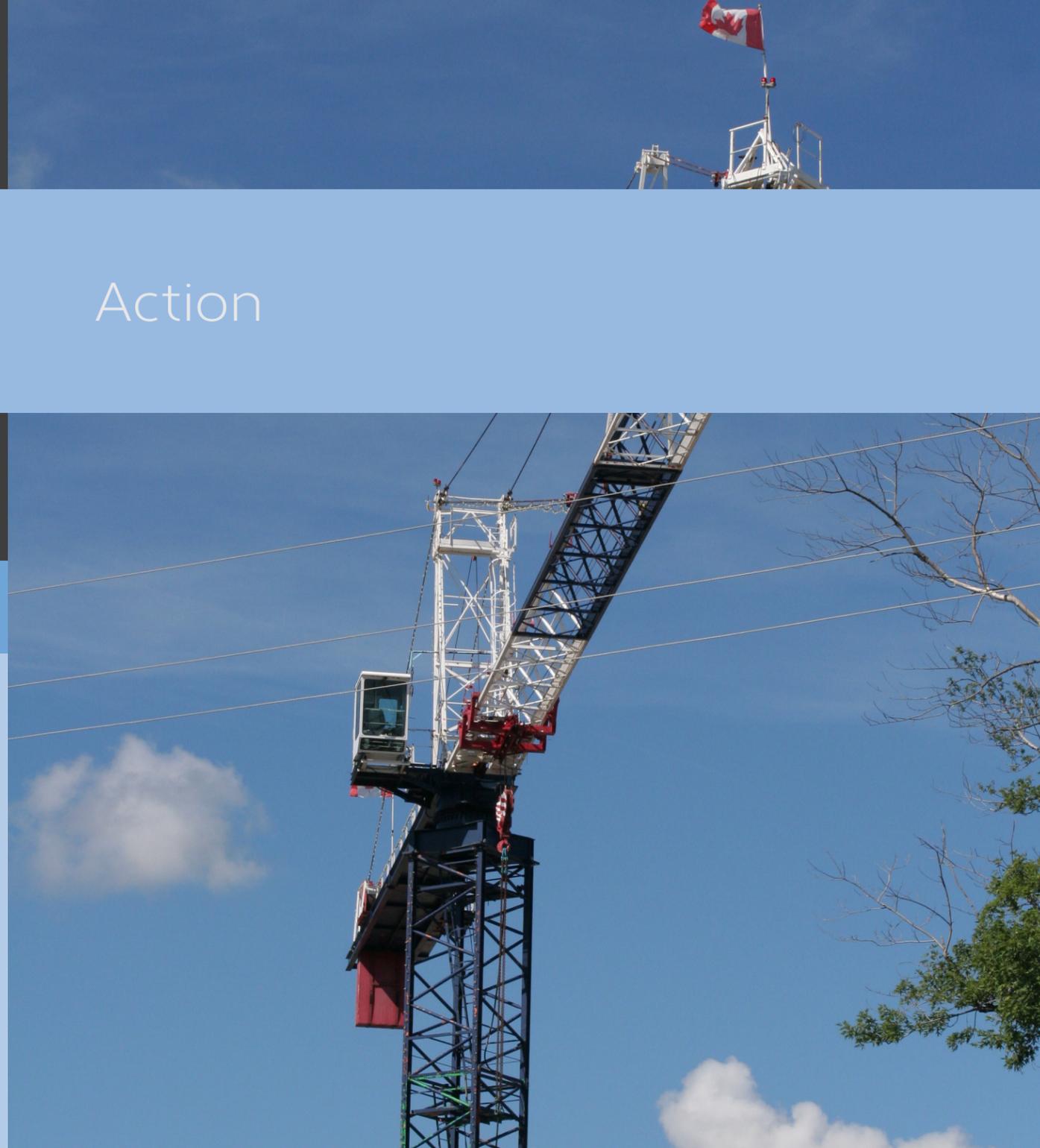
Figure 21



Source: Statistics Canada, CANSIM 111-0028



Action



Niagara-wide employer survey/Employer One:

After releasing our 2013 report, NWPB was mandated by the Ministry of Training, Colleges, and Universities to deploy Employer one, a regionally-focused employer survey. In the lead up to a January 2015 release, NWPB has met with other organizations to build marketing partnerships for this survey. NWPB continues to seek community partners who will help us in promoting this survey.

We would also like to note other excellent initiatives that will co-exist with Employer One. NWPB continues to support the outstanding work undertaken by the Employment Help Centre (EHC) with their quarterly employer survey, and the City of Port Colborne's Business Retention and Expansion (BR+E) initiative.

The Niagara Employment Crawl:

NWPB continues to support Brock University and Niagara College's Niagara Employment Crawl. This annual program exposes students at Niagara's post-secondary institutions to high paying, high-skill jobs available in the Niagara region. This year's job crawl will take place on November 3, 2014.

Labour Market Information System:

In August of 2014, NWPB received funding from the Ontario Trillium Foundation to become Niagara's lead agency for the Canadian Council on Social Development's Community Data program. NWPB's role will be to work will be two-fold. First we will provide discounted access to the Community Data program to interested users in Niagara. Second, we will be developing a series of training programs to facilitate easy use of the information contained within this database. It is our hope that these actions will demonstrate the value of Niagara's participation in the Community Data program, leading to lasting support for this initiative.

Agriculture and Rural Job Survey:

NWPB is continuing to work on a profile of rural and agricultural occupations in the Niagara region. This project will culminate in a set of insights illustrating the strengths and challenges of Niagara's rural economy.

Social Innovation:

Over the past two years NWPB supported two TEDx Cities events. The previous experiences focused on the past and present, laying the foundation for a third event that looks at Niagara's future. These events were recorded and can be found at www.tedxstcatharines.com. NWPB is working with organizers to identify a timeframe for a third TEDx talk.

NWPB is committed to providing entrepreneurs and owner-operated businesses with useful labour market information. As most employers in Niagara are microenterprises, NWPB provided the funding necessary to form the Niagara chapter of Start Up Canada. NWPB also partnered with Niagara College to provide a presentation on additive manufacturing at CONNECT2014. This effort further engages secondary schools and post-secondary institutions with the emerging skills needed to sustain a modern manufacturing sector.

NWPB welcomes research opportunities from groups, institutions and organizations to expand Niagara's knowledge in this area.

General Research:

Each year the NWPB produces timely research projects and presentations. Last November we convened the Niagara Apprenticeship Forum and produced the Destination: Apprenticeship guide.¹⁵ This year we provided a presentation to OneStep on open data, privacy protection, and other related legislation.

Given the aging workforce in Niagara, we are currently researching succession planning in Niagara's small businesses.

This year, Dr. Jeff Boggs of Brock University's Department of Geography joined the NWPB Board and is working with staff to develop service learning opportunities. This pilot program offered NWPB resources to third- and fourth-year undergraduates engaging in practical research on issues relevant to Niagara's local labour market conditions.

NWPB recommends the following goals and targets for the coming year and afterward.

Action plan

Niagara needs a well-coordinated employer-attraction program to create new jobs and to address population stagnation. To meet the 2013 federal unemployment rate, Niagara would have had to have created 3,000 more jobs than it actually did. One of the key problems that Niagara employers cite is a lack of suitably-skilled workers, particularly given the reduction of Niagara's manufacturing base. If a body of unemployed former factory workers lack the skills demanded by modern employers, and there is a lack of workers for industries such as advanced manufacturing, software development, or financial services, then this would create a skills gap and contribute to persistently high unemployment. NWPB advocates innovations in retraining, reskilling, and education via an evidence-based strategy.

There are many needs and issues facing unemployed workers, especially older workers. Those people who can best re-skill and adapt are young and educated; unfortunately, Niagara is an older and relatively uneducated region. This challenge must be addressed by all concerned through continued improvement and outreach in adult and continuing education opportunities. A problem facing this undertaking is the quality and availability of data for agencies tasked with this challenge. Retraining and reskilling, if it is to be productive, requires an investment in providing more accurate labour market information. Many, if not most, front-line service agencies do not have dedicated data staff, nor the resources to hire them. We recommend that the Ministry of Training, Colleges and Universities make funding available to each front-line service organization in Niagara for the express purpose of retaining a data analyst.

Our analysis of Employment Ontario data revealed an issue with data quality and misalignment. We recommend that the Employment Ontario agencies convene a board for data quality assurance which will develop best practices for data entry and management, and ensure those standards are maintained. We also recommend that the Ministry of Training, Colleges and Universities expand its work with Local Boards and provide raw data from the CAMS system, rather than aggregate data, to avoid data quality issues in the future. Since meaningful analysis of the CAMS data is not possible at the 4-digit NAICS/ NOC-S level, we also suggest reverting to 1- and 2-digit NAICS/NOC-S codes. These improvements will provide more accurate and reliable data. Through our on-going project to provide labour market information to Niagara, NWPB would also like to form data partnerships with Niagara's Employment Ontario agencies for data-sharing and analysis.

NWPB greatly admires the work done by the Employment Help Centre in surveying employers, and recommends that this quarterly survey be conducted by all Employment Ontario agencies across Niagara. Putting the jobless back to work and into higher-paid and higher-skilled jobs will require an increasingly accurate picture of employer demand, and this survey could be a significant asset in creating that picture. Combined with Employer One, Niagara can utilize two complimentary local methods for data-gathering and meeting the needs of private-sector employers.

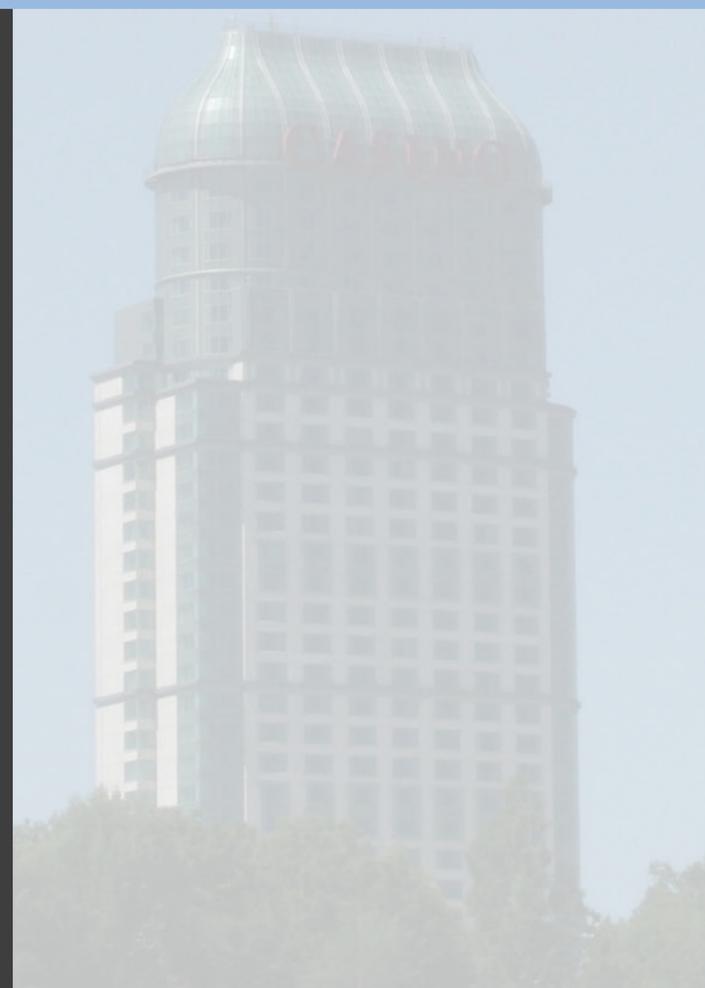


Owner-operated firms have become the majority of businesses in Niagara during the past year. Over 75% of local businesses employ fewer than five people. While the number of small businesses has grown substantially, that of larger firms (over 200 employees, and particularly over 500) has shrunk. This has both pros and cons. Small businesses and start-ups are usually more flexible and innovative, which are useful characteristics in the 21st-century economy, but they are also more vulnerable to market fluctuations, often lacking the cushion of a large cash reserve or a large client base.

Therefore, we recommend that Niagara invest substantially in efforts to support and nurture microbusinesses, as well as provide or subsidize professional and financial services to microbusinesses who may not have the resources or expertise to perform those services themselves. If the new Niagara economy is one with very few large employers and a great many small businesses, Niagara must adapt to grow and support that economy.

Action Plan

Niagara has been most attractive for migrants in the 45-64 age bracket and, in second place, the 0-17 bracket (presumably, their children). The data shows that despite our best efforts to date, Niagara has not done a sufficient job at attracting and retaining migrants in the younger 25-44 group, and is actually losing people aged 18 to 24. Some of these are doubtless students leaving for college or university, but nevertheless, Niagara ranks as one of the regions least-able to attract and retain migrants in all of Canada (except for 45-64-year-olds, where it is the second-best). NWPB will examine opportunities related to the older workforce cohort, in an attempt to understand the labour force opportunities that present Niagara as a destination for older workers. With these trends in mind another vital project for the future must be the creation of a skills task force to renew our work on attracting young people to Niagara and on retaining them, particularly well-educated young people in professions, trades, and creative professions. There are a few remarkable initiatives in place, but these can and should be expanded while others may be added. NWPB has shown this leadership in the past by initiating projects like NEXT Niagara, but this effort must be shared by many organizations across the community, and placed front-and-centre so we can address the challenges to our long term economic prosperity.



References and Notes

1. The St. Catharines-Niagara CMA includes the municipalities of St. Catharines, Niagara Falls, Welland, Fort Erie, Lincoln, Port Colborne, Thorold, Pelham, Niagara-on-the-Lake, and Wainfleet. Statistics Canada uses commuter flow patterns to determine if a municipality will be included in a particular CMA. At present, Grimsby's commuter flow patterns indicate a closer integration with Hamilton's labour market, and as such Grimsby is included in the Hamilton CMA. As of this report, West Lincoln is not affiliated with any CMA.
2. Statistics Canada, Canadian Business Patterns, June 2014.
3. Statistics Canada, Migration Estimates, CANSIM 111-0028.
4. An online copy of the 2013 Niagara Labour Market Plan can be found at <http://goo.gl/nkWxLC>.
5. NWPB examined the relationship between manufacturing in Ontario and the US-Canada exchange rate in Focus on Manufacturing, Part 2: The Ontario Picture at <http://goo.gl/yTl7Fv>.
6. Changes made in 1996 to geographical areas for statistical purposes render many historical comparisons invalid.
7. Original article at <http://www.conferenceboard.ca/hcp/details/society/child-poverty.aspx>
8. This does not necessarily mean that education majors have found jobs in education, or even that they have found full-time work – merely that they have some kind of a job. Furthermore, these data are based on the National Household Survey (NHS) there are possibly some gaps in the data that could skew these results. The NHS sampling methodology produced statistically biased responses, unlike the older and less costly Long-Form Census. As a result, 2011 NHS data are not comparable with 2006 Long-Form data, and the 2011 NHS data are far less reliable indicators of actual trends.
9. The high unemployment rate and high labour force participation rate for visual arts graduates may suggest that individuals from this educational background are highly motivated to find work but unable to do so.
10. Statistics Canada, Labour Force Survey, CANSIM 282-0110.
11. Original article at <http://www.oecd.org/employment/emp/Country%20Notes-CANADA.pdf>
12. Ibid.
13. Canadian Business Pattern data is drawn from business registrations collected by the Canada Revenue Agency. As such, the Canadian Business Register defines owner-operated firms in as including “the self-employed, i.e. those who do not maintain an employee payroll, but may have a workforce which consists of contracted workers, family members or business owners.”
14. Statistics Canada, CANSIM 111-0028, In-, out-, and net-migration estimates by provincial regions and age group.
15. A copy of the report can be found at <http://goo.gl/tHIXq8>.



Niagara Workforce Planning Board

Our Vision is Working

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