



TRENDS IN HAMILTON'S LABOUR MARKET

Local Labour Market Plan 2018



Workforce Planning Hamilton
Planification de main d'oeuvre de Hamilton





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Local Labour Market Plan

March 2019

ABOUT WORKFORCE PLANNING HAMILTON

Workforce Planning Hamilton is a community-based labour market research and planning organization that is funded by the Ministry of Training Colleges and Universities. Our evidence based approach relies on key industry sector and demographic data combined with local intelligence from employers and other key stakeholders to develop a strategic workforce development vision for Hamilton.

www.workforceplanninghamilton.ca

ACKNOWLEDGEMENTS

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Ontario

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OVERVIEW OF PLAN

Welcome to Workforce Planning Hamilton's (WPH) Labour Market Plan Update. This report offers highlights and trends in Hamilton's labour market along with an action plan to address key issues and challenges that will assist improving local labour market conditions.

It would not be overstating the case to say that Hamilton's labour market was hot over the past year or so. The growth seen in employment has created significant skills shortages and mismatches for employers. Recruitment challenges persist across industries. It is the defining issue in our local labour market as of 2018 and into the foreseeable future. This evolution in our local economy makes it more important than ever to have accurate labour market information. It is crucial that the stakeholders in the community work together to make sure that the skills of Hamilton's workforce are properly aligned to meet the needs of its employers.

As in previous years WPH has gathered up-to-date evidence of the local conditions including challenges and issues and worked with many partners to develop a labour market plan that offers actionable solutions to remedy these challenges. This year's plan builds on priorities established in 2017.

About the data in this report

Our analysis includes data from the 2016 Census. The 2016 Census is a return to similar methodologies of previous censuses after the major changes in the 2011 National Household Survey. We rely heavily on the 2016 Census in this report since it is more extensive and quantifies a greater portion of the population than any other labour market data source. For a full listing of data sources see Appendix 1.

With respect to geography, all Census data sources use the Hamilton Census Division. We also rely on the Labour Force Survey (LFS). This data source uses Hamilton Census Metropolitan Area (CMA) which includes Hamilton, Burlington and Grimsby.

RECENT TRENDS IN HAMILTON'S ECONOMY

Hamilton's labour market has experienced a remarkable transformation over the past two years. The number of people employed has increased significantly. Labour shortages across a range of industry sectors have emerged. The employment and labour force participation rates have reached levels not seen since prior to the 2008-09 recession. Employers are feeling relatively positive. Demand for goods and services is increasing and job postings continue to rise.

Highlights:

While any significant impact has yet to be observed, recent steel and aluminum tariffs imposed by the United States have cast a shadow over the steel industry in Hamilton. To date, however, exports of steel have increased due to high demand for steel and imports from other countries trying to avoid the US tariffs¹

Transportation and warehousing has seen strong growth in the past year. Specifically Hamilton's port has seen a strong increase in total shipments. Overseas shipments have increased by 81%² compared to last September. Hamilton's airport is also expanding. Of particular concern is the shortage of transport drivers

Construction continues to boom in Hamilton. Building permit activity, a proxy for construction, was up by 21 per cent in the first nine months of 2018.³ Important projects such as the Light Rail Transit are in the works for the next couple of years and will have a major impact on Hamilton

Related to construction activity, urban renewal continues unabated in downtown Hamilton. Significant employment growth observed in Accommodation and food services and Arts, entertainment, and recreation can be linked to this trend. From the restaurant scene on James Street North⁴, to the growth in the Supercrawl, Hamilton's downtown continues to evolve. Organizers for the Supercrawl reported that there were over 220,000 attendees at the festival last year⁵

The next section provides in depth information about the industry sectors facing increasing labour market challenges.



1 CBC, Hamilton port sees strong year so far. Howells, Laura. October 21, 2018.

2 Ibid

3 McNeil, Mark, Record Setting Construction Boom in Hamilton This Year. Hamilton Spectator. October 5th, 2018

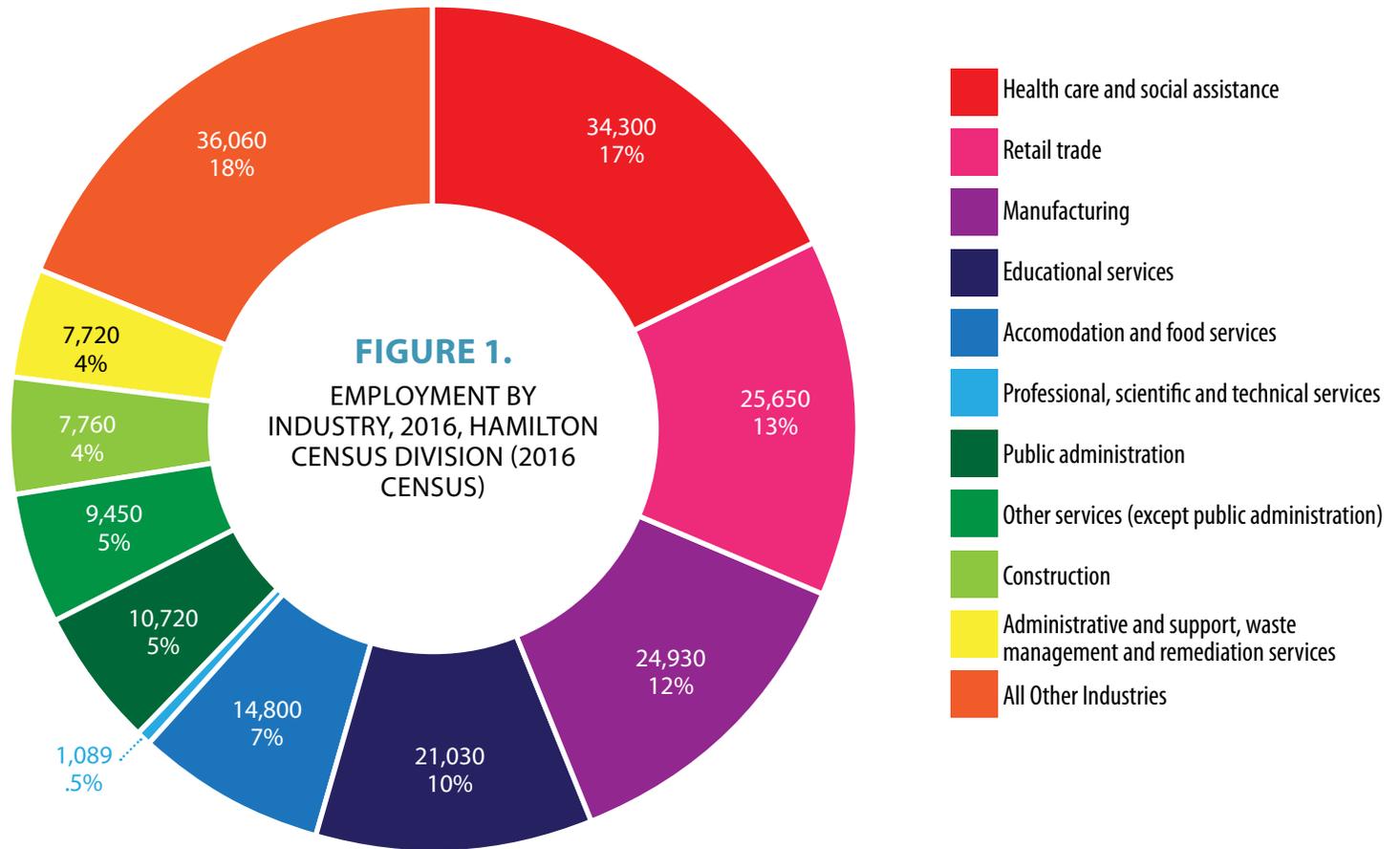
4 Sponagle, Michael; Why Restaurant Veterans are ditching Toronto for Hamilton, January 2017. www.theglobeandmail.com/news/toronto/why-restaurant-veterans-are-ditching-toronto-for-hamilton/article33533008/

5 CBC, How Supercrawl became an arts colossus, and the symbol of downtown rebirth. Carter, Adam. September 13, 2018

HAMILTON: A DIVERSE AND GROWING ECONOMY

Hamilton's economy is diverse. Thousands of people work in a range of industry sectors and in businesses that range in size from very small to very large. The vast majority of businesses are small. Eighty-eight percent of all businesses have less than ten workers.

Many industries in Hamilton have seen strong growth over the last five years. Health care and social assistance is the largest industry in Hamilton, employing 34,300 people and has seen consistent growth in employment for over a decade. Manufacturing, the third largest industry employing 24,930 people in Hamilton, has seen a rebound in employment. Recruitment challenges remain a top concern for many businesses.



STRONG EMPLOYMENT GROWTH ACROSS MANY INDUSTRIES

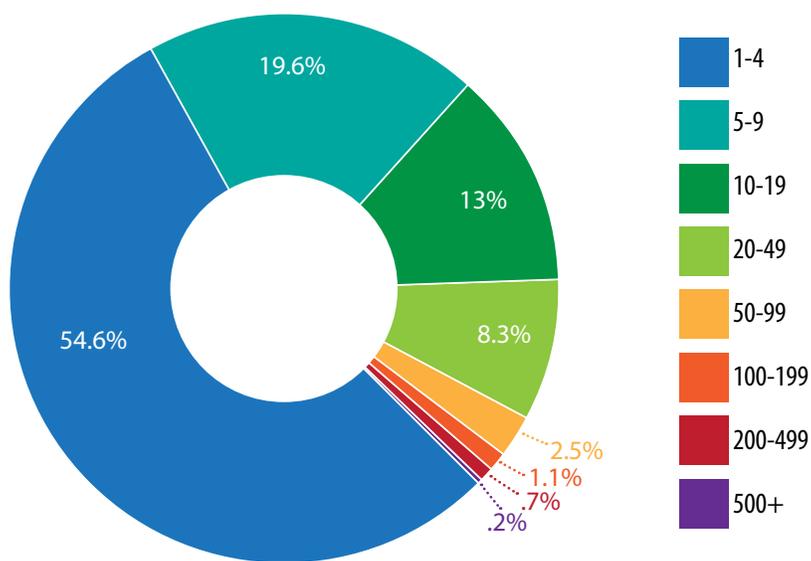
TABLE 1. INDUSTRIES BY EMPLOYMENT (THOUSANDS), HAMILTON CENSUS DIVISION (2011 NATIONAL HOUSEHOLD SURVEY; 2016 CENSUS)

Industries	# of People Employed	11 to 16 Change	% Change 11 to 16
All Industries	203,310	10,445	5%
72 Accommodation and food services	14,800	2,710	22%
62 Health care and social assistance	34,300	2,635	8%
31-33 Manufacturing	24,930	2,610	12%
44-45 Retail trade	25,650	1,835	8%
56 Administrative and support, waste management and remediation services	7,720	765	11%
54 Professional, scientific and technical services	10,890	525	5%
23 Construction	7,760	325	4%
51 Information and cultural industries	3,750	310	9%
52 Finance and insurance	7,410	180	2%
71 Arts, entertainment and recreation	3,670	165	5%

- Employment in *Accommodation and food services* grew the most in the last five years, growing by 22%
- *Health care and social assistance* has seen consistent growth in the past two decades. At 34,300 workers, it is Hamilton's largest employment sector. From 2006 to 2011, this sector grew by 5%
- Over the past decade or longer *Manufacturing* employment has been declining. Bucking that trend, over the last five years employment in this industry has grown by 12%.

SMALL BUSINESSES DOMINATE THE HAMILTON ECONOMY

In Hamilton there are 49,449 businesses. Similar to the Ontario average, the majority are these (69%) are businesses without employees. There are a total of 15,256 businesses with employees in Hamilton.



- Small business account for the largest number of businesses with employees in Hamilton. 88% of businesses have less than 10 employees, and 95% of businesses have less than 20 employees.
- There are 33 employers that have more than 500 employees with some businesses employing thousands of workers. Large employers still account for the majority of Hamilton's workforce
- The industries with the greatest number of businesses after Real estate and leasing - 7,765 businesses; Professional, scientific and technical services - 4,951; businesses; Ambulatory health care services - 3,130; Specialty trade contractors - 3,350

SECTOR HIGHLIGHTS

This section profiles six key industry sectors in Hamilton. While some are among the largest industries in Hamilton by employment, others are smaller. What they all have in common is recruitment challenges. This was evidenced in our Employer One survey and further explored through consultation with these industry sectors. Trends are identified using the most recent census information.

HEALTH CARE AND SOCIAL ASSISTANCE (NAICS 62)

WHAT DOES THE DATA TELL US ABOUT THIS SECTOR?

- Hospitals are the largest sub-industry with 14,850 people employed in Hamilton¹
- Registered nurses and registered psychiatric nurses with 5,340 workers and *Nurse aides, orderlies and patient service associates* with 3,370 workers¹ are the most prevalent occupations for this sector
- This is a highly skilled industry with 82% of workers having a College or University education¹
- There are 3,754 Health Care and Social Assistance businesses in Hamilton²

WHAT ARE THE TRENDS IN EMPLOYMENT?

- Health care and social assistance has seen strong growth over the past ten years and it is anticipated that this sector will continue to grow
- The occupation that grew the most was *Nurse aides, orderlies and patient service associates*. This is an entry level position.
- *Administrative assistants* in this sector declined the most overall¹
- Employers identified the need for strong soft skills especially for newcomers who lack communication skills, and for youth who lack professionalism⁶
- Recruitment planning is challenging due to the funding structure⁶
- Some employers feel that there is a lack of exposure and knowledge of small and medium-sized businesses in this sector. They need greater recruitment support⁶

RETAIL TRADE (NAICS 44-45)

WHAT DOES THE DATA TELL US ABOUT THIS SECTOR?

- Retail trade is the second largest employment sector in Hamilton with 25,560 workers.
- Food and beverage stores are the largest sub-industry making up 26% of the Retail Trade industry¹
- Retail salesperson, 6,880 workers, and *Retail and wholesale trade managers*, 4,250 workers, are the top two occupations by employment¹
- The workforce is younger than average with 30% of the workers between the ages of 15 to 24
- 59% of workers in Retail trade have a High school education or no certificate, much higher than the share seen across all industries at 36%¹
- There are 3,208 Retail Trade businesses in Hamilton, the majority of them are businesses with employees²
- Retail salesperson is still one of the most posted jobs locally despite employment losses. There is a high degree of turnover for this occupation⁴

WHAT ARE THE TRENDS IN EMPLOYMENT?

- From 2006 to 2016 employment in Retail trade increased in Hamilton by 1,765 people. All of the increase occurred in the last five years increasing by 7.7%¹
- Over the next five years it is forecast to increase by 3.1% in Hamilton¹
- Retail salesperson is the top declining occupation¹
- Soft skills like customer service, dependability and self-motivated/ability to work with little or no supervision are the top skills needed³
- Employers in this industry have little difficulty in finding qualified workers. It is the retention of workers that is difficult⁶
- Higher minimum wage has resulted in price increases and loss of benefits to staff, as well as greater turnover⁶



Ontario has the lowest unemployment rate in Canada now and there is a real struggle to find people for jobs. Due to the increased minimum wage we are expecting more for our buck. For an entry level cashier, for that rate, we are expecting a lot more.

— Retail Trade Employer

MANUFACTURING (NAICS 31 – 33)

WHAT DOES THE DATA TELL US ABOUT THIS SECTOR?

- Manufacturing is the third largest employment sector in Hamilton with 24,930 workers
- Primary metal manufacturing is the largest subsector over one quarter of the Manufacturing workforce¹
- The fastest growing subsector is Food manufacturing. In the last five years employment in Food manufacturing grew by 58%¹
- Businesses in Manufacturing tend to have more employees. Eight businesses have over 500 workers²
- *Welders* is the number one occupation in Manufacturing followed by *Millwright/Mechanic*¹
- Manufacturing has an older than average workforce with 26% of workers over the age of 55.1 Industrial trades workers are even older with 27% being over 55
- Smaller and medium sized businesses have difficulty getting applicants compared to larger manufacturing employers⁶

WHAT ARE THE TRENDS IN EMPLOYMENT?

- Automation and advancing technology have led to a significant decline in the size of the workforce
- 43% of employers in Manufacturing find recruitment very challenging³
- 79% of employers had a hard-to-fill position. Noted hard-to-fill positions were *Ticketed Millwrights, Production Associates, General Labourers*³
- Many employers state there are not enough qualified youth with strong math skills in apprenticeship⁶
- 56% of Manufacturing employers were seeking strong technical and industry related skills before soft skills³
- Soft skills in demand are work ethic and dependability.³ Employers find these skills are lacking among labourer applicants⁶
- Employers mention youth as having too high wage expectations and soft skills concerns⁶



Employers need to do better in investing in training. We do not see current recruitment challenges as a shortage but a mismatch of skills.

— *Manufacturing Employer*

ACCOMMODATION AND FOOD SERVICES (NAICS 72)

WHAT DOES THE DATA TELL US ABOUT THIS SECTOR?

- Full-service restaurants and limited service eating places makes up the largest sub-industries with 88% of the industry workforce¹
- The most employed occupation is *Food and beverage servers and cooks*. This is also the fastest growing entry-level job and among all occupations in the industry¹
- About half of workers are between the ages of 15 to 24, well above the average seen across all industries at 15%¹
- 68% of workers have a High school diploma or less, much higher than the average for all industries¹
- There are 1,434 Accommodation and food services businesses in Hamilton, the majority are businesses with employees, 72%.

WHAT ARE THE TRENDS IN EMPLOYMENT?

- Accommodation and food services is the fastest growing industry in Hamilton. Employment has grown in the last five years and this growth will continue¹
- This increase corresponds to the growth seen in restaurants in Hamilton
- In 2017 the job postings more than doubled with 1,841 postings⁴
- Soft skills are the most important competencies in the industry such as: Customer service, dependability and self-motivated/ability to work with little or no supervision³
- Finding staff with good soft skills is still a major challenge; sense of entitlement was mentioned, lack of teamwork⁶
- Increased minimum wage affected these businesses. Employers suggest that they had to increase menu item prices and cut hours of operation⁶



We have a younger staff and there is a huge shift in mentality for millennials. They have a feeling of entitlement and some millennials feel that they shouldn't have to work certain shifts and are not very cooperative.

— *Accommodation and Food Services Employer*

PROFESSIONAL SCIENTIFIC AND TECHNICAL SERVICES (NAICS 54)

WHAT DOES THE DATA TELL US ABOUT THIS SECTOR?

- This sector is the sixth largest industry in Hamilton with a workforce of 10,890
- This industry is made up of nine sub-industries, and six of them employ more than a thousand workers. The largest sub-industry is Legal Services which makes up 19% of the industry workforce¹
- *Lawyers* represent the most prevalent occupation in the industry, followed by *Financial auditors and accountants*¹
- This is a highly skilled workforce with 87% of the workforce with a post-secondary education¹
- The industry has a slightly older workforce with 28% of workers older than 55 compared to only 23% for all industries¹
- The industry is dominated by small businesses. 80% of businesses with employees have less than 10 people²
- There are 4,798 Professional, scientific and technical services businesses in Hamilton. The majority are self-employed (69%)²

WHAT ARE THE TRENDS IN EMPLOYMENT?

- From 2006 to 2016 Professional, scientific, and technical services saw strong growth in employment increasing 21% with moderating growth over the last five years¹
- Growth is anticipated to continue with employment anticipated to grow by 6.3% in the next five years¹
- From 2006 to 2016 Computer systems design and related services saw the largest increase in employment at 53.8%¹
- Financial sales representatives had the most job postings in the industry, 151 postings⁴
- Technical/industry skills was a top competency³
- 72% of employers have hard-to-fill positions and 43% of employers viewed availability of qualified workers as poor³



We need to do something locally to promote this industry. More can be done to tell people from outside Hamilton of the tech sector here.
— Professional, Scientific, and Technical Employer

SPOTLIGHT ON Information and Communication Technology Industry (ICT) in Hamilton

The ICT industry is not a sector per se but represents segments of a few sectors that include: Professional, scientific and technical services; Manufacturing; Wholesale Trade; and Information and Cultural Industries. Within Professional, scientific and technical services most ICT workers can be found in Computer systems design and related services. This sub-industry has seen the largest increase in employment, growing by 53.8% from 2006 to 2016.

Key trends identified in our employer consultations:

- Finding local talent is very challenging for employers. They need to look to Waterloo and Toronto to find high skilled workers. But they find it difficult to compete with wages in Waterloo and Toronto
- Software developers is one of the hardest positions to fill and retain workers
- Employers in this industry compete on a global scale. In the digital world, international companies can easily poach employees or work and may not operate in Hamilton or even in Canada
- Focus on workplace culture is crucial to keep workers. This is important as competition for talent is high, employers need to offer more than wages
- Employers need to work closer with the local university and college to develop young talent. In general, there needs to be a better emphasis on promoting the industry locally to attract top talent

TRANSPORTATION AND WAREHOUSING (NAICS 48-49)

WHAT DOES THE DATA TELL US ABOUT THIS SECTOR?

- 6,660 employed in this sector in 2016¹
- *Transportation truck driver* is the #1 occupation in this sector with 1,100 workers employed. This occupation continues to grow and has among the highest number of job postings⁴
- There are 2,717 businesses in the sector in Hamilton.²
- Truck transportation has the most businesses with 665 businesses²
- Retirements are becoming an issue.⁶ The age of the workforce is older than average with 60% of the workforce over the age of 45 compared to 47% across all industries¹
- In this sector 72% of all occupations require high school and/or occupation-specific training¹

WHAT ARE THE TRENDS IN EMPLOYMENT?

- Employment in this sector has declined 13% over the past ten years. In the last five years, it has grown very modestly by 1%¹
- Recruitment of drivers seems to be the biggest issue. AZ and DZ drivers are in short supply. They do not get enough applicants when driver vacancies are posted, especially from younger workers⁶
- Occupations showing the greatest growth over the last five years are jobs in the supply chain, tracking and scheduling; accounting; shipping/receiving¹
- In 2017, 67% of employers in this sector identified hard to fill positions³
- Top soft skills in demand are communication, teamwork, dependability, self-starting⁵
- Lack of awareness about the nature and types of employment in the sector available beyond truck driver is an issue⁶
- Employers mention having a good culture and investing in their staff. This helps with retention concerns⁶



People need to better understand the business side of transport truck driving and what is involved. I think this would help the industry because more people would understand the different jobs available and entrepreneurship possibilities.

— *Transportation and Warehousing Employer*

References:

- 1 2016 Census
- 2 Canadian Business Counts, December 2017
- 3 2018 Employer One Survey, WPH
- 4 Vicinity Jobs, 2017
- 5 Talent Neuron, 2017
- 6 Employer Consultation
- 6 Under Pressure: Skilled Trades in Hamilton, WPH



OCCUPATIONAL TRENDS

The following tables highlight occupational trends in the labour market and when combined with the sector information provide a comprehensive roadmap to labour market demand.

GROWING AND DECLINING OCCUPATIONS IN HAMILTON

TABLE 2. TOP GROWING OCCUPATIONS BY EMPLOYMENT CHANGE (4-DIGIT NOC), HAMILTON CENSUS DIVISION, (2011 NATIONAL HOUSEHOLD SURVEY; 2016 CENSUS)

SKILL LEVEL	OCCUPATIONS	2011	2016	DIFFERENCE	% CHANGE
C	3413 Nurse aides, orderlies and patient service associates	2,880	3,650	770	27%
A	0621 Retail and wholesale trade managers	4,510	5,190	680	15%
C	6513 Food and beverage servers	1,645	2,310	665	40%
B	6322 Cooks	1,950	2,560	610	31%
B	1243 Medical administrative assistants	460	1,050	590	128%
D	6711 Food counter attendants, kitchen helpers and related support occupations	5,375	5,960	585	11%
C	9461 Process control and machine operators, food and beverage processing	375	950	575	153%
D	6731 Light duty cleaners	1,945	2,460	515	26%
D	9617 Labourers in food and beverage processing	855	1,370	515	60%
B	6232 Real estate agents and salespersons	765	1,250	485	63%

- Nurse aides, orderlies and patient service associates and Retail and wholesale trade managers grew the most from 2011 to 2016
- Many of the top growing occupations are entry level jobs. These are jobs that require a high school education or on-the-job training

TABLE 3. TOP DECLINING OCCUPATIONS BY EMPLOYMENT (4-DIGIT NOC), HAMILTON CENSUS DIVISION, (2011 NATIONAL HOUSEHOLD SURVEY; 2016 CENSUS)

SKILL LEVEL	OCCUPATIONS	2011	2016	DIFFERENCE	% CHANGE
B	1241 Administrative assistants	3,630	2,370	-1,260	-35%
C	6421 Retail salespersons	8,965	8,370	-595	-7%
A	0601 Corporate sales managers	1,105	550	-555	-50%
A	4021 College and other vocational instructors	1,270	920	-350	-28%
C	1422 Data entry clerks	690	360	-330	-48%
C	1414 Receptionists	2,220	1,900	-320	-14%
A	3012 Registered nurses and registered psychiatric nurses	5,980	5,680	-300	-5%
A	4012 Post-secondary teaching and research assistants	2,355	2,100	-255	-11%
D	6733 Janitors, caretakers and building superintendents	2,910	2,660	-250	-9%
B	7231 Machinists and machining and tooling inspectors	975	740	-235	-24%

- Administrative assistants and Retail salespersons declined the most in number of people employed
- Six out of ten occupations require a post-secondary education.

INTERPRETING SKILL LEVELS

A – Occupations usually require university education

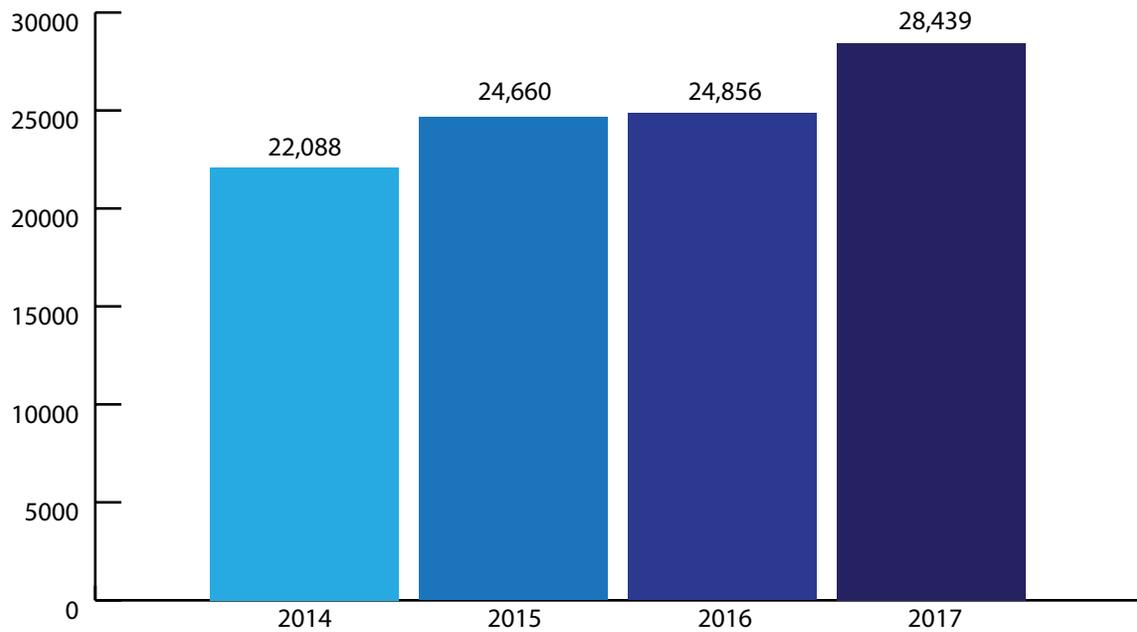
B – Occupations usually require college education or apprenticeship training

C – Occupations usually require secondary school and/or occupation-specific training

D – On-the-job training is usually provided for occupations

VACANCY DATA

WPH subscribes to a service that gathers information on online job postings. Since 2014 the number of job postings has increased every year. In 2017 the number of postings increased more rapidly than any previous year. This correlates with the growth in employment seen locally.



Source: Vicinity Jobs

Three out of the top five job postings are sales related occupations frequently found in Retail trade.

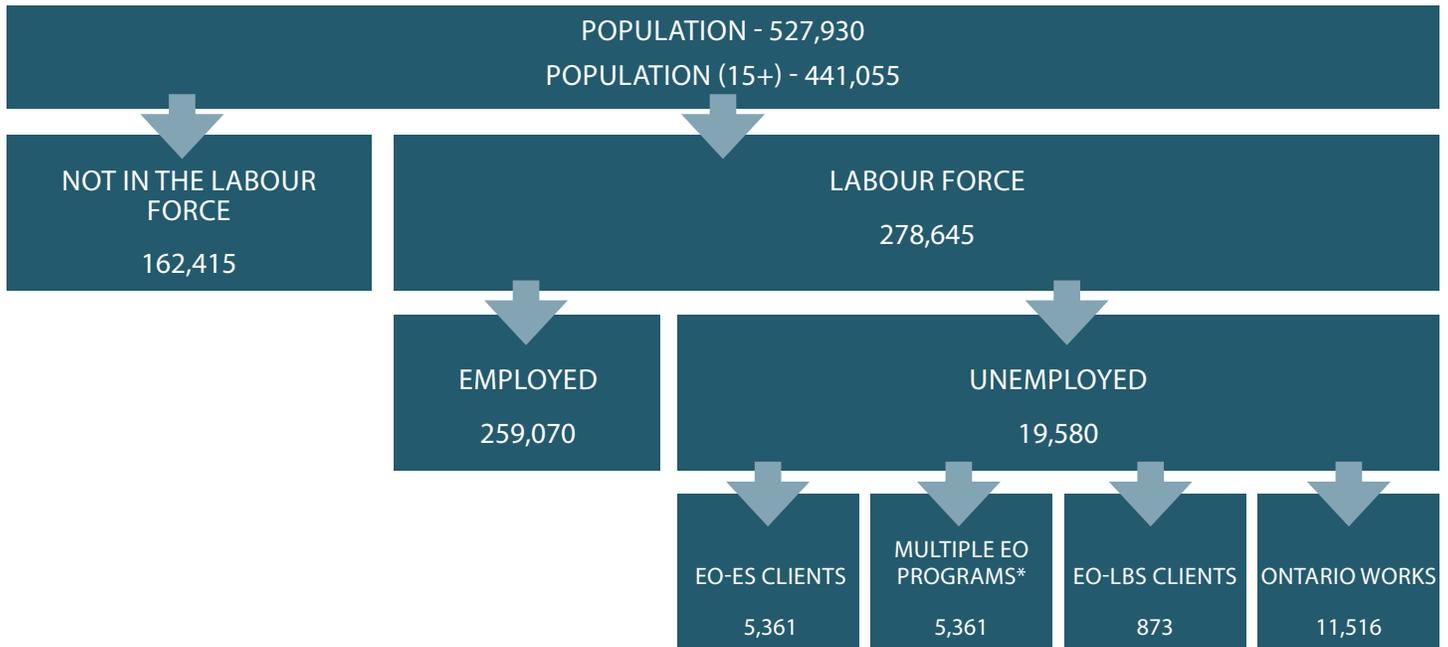
- Registered nurses and registered psychiatric nurses – 1,130 postings
- Retail salespersons – 1,081
- Other sales related occupations – 992 postings
- Other customer and information services representatives – 976 postings
- Retail and wholesale trade managers – 663 postings



TRENDS IN HAMILTON'S LABOUR FORCE

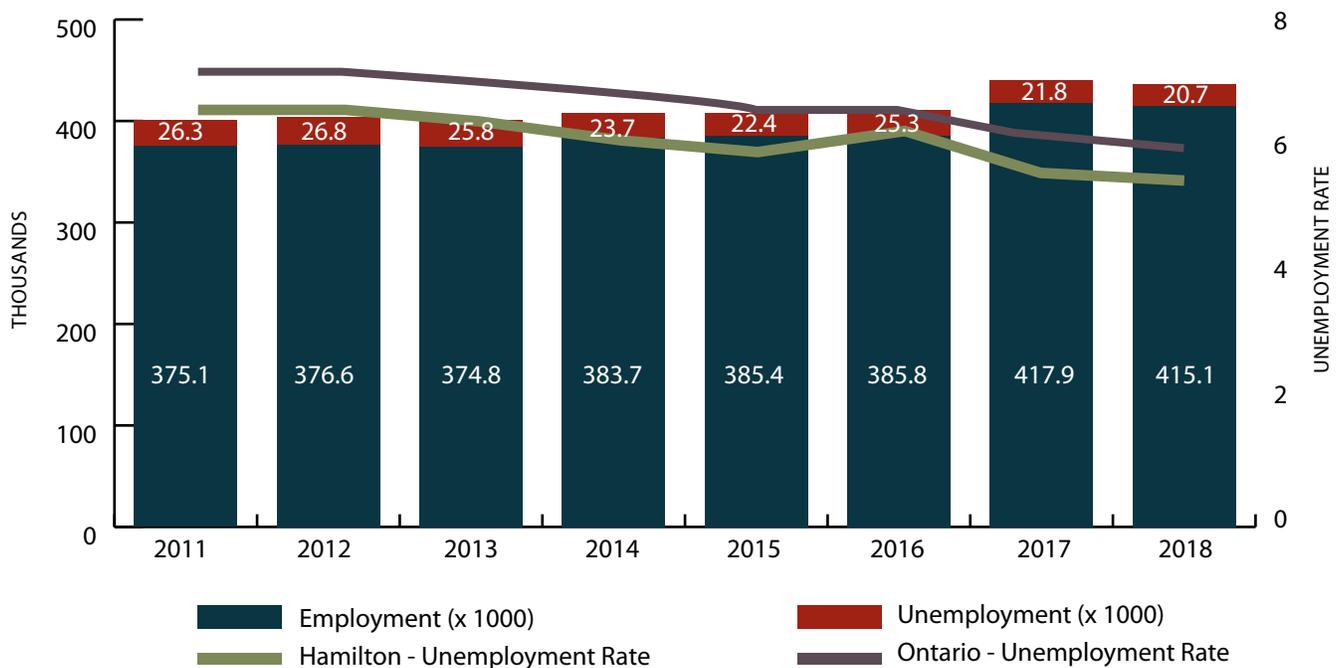
This section highlights Hamilton's talent pool. Who are the available workers and how are they faring? What are their skills? How do they align with what employers are looking for? We provide a profile of the workforce including occupational information. In particular this section offers a profile of the unemployed in the community-based on available client data from employment service providers.

FIGURE 2. HAMILTON POPULATION AND LABOUR FORCE NUMBERS, 2016, HAMILTON (CENSUS DIVISION)



LABOUR FORCE CHARACTERISTICS

FIGURE 3. EMPLOYMENT LEVELS, UNEMPLOYMENT LEVELS, AND THE UNEMPLOYMENT RATES, ANNUAL AVERAGES 2011-2016, HAMILTON CMA, (LABOUR FORCE SURVEY)

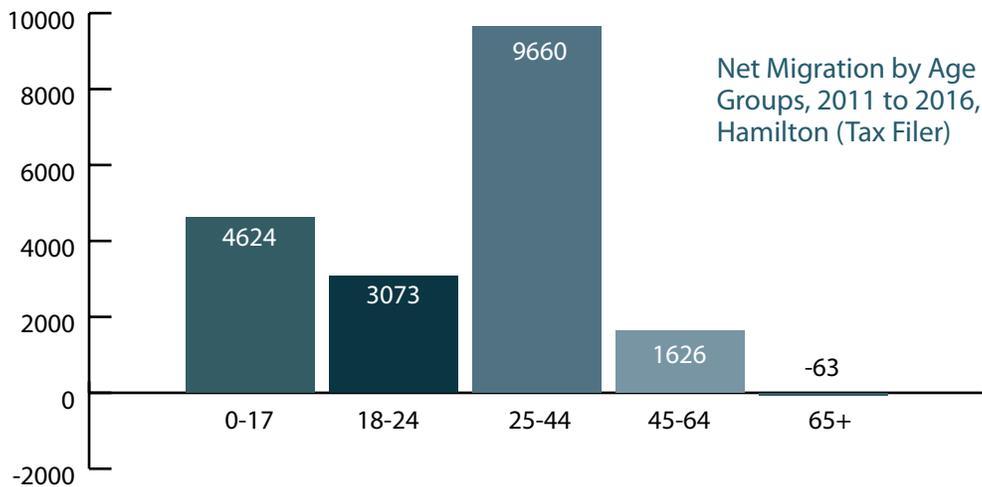


Source: Labour Force Survey

Employment has been growing steadily since 2011 but spiked last year growing by 32,600 workers. The unemployment rate fell to its lowest point since the previous recession in 2008 to 5%. The strong growth seen in 2017 led to an increase in the participation rate (the number of people actively seeking employment) and employment rate for the first time in the last decade. About two-thirds of Hamilton's population is in the labour force.

HAMILTON'S POPULATION CONTINUES TO GROW AMONG WORKING AGE ADULTS

Hamilton's population was 536,917 according to the 2016 Census and is projected to grow to 599,400 people by 2021 (Ministry of Finance). Over the last five years our population has experienced a net growth of 18,920. The largest increase was among core-aged working adults, 25 to 44 years.

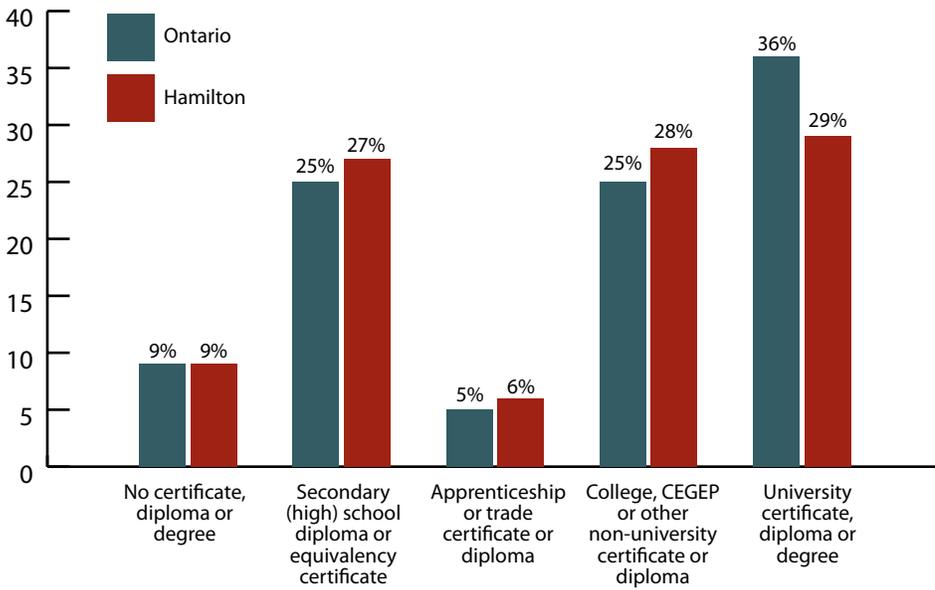


HAMILTON IS HOME TO MULTI-SKILLED IMMIGRANTS BUT MANY ARE UNDER-EMPLOYED

One in four Hamiltonians report an immigrant background. Key trends include:

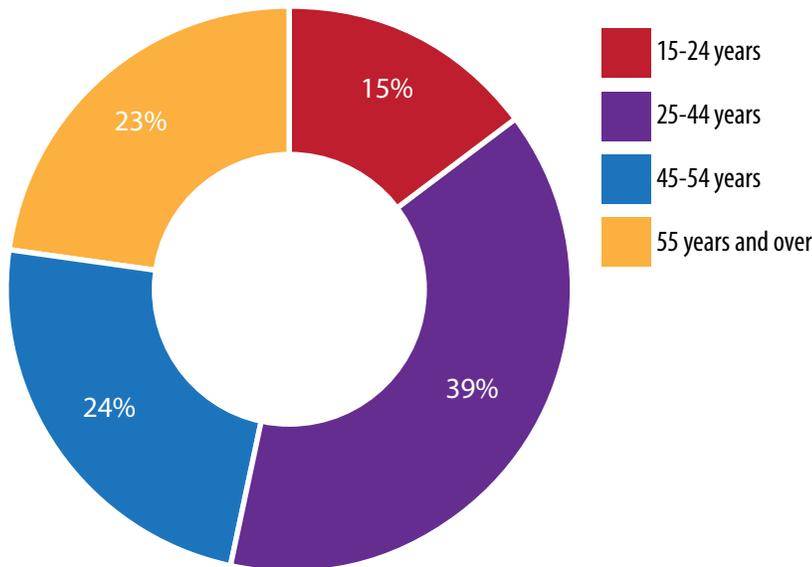
- From 2011 to 2016, 13,150 immigrants arrived to Hamilton. As recently as 2017 there were 3,240 immigrants that came to Hamilton (Immigration, Refugees, Citizenship Canada).
- For the working-age population (15+) slightly over 50% of the newcomers were employed. This rate is lower than the general population which was 58.7%. Their unemployment rate is also nearly double that of the working age population
- Among the working-age newcomer population, 38% have a University degree, diploma, or certificate compared to 22% among the general population. The opposite is true for College diploma, with 12% of newcomers having this educational background compared to 22% among the general population
- There are a higher number of immigrants (50%) in jobs that do not require post-secondary compared to Canadian-born (40%), despite the fact that 50% have some postsecondary education. Immigrants are over represented among Labourers in processing, manufacturing and utilities (NOC 96)

FIGURE 4. EDUCATIONAL BREAKDOWN OF HAMILTON'S WORKFORCE VS ONTARIO, 2016, PLACE-OF-WORK, HAMILTON CENSUS DIVISION (2016 CENSUS)



- There is almost an equal share of workers in Hamilton with a University education (29%), College education (28%), and a Secondary school diploma (27%)
- Hamilton has a higher share of workers with a College education or Apprenticeship/Trade certificate diploma (34%) than Ontario as a whole (30%)

FIGURE 5. AGE BREAKDOWN, 2016, PLACE-OF-WORK, HAMILTON CENSUS DIVISION (2016 CENSUS)



- The largest number of workers is between the ages of 25 to 44 years (39%). Almost a quarter of workers are over the age of 55. This is similar to the Ontario averages
- Number of workers over the age of 55 varies across industries. The industries with the greatest number of older workers are: Real estate and rental and leasing (35%); Agriculture, forestry, fishing and hunting (33%); Transportation and warehousing (30%)



WHAT DO WE KNOW ABOUT THE UNEMPLOYED?

At any given time there are approximately 20,000+ unemployed workers in the Hamilton CMA. A smaller subset accesses the community-based employment services available in Hamilton. Annually WPH reviews the data on these jobseekers accessing employment services. The Ministry of Training Colleges and Universities provides aggregated client data from their funded employment service network. This data provides us with a snapshot of the unemployed, the services they use and the types of employment they secure. We also tap into client data from the City of Hamilton, Ontario Works.

SERVICE USE

FIGURE 6. NUMBER OF CLIENTS IN EMPLOYMENT ONTARIO PROGRAMS, 2014-2018 (EMPLOYMENT ONTARIO DATA)

		2014/2015	2015/2016	2016/2017	2017/2018
Apprenticeship	New Registrations	1,290	1,181	1,011	1,178
	Active Clients	4,122	3,928	3,435	3,675
Canada Ontario Job Grant (COJG)	Number of Employers	N/A	N/A	135	97
	Number of Clients	N/A	N/A	605	702
Employment Service (ES)	Number of Assisted Service Clients	6,054	5,014	5,508	5,361
	Number of Unassisted R&I Clients	11,979	7,802	13,518	13,165
Literacy and Basic Skills (LBS)	Number of In-Person Learners (New + Carry-Over)	1,070	999	957	873
Second Career (SC)	Number of Clients	284	250	272	240
Youth Job Connection (YJC)	Number of Clients	N/A	N/A	614	391
Ontario Employment Assisted Service (OEAS)	Number of Clients	N/A	N/A	605	558

- The number of Employment Service clients declined last year similar to the Western Region and Ontario as a whole
- The number of LBS and OEAS went up in the Western Region last year but decreased in Hamilton. Over the last four years the number of LBS clients has declined by -18.4%
- The number of Second Career clients continues to decline in Hamilton, Western Region, and Ontario
- New Registrations in Apprenticeship increased in Hamilton, Western Region, and Ontario. Active Clients in Apprenticeship also increased in Hamilton and Western Region
- Youth Job Connect declined significantly in Hamilton falling -36%, double the rate seen in the Western Region

PROFILE OF SERVICE USERS

The profile of the Employment Ontario – **Employment Service** users is similar to previous years. Among Employment Service clients:

- Slightly more males
- 25 to 44 year old represent the highest percentage of clients
- The largest number of clients are unemployed with no source of income
- Majority of clients have been unemployed for less than 3 months
- The largest number of clients have a Secondary school or College diploma

The **Literacy and Basic Skills** clients have a similar profile except that the largest percentage of clients have less than a high school education and most clients have sources of income through Ontario Works or Ontario Disability Support Program.

Ontario Works clients are comprised of:

- Primarily of single males, single females and female sole support cases.
- Four out of five clients have High school diploma or less

KEY TRENDS AMONG SERVICE USERS

The demographics of the service provider clients have, for the most part, stayed the same over the past few years. There are a few key trends and concerns worth noting:

* Education

Many of the clients have low levels of education. This makes it difficult for all clients to be able to find sustainable employment that is full-time and permanent.

- ES clients: 49% have completed secondary school or no certificate
- OW: 79% have completed secondary school or have no certificate

* Designated Groups

This year there has been an increase in designated groups among Employment Ontario clients and permanent residents among Ontario Works clients. For Employment Ontario clients the largest increases have been among newcomers, persons with disabilities and visible minorities.

* Age

Using the Labour Force survey we can compare the age profile of the unemployed to the age profile of the clients.

- ES programs under represent younger clients: 25% are 15 to 24 years while 36% of unemployed are 15 to 24 years

* Long-term unemployed

Long-term unemployed have the greatest difficulty in finding sustainable employment. Not working for long periods of time can affect their employability.

- Employment Ontario employment services clients: 23% have been out of work for more than a year
- OW clients: About a third of clients have been on OW for three years or more, and another third have been out of work between one to three years

* Employment Outcomes

Skill level data available for Employment Service clients available by way of their occupation reveals that many clients are recycling through low skilled jobs. Both the occupations that they are leaving and the occupations that they are securing are at the C or D levels, high school education or less while 60% of jobs in Hamilton require post-secondary education. Furthermore, the five most employed occupations (2-digit NOC level) are the same five occupations among employed client outcomes.

Skill Level	Layoff ES Clients	Employed ES Clients	Hamilton Workforce
A – Occupations usually require university education	6%	0%	30%
B – Occupations usually require college education or apprenticeship training	23%	23%	30%
C– Occupations usually require secondary school and/or occupation-specific training	36%	40%	27%
D– On-the-job training is usually provided for occupations	36%	37%	13%



COMMUNITY CONSULTATIONS

WPH consults with the community to develop the labour market plan. We share data and information from the employer community. Employment service partners add to our intelligence by sharing their experiences and challenges in working with both clients and employers. The general sense at this year's consultation was that employers were struggling to find the workers they need at all skill levels. Service providers noted that they are unable to find enough qualified jobseekers to fill the positions that are open and available.

Participants at the consultation reviewed and commented on challenges identified through WPH's research and in previous labour market plans. In general the issues remain the same but the challenges are more acute with the increased demand for workers.

EMPLOYER REPORTED ISSUES

- Shortages of qualified labour in many sectors
- Increasing numbers of employers are finding recruitment challenging
- Retention of workers, especially at entry level, is challenging
- Poaching of skilled workers is prevalent especially in manufacturing
- Small- to medium-sized employers lack capacity to address HR issues
- Employers are not planning for the HR needs

JOBSEEKER ISSUES

- Lack of soft skills in jobseekers is identified by both employers and service providers
- Lack of motivation for the job search is missing in job seeking clients
- Mental health issues is a significant barrier to employment for some clients
- Skills not in aligned with the employer demand
- Lack of formal education
- Unrealistic job seeker expectations
- Designated groups like newcomers, internationally trained professionals, persons with disabilities are not always welcomed by employers

Employers investing in training and helping move workers up the career ladder are a major concern. Employers need to change hiring practices and help job seekers understand where the opportunities are within the company. Progressive employers that help job seekers and investing in people with fewer skills are still missing from many employers. This connects to the precarity of employment particularly among low skilled jobs. This turnover among certain jobs can be a factor in why employment service providers continue to see a disproportionate share of low skilled workers. Employment opportunities may be increasing but many jobs are still temporary.



2017 – 2020 HAMILTON'S LABOUR MARKET PLAN

In 2018 WPH's Labour Market Plan introduced revised labour market priorities based on a comprehensive review of the latest data trends and a full consultation process. A review of those priorities with our partners (see Appendix A for a list of all those participating in our consultation process) this year confirmed that they are still relevant and urgent for our community. It was noted that the skills shortages issue was the most pressing and the actions recommended reflect that as a number one priority. The priority around mental health was set aside for the time being. Our partners felt that the forum presented in June 2018 had provided links to the resources available in the community and further work was not required. However, the remaining priorities are still important as they continue to impact the availability of qualified workers. We need to ensure that jobseekers are able to meet the needs of the employer and so things like soft skills development cannot be ignored.

In the chart below community actions undertaken in the past year to address the priorities are identified. Please note that this list is non comprehensive. At any given time there are many organizations and individuals working to address labour market issues in Hamilton. This chart showcases a sampling of those initiatives.

The chart also identifies an action plan that will advance the priorities identified through the community planning process. The entire employment ecosystem including educational institutions, employment service providers, local government and even employers themselves, has a role to play in building the workforce needed for today and tomorrow. WPH looks forward to the support of all partners in taking on that challenge by implementing key actions identified in the plan below.

PRIORITY: IDENTIFY ONGOING AND GROWING SHORTAGE OF SKILLED WORKERS

Continue exploring employer needs to better understand where the opportunities are in our local labour market

Evidence:

Demand for qualified workers continues and has increased unabated. EmployerOne and other partners including employment services, Hamilton Economic Development and Hamilton Chamber are reporting this need.

ACTIONS 2018-19

Industry Profiles

Using the 2016 Census data, WPH developed industry profiles for the ten top sectors in Hamilton that sheds fresh light on demographic trends in the local labour market and forms a foundation for future research.

Skilled Trades

Meet your Manufacturing Mentor event was hosted to highlight industrial trades and other career opportunities in the Manufacturing sector for high schools students.

Careers In the Port

City School by Mohawk College completed research of the labour market needs of Port Authority tenants and launched the Careers in the Port program.

2019 EmployerOne

WPH once again conducted its EmployerOne survey with a strong response of over 325 employers highlighting their experience in recruiting in Hamilton. Results pointed to a growing skills shortage with key sectors like Manufacturing, Construction and others indicating the lack of skilled workers.

PROPOSED ACTIONS 2019 – 20

Understanding the ICT (Information Communication Technology) sector

Tech jobs are in high demand in Hamilton and the ICT sector, although not a sector as understood by NAICS) has growing demands. Local employers suggest they are struggling to find workers. This research project will present a profile of the sector including in demand jobs, career pathways information and feature a profile of local employers.

Partners: WPH lead, ICT employers in Hamilton, Mohawk College

2020 EmployerOne

After six years of implementing this standardized survey, WPH will evaluate the survey and consider revisions to our survey template. Consultations with employers and service providers will consider what information is useful for various audiences and inform future development.

Partners: WPH, EO Service Providers

PRIORITY: PROMOTE SOFT SKILLS DEVELOPMENT

Identified need to build fundamental soft skills for new labour market entrants and those with barriers to employment

Evidence:

Employers and service providers alike continue to identify soft skills as their number one issue in jobseekers.

ACTIONS 2018-19

Soft Skills Videos

The *Hired not Fired* website was updated and the videos were redistributed. It was decided that no additional videos would be created at this time.

RECOMMENDED ACTIONS 2019 – 20

There were no recommended actions for this planning cycle. We will continue to keep this priority on the radar since it is still considered a pressing issue.



PRIORITY: ADDRESS CAREER EXPECTATIONS AMONG JOBSEEKERS

Consider strategies to remediate high/unrealistic job expectations among jobseekers about career advancement/ workforce conditions

Evidence:

Employers and service providers both identify this as a challenge among jobseekers. Youth and new immigrants are often identified when discussing this issue.

ACTIONS 2018-19

The project outlined below was proposed but was deferred until 2019-20.

PROPOSED ACTIONS 2019 – 20

What do you expect? A research project on job expectations

As phase I of this research project, conduct a series of online surveys with youth and recent grads to explore their hiring and career advancement expectations to better understand the expectations of new labour market entrants. The final report will include recommendations around future solutions. Future phases will explore immigrants and other workforce groups.

Partners: WPH, McMaster University, Mohawk College

Mobilizing our workforce: Understanding the Long-term Unemployed

The goal of this project is to develop a community-wide strategy to address the barriers and issues of the long term unemployed (LTU). Over two thirds of Ontario Works clients have been on assistance for more than three years. While barriers for LTU are complex at times, there is evidence that they can be overcome. To develop the strategy, the project will identify the profile of the LTU through client and statistical data, survey the LTU to better understand their experience and perspective and examine best practices locally and beyond.

Partners: WPH, ABEA, City of Hamilton-Ontario Works

Labour Supply Survey

The purpose of this employee survey pilot is to better understand the work experience from a labour supply perspective. This survey asks jobseekers/employees about their job search approach, the quality of their job experience and job satisfaction and the things that they value in a workplace. In the 2018 EmployerOne we learned that 59% of separations were quits. This survey can help us understand why employees are leaving and will assist employers in understanding jobseeker expectations.

Partners: WPH, EO Service providers

PRIORITY: EXPLORE MENTAL HEALTH SERVICES IN THE COMMUNITY

Provide information to employment services on mental health services so that they can assist jobseekers.

ACTIONS 2018-19

Mental Health Forum

A session was hosted by WPH in June that provides advice and information on resources that support employers and service providers on identifying and addressing mental health issues in the workforce.

PROPOSED ACTIONS 2019 – 20

There will be no future action on this priority. The resource guide developed will be redistributed as a reminder of the community resources available. We will pilot the guide with employers.

PRIORITY: ENCOURAGE AND PROMOTE BEST PRACTICES IN RECRUITMENT AND RETENTION TO SMES

Share information and resources with SMEs to support better HR management

Evidence:

Small employers often lack the resources to be good HR management. Service providers note the fact that many small employers need to be reminded of employment legislation and other good practices in hiring and retaining workers.

ACTIONS 2018-19

There was no action on this priority in 2018-19. The revisions to our HR guide suggested in last year's plan were deferred until 2019-20.

PROPOSED ACTIONS 2019 – 20

Employer Recruitment and Retention Toolkit

WPH will develop a guide that provides information on best practices in recruitment, retention and a solid onboarding program to ensure a successful hire and integration process. This guide will be designed to lower employer's recruitment costs by ensuring the best match in hiring and supportive integration through orientation, resulting in fewer turnovers. This additionally can contribute to a positive workplace culture. We will pilot the guide with employer from *Transportation and Warehousing*.

Partners: WPH, Mohawk College Enterprise, EO Service Providers

Reverse Job Fair

The goal of this event targeted at employers is to showcase the free employment services available in Hamilton and highlight another source for talent in our community. EmployerOne shows that many employers are unaware of the employment supports available to them through services funded by Employment Ontario and others.

Partners: WPH, EO Service Providers, City of Hamilton-Economic Development

APPENDIX A

LABOUR MARKET CONSULTATION PARTICIPANTS

Rosemary	Boateng	Wesley Urban Ministries
Charles	Butera	College Boreal
Devon	Gallacher	Employment Hamilton
Una	Gibbons	YMCA of Hamilton/Burlington/ Brantford
Ed	Hannigan	Niagara Peninsula Aboriginal Area Management Board (NPAAMB)
Kasra	Karimi	Wesley Urban Ministries
Josie	Kovacic	Ministry of Training Colleges & Universities
Jeff	Martin	Goodwill
Chris	McCarthy	Employment Hamilton
Kym	McCreary-Stewart	Mohawk College
Joel	McKinley	Goodwill
Kim	Mellors	Ministry of Training Colleges & Universities
Michelle	Obermuller	vpi Working Solutions
Gisela	Oliveira	McMaster University, Student Success Centre
Uzma	Qureshi	Immigrants Working Centre
Amanda	Rowley	City of Hamilton, Ontario Works, Employment Programs
Karen	Smith	YMCA of Hamilton/Burlington/ Brantford
Brad	Spencer	PATH
Margaret	Thomson	Mohawk College
Laura	Wells	vpi Working Solutions

ADDITIONAL CONSULTATIONS

Glen	Norton	City of Hamilton, Economic Development
Sara	Gill	Adult Basic Education Association of Hamilton
Keanin	Loomis	Hamilton Chamber of Commerce
Cassandra	D'Ambrosio	Hamilton Chamber of Commerce/ Magnet
Bianca	Caramento	Hamilton Chamber of Commerce

NOTES

NOTES

Workforce Planning Hamilton Business, Labour & Community: Planning for Prosperity

Since 1997 Workforce Planning Hamilton has provided planning, partnerships and projects that highlight local labour market trends and support workforce development.

WPH is a member of Workforce Planning Ontario, a network of 25 labour market planning areas across Ontario.

Our evidence-based approach relies on key industry sector and demographic data combined with local intelligence from employers and other local partners to develop a strategic vision for Hamilton.

Log on to WPH's website at www.workforceplanninghamilton.ca and you will:

Discover our community **Projects and Partners** that promote labour force development

Learn about local labour market trends, opportunities, and priorities in our **Publications**.

Connect to **Links** on training, employment, and labour market information.



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