COVID-19's Impact on Niagara's Employers

Niagara Workforce Planning Board (NWPB) is one of 26 regional planning boards in Ontario making up the Local Boards Network, and one of 9 boards making up the Workforce Planning West network.

NWPB is Niagara's trusted community partner, providing data and insight in support of a diverse and talented workforce that contributes to a prosperous community. Our work prepares the Niagara community for the workforce challenges and opportunities of today and the future.

Our Vision

A diverse and talented regional workforce contributing to a prosperous community.

Our Mission

We support our local community organizations by:

Bringing objective, accurate, and future-focused workforce research to enhance planning and decision making;

Working in partnership across Niagara to address workforce development challenges and find solutions.

Our Values

We Listen

We are collaborative

We do the right thing

We are community focused

We are inclusive

We are future aware

Executive Summary

In a single year, the COVID-19 pandemic has caused economic and employment disruption not seen since the Great Depression. Moreover, these changes have often outpaced the speed at which new data can be produced. With this in mind, NWPB shifted our organizational efforts away from delivering our Employer One survey and toward supporting the Niagara COVID-19 Business Impact Survey.

We believe this collaborative effort produced meaningful data while reducing survey fatigue among employers during a critical time in their operations. As such, this report leverages data from that survey, as well as offers insights from the Canadian Survey of Business Conditions, EMSI Analyst, and NWPB's job demand aggregator. This multifaceted approach collects a rich set of data that speaks to local impacts while offering meaningful insights into emerging trends.

As of June 2020, slightly more than one-third of employers completing the Niagara COVID-19 Business Impact Survey reported their business was either at risk of imminent permanent closure or vulnerable to closure. This vulnerability manifested in terms of almost 18,000 layoffs among survey respondents. Unlike in previous years, where hiring and training were foremost among employer concerns, 2020 saw employer priorities shift toward attracting customers, maintaining their cash flow, and managing physical distancing and other measures designed to prevent the spread of COVID-19.

More recent data from January and February of 2021 captured through the Canadian Survey of Business Conditions (CSBC) shows a similar set of indicators. The first quarter of 2021 saw almost 45% of respondents to the CSBC reporting that they had been able to remain partially operational amid COVID-19. Slightly less than one-third were able to remain fully operational amid the pandemic. Employers who were reopening from pandemic restrictions in Ontario were most represented in the following sectors:

- *health care and social assistance*
- *construction*
- *administrative and support, waste management, and remediation services*

Employers who were maintaining their pandemic-related shutdowns were most represented in these sectors:

- *arts, entertainment, and recreation*
- *other services*
- *administrative and support, waste management, and remediation services*

These sectoral changes occur at a time when 67.5% of survey respondents in Ontario do not anticipate making any major changes to their workforce. These trends will have considerable implications for job seekers as certain sectors – should this trend continue – re-open and identify labour needs faster than others. Labour supply will likely outpace labour demand in some sectors, thus creating increased competition for jobs and an added human resources burden for employers.

Amid these challenges, a review of local job demand data shows that within Niagara's five largest occupation groups, the technical and interpersonal skills most in-demand from employers have seen little change throughout 2020. While there are a few exceptions to this trend, particularly where nursing skills are concerned, the data generally seem to suggest that the skills that were in demand in Niagara before the pandemic, continue to be highly aligned to current labour market demand.

Section 1. Recent Provincial Indicators

Given the rapid pace of changes that followed in the wake of COVID-19, NWPB has made extensive use of data from the Canadian Survey of Business Conditions. These data provide a provincial level snapshot of how COVID-19 continues to create challenges for employers.

NWPB has also made extensive use of the Niagara COVID-19 Business Impact Survey, as noted in Section 3 of this report. Combining these sources allows us to offer an understanding of current business pressures, while also grounding the most contemporary data within a local context.

Figure 1-1 provides a summary of overall business characteristics in Ontario as of February-March 2021.

Figure 1-1. Business Conditions in Ontario, February 2021[1]
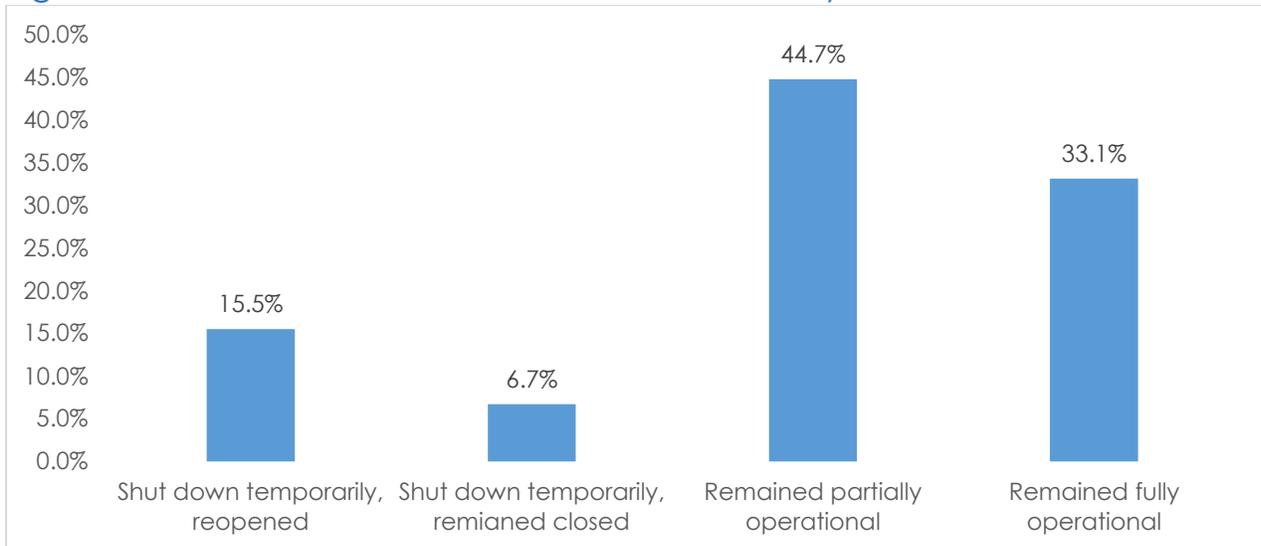
As seen in Figure 1-1, the largest segment of survey respondents were able to remain partially open amid the most recent stage of the COVID-19 pandemic. Slightly less than one-third (33.1%) of respondents were able to remain fully operational. Approximately 6.7% of survey respondents noted that they had shut down operations temporarily and remained closed.

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[1] Statistics Canada, Canadian Survey of Business Conditions, Ontario, Table #33-10-0309-01

If we place these provincial ratios within a local context, it would mean that among Niagara's estimated 13,048 employers[2]:

- 2,022 had shut down temporarily but reopened
- 874 were shut down temporarily and remained closed
- 5,832 were partially operational
- 4,319 remained fully operational

Table 1-2 and 1-3 provide additional insights into the specific industry sectors that reopened following a shutdown and those that were still shut down at the time of this survey. These insights are particularly important for job seekers, as they offer indicators for sectors that will likely be in demand over the coming months, as well as those which will likely see less than expected job demand.

Table 1-2. Industry sectors in Ontario that saw respondents reopening following temporary shutdown[3]

Industry Sector	Respondents who reported reopening
Health care and social assistance	26.6%
Construction	25.6%
Administrative and support, waste management and remediation services	21.4%
Manufacturing	21.2%
Arts, entertainment and recreation	17.5%

Table 1-3. Industry sectors in Ontario that saw respondents maintaining their shutdown[4]

Industry Sector	Respondents who reported maintaining closure
Arts, entertainment and recreation	37.8%
Other services (except public administration)	24.6%
Administrative and support, waste management and remediation services	13.1%
Retail trade	11.9%
Accommodation and food services	10.1%

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[2] Canadian Business Counts, June 2020, Niagara Census Division and NWPB calculations
[3] Statistics Canada, Canadian Survey of Business Conditions, Ontario, Table #33-10-0309-01
[4] ibid

NWPB is able to use aggregated job demand from January and February of 2021 to offer a snapshot of local job demand within the context of these broader provincial trends. Table 1-4 shows the occupation groups with the most demand: *sales and service occupations, trades, transport and equipment operators,* and *business finance and administration occupations.*

Table 1-4. January and February 2021 Job Demand in Niagara, Major Occupation Groups[5]

Occupation	Job Postings
Sales and service occupations	999
Trades, transport and equipment operators and related occupations	745
Business, finance and administration occupations	571
Occupations in education, law and social, community and government services	356
Health occupations	259
Management occupations	207
Natural and applied sciences and related occupations	186
Natural resources, agriculture and related production occupations	174
Occupations in manufacturing and utilities	118
Occupations in art, culture, recreation and sport	60

The data in Table 1-4 reflect a relatively small amount of job demand for occupations in art, culture, and recreation. Although this sector is seeing some reopening following shutdowns at a provincial level, as seen in Table 1-2, 37.8% of Ontario's arts, entertainment, and recreation sector employers who responded to the Canadian Survey of Business Conditions (CSBC) noted that they remained shut down due to COVID-19. Given the impact that COVID-19 has had on employment in this sector locally, it is reasonable to assume that Niagara's trends will follow the provincial benchmark.[6] As such, this will make job seeking in this field particularly challenging.

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[5] Niagara Workforce Planning Board, Job Demand Aggregator Jan-Feb 2021, Niagara Census Division
[6] For additional insights on employment in this and all other employment sectors through the COVID-19 pandemic, please click here to review NWPB's 2020 labour market report

At the same time, 25.6% of construction employers completing the CSBC noted that they were re-opening from temporary shutdown. Manufacturing employers were also well represented among employers who were reopening, with slightly more than one in five (21.2%) respondents indicating they were resuming activities. These provincial level trends are mirrored in Niagara's job demand where we saw 745 job postings for *trades, transport, and equipment operators* and 118 job postings for *manufacturing and utilities* occupations.

Table 1-5 captures the specific occupations that represented at least 2% of local job demand in Niagara in January and February of 2021. Once again, these local occupations show alignment to the industry sectors where Ontario's CSBC respondents indicated they were opening following COVID-19 shutdowns. In particular, Niagara's strong demand for *home support workers* readily maps on to the provincial reopening of health care and social assistance employers. Similarly *transport truck drivers* and *material handlers* can be found in both *construction* and *manufacturing* operations.

Table 1-5. January and February 2021 Job Demand in Niagara, Specific Occupations[7]

Occupation	Job Postings
Retail salespersons	195
Home support workers, housekeepers and related occupations	150
Other customer and information services representatives	101
Transport truck drivers	88
Cooks	83
Material handlers	82
Light duty cleaners	78

These data offer some grounds for optimism for job seekers, while also demonstrating that both provincially and locally, a recovery from COVID-19, even in this very early and tentative phase, will be something that is uneven in its impacts across employers and the workforce.

Further insights to this uneven recovery can be seen in the CBSC's hiring forecasts. Table 1-6 shows the industry sectors in Ontario where at least 70% of respondents noted that they did not anticipate any workforce changes. While

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[7] Niagara Workforce Planning Board, Job Demand Aggregator Jan-Feb 2021, Niagara Census Division

such findings are likely welcome news for existing workers, it does frame potential challenges for job seekers.

Table 1-6. Industry Sectors that Anticipate No Workforce Changes in the Coming 3 Months[8]

Industry	Respondents expecting no workforce changes
Transportation and warehousing	85%
Real estate and rental and leasing	83%
Accommodation and food services	76%
Agriculture, forestry, fishing and hunting	74%
Wholesale trade	72%
Retail trade	72%
Health care and social assistance	71%
Other services (except public administration)	70%

Conversely, Table 1-7 provides a snapshot of employers reporting that they anticipated laying off staff over the next three months. Overall, only 5.6% of respondents noted that they anticipated laying off more staff over the next three months.

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[8] Statistics Canada, Canadian Survey of Business Conditions, Ontario, Table #33-10-0312-01

Table 1-7. Industry Sectors that Anticipate Workforce Layoffs in the Coming 3 Months[9]

Industry	Respondents expecting layoffs
Arts, entertainment and recreation	13.4%
Accommodation and food services	12.4%
Other services (except public administration)	10.5%
Retail trade	10.0%
Mining, quarrying, and oil and gas extraction	9.5%
Finance and insurance	6.7%
Administrative and support, waste management and remediation services	5.9%
Manufacturing	5.7%
Construction	5.2%

Should Ontario's forecasts mirror business conditions in Niagara, these additional layoffs may indicate additional challenges for the local tourism economy. This is in consideration of both the *arts, entertainment and recreation* sector as well as *accommodation and food services* sector being pillars of Niagara's local tourism sector and the two sectors that, provincially, had the most respondents expecting layoffs over the next three months.

For additional context, NWPB has estimated tourism supporting employment as part of our Pandemic Scenario Planning Project. The findings of that project show us that in January 2020, Niagara housed approximately 33,798 people who were employed in the *information, culture, and recreation* sector and *24,974* people who were employed in accommodation in food service. Table 1-8 shows the extent of the employment decline in those sectors in January 2021.

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[9] Statistics Canada, Canadian Survey of Business Conditions, Ontario, Table #33-10-0312-01

Table 1-8. Employment Estimates in Sectors Supporting Niagara's Tourism Economy[10]

Sector	January 2020	January 2021	Year over Year Change
Information, culture and recreation	8,825	5,495	-37.7%
Accommodation and food service	24,974	13,210	-47.1%
Total	**33,798**	**18,705**	**-44.7%**

The following section offers some deeper insights on business and employer conditions in Niagara. Although these data are somewhat older than the data seen in the CSBC, they are essential to understanding how local employers have coped with COVID-19 to this point.

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[10] Statistics Canada, Labour Force Survey Table #14-10-0379-019-01, EMSI Analyst, Niagara Census Division, 2020.3 Data Set, and NWPB Calculations

Section 2. Recent Local Indicators

In June of 2020, the Niagara Economic Rapid Response Team conducted the second COVID-19 Business Impact Survey. While much of these data are discussed in our 2020-21 Local Labour Market Report, a review of the data in this report provides an essential context for how COVID-19 has impacted local business conditions. High level analysis indicate that, in June 2020, just over one-third of survey respondents indicated their business was either *at risk of imminent permanent closure* or *vulnerable to closure*.

Similar to current provincial data outlined in Section 1, the largest segment of employers indicated they were able to sustain operations.

Figure 2-1. Business conditions in Niagara, June 2020[11]
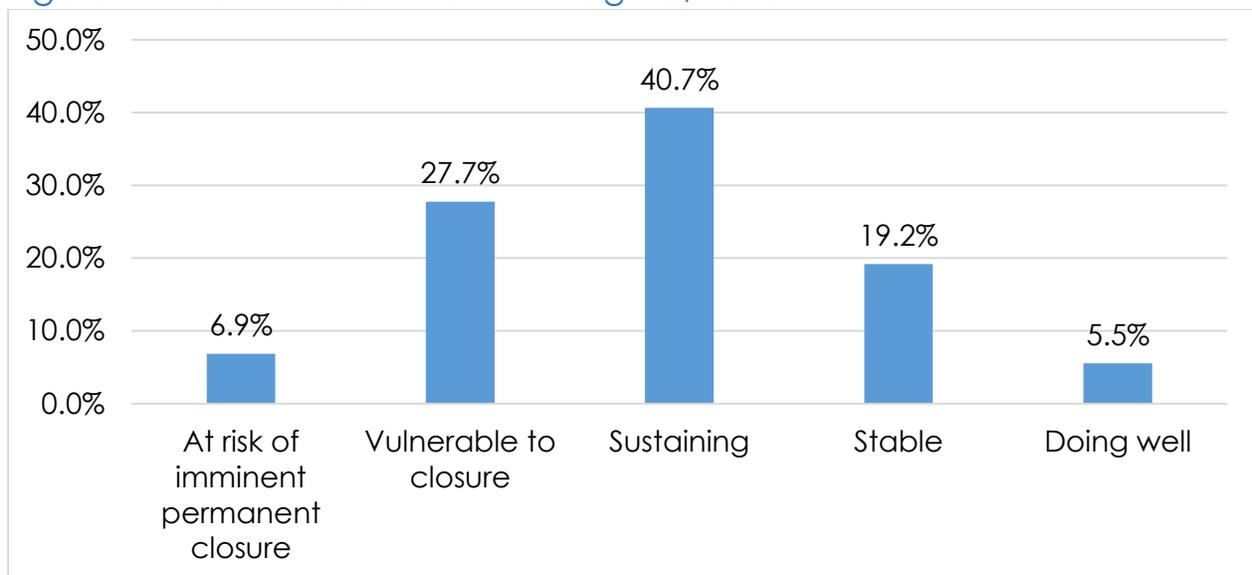
In terms of COVID-19 related layoffs, Figure 2-2 indicates that by June 2020 employer responses were virtually split. Slightly more than half of respondents reported laying off staff since April 1, 2020.

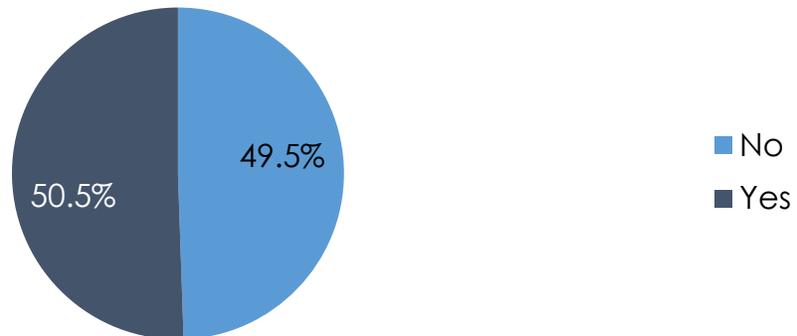Figure 2-2. Have you had to lay off staff since April 1, 2020? Niagara, June 2020[12]

Table 2-3 outlines the number of staff that employers indicated laying off. In total, there were approximately 17,950 layoffs between April 1, 2020 and the time of this survey in June 2020. Over half of layoffs (57.9%) were for full-time workers while around 42.1% were layoffs for part-time employees.

Table 2-3. Have you had to lay off staff since April 1, 2020? Niagara, June 2020[13]

Type of Worker	Individuals Laid Off	% responses
Full-time	10,388	57.9%
Part-time	7,562	42.1%
Total	**17,950**	

[12] Niagara Economic Rapid Response Team, COVID-19 Business Impact Survey Wave 2.
[13] ibid

Given these sizable impacts, employers identified a number of barriers to recovery. The main barriers to recovery that employers expected to face are outlined in Table 2-4.

Table 2-4. Top obstacles to recovery, Niagara, June 2020[14]

Biggest obstacles to recovery	Count	% responses
Slow return of customers	585	32.2%
Cash flow/increased debt loads	474	26.1%
Understanding new physical space requirements/enforcement	346	19.0%
Hiring/re-hiring	135	7.4%
Training staff	120	6.6%
No challenges anticipated	66	3.6%
Other, please specify	93	5.1%
Total Responses	**1,819**	

Not surprisingly, the most significant barriers to recovery were:

- Slow return of customers
- Cash flow/increased debt loads
- Understanding new physical space requirements/enforcement

These responses reflect that the top barriers to recovery are mainly operational, along with challenges with consumer confidence. Unlike past years, hiring and training of staff are less of a concern given the economic downturn. In addition, a significant number of employee layoffs and the looming challenge of potential business closures remain until employers are able to return to pre-COVID-19 levels of operations.

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[14] Niagara Economic Rapid Response Team, COVID-19 Business Impact Survey Wave 2..

Section 3. Employer Consultation

Throughout 2020 NWPB engaged with retail employers to gain local insights on one of the most hardest hit sectors amid the COVID-19 pandemic. NWPB also met with Economic Development Officers across Niagara to glean a wide-spread perspective on employer experiences throughout COVID-19.

Generally, the findings of these consultations were aligned to recent survey data. Therein, employers were focused on staying open and expanding their online presence. The latter point proved particularly true among retailers, even small retailers who in the past had not made heavy investments into their digital sales channels.

Subsequently, shifts in business models due to COVID-19 were largely seen in adaptations to increased online selling and managing the changes necessary to continuing in store services (e.g., installing physical barriers, distributing personal protective equipment into staff, and maintaining physical distance).

As demonstrated in Table 2-4, hiring and training staff was not an immediate priority for employers. However, given the ever-changing nature of the state of work throughout the pandemic (e.g., closure, shifts to online sales, remote working, etc.), we asked both employers and local economic development offices whether they saw any change in the specific skill sets required for employees.

Our consultations indicated that there were not necessarily large shifts in terms of the required skills for employees. Rather there appeared to be expected prioritization of increased technological skills, a focus on online marketing, and the use of point-of-sale systems. Outside of the retail context, employers and economic development consultations confirmed that the COVID-19 pandemic had not impacted a demonstrated need for workers in the skilled trades. In February of 2020, just before the pandemic began, NWPB completed a comprehensive set of 100 employer engagements to identify the local in-demand skilled trades. Despite the impact of COVID-19, NWPB believes those findings to still be relevant to current labour demand as they reflected the long-term labour needs of the Niagara region. This report can be accessed through this link.

To supplement these in-person consultations, NWPB also examined in-demand skills as seen through the aggregation of online job postings. This examination attempted to see if the skills listed in online job posts had shifted over the course of 2020. To do so, we examined the top skills listed in occupations where we saw the most demand. Specifically, we examined the top skills posted for the following major occupation groups:
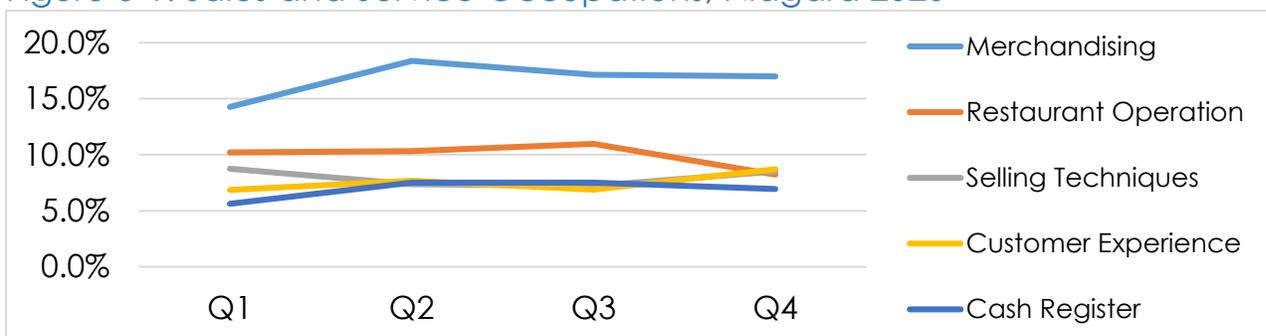
- Sales and service occupations
- Trades, transport and equipment operators and related occupations
- Business, finance and administration occupations
- Occupations in education, law and social, community and government services
- Health occupations

The following figures outline the top technical skills and interpersonal skills that were included in online job posts for each of these occupations.

Technical Skills

Figures 3-1 through 3-5 outline the top skills listed in online job posts. As the number of posts differed in each quarter, we present the percentage of posts within the quarter that listed each skill. For example, we see that in Q1, approximately 14.3% of sales and service job posts included "merchandising" as a required skill. In Q2, the percentage of posts listing this skill increased to 18.4%.

Figure 3-1. Sales and Service Occupations, Niagara 2020[15]

Figure 3-2 shows that demand for the top skills in education, law, and social and community services occupations generally increased throughout 2020. The two exceptions were for "appeals" and "psychology" which declined in terms of relative demand. Note that this occupation group includes *personal support workers* for which there was significant demand throughout 2020.

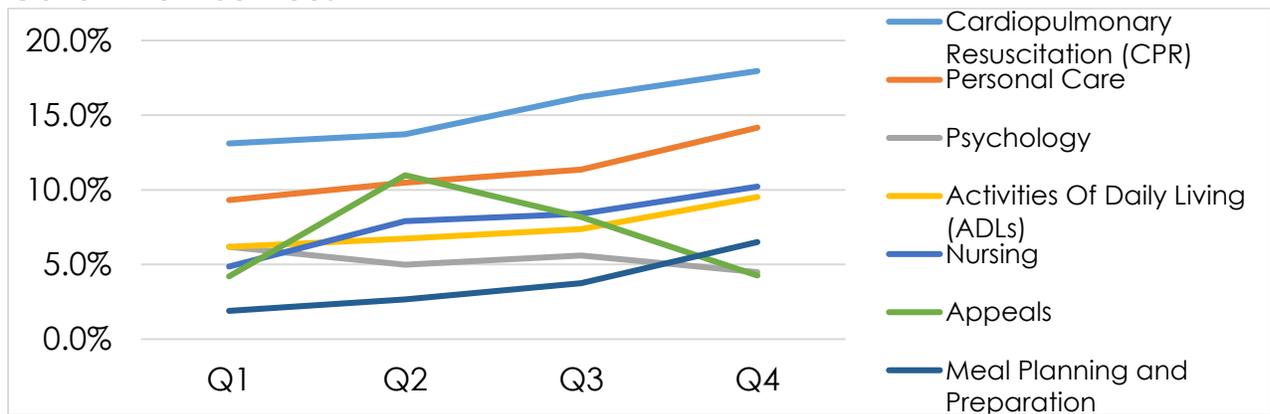Figure 3-2. Occupations in Education, Law and Social, Community and Government Services[16]

Figure 3-3 outlines the top skills listed for jobs in trades, transport and equipment operators and related occupations. "Warehousing" showed steady increase in terms of demand throughout 2020. However, the majority of the top skills in this occupation group remained fairly constant.

Figure 3-3. Trades, transport and equipment operators and related occupations[17]
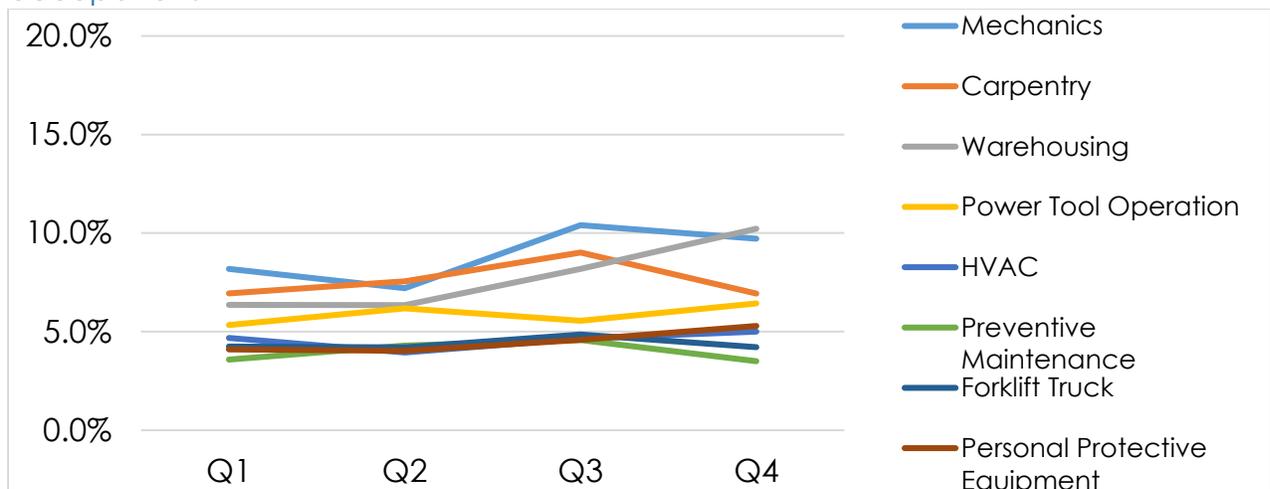
[16] EMSI Analyst, 2020.3 data set, Niagara, job post skills
[17] ibid

Figure 3-4 outlines the most in-demand technical skills for health occupations. Throughout each quarter of 2020 "nursing" was the most frequently posted skill. Despite some quarter-over-quarter fluctuation in "nursing" most skills in health occupations remained fairly constant. This is similar in trend to overall health occupation employment level in Niagara which, throughout the pandemic, has remained steady.
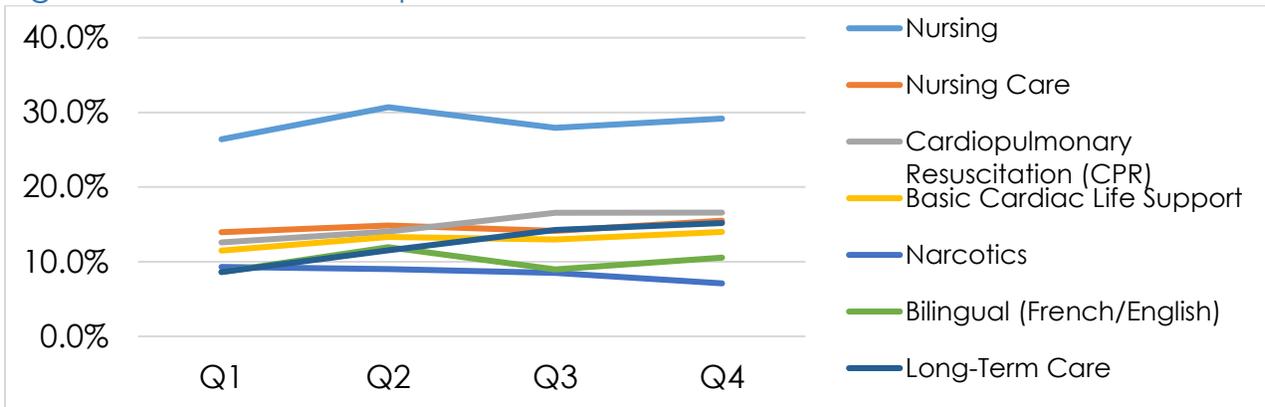
Figure 3-4. Health Occupations[18]

Figure 3-5 shows the top skills posted throughout 2020 for business, finance, and administration occupations. Demand for these skills was fairly steady across all four quarters. One notable exception being accounting which did grow in demand across the second, third, fourth quarter of 2020. This growth is not surprising given the variety of new programs and supports accessed by businesses and individuals in 2020.

Figure 3-5. Business, Finance and Administration Occupations[19]

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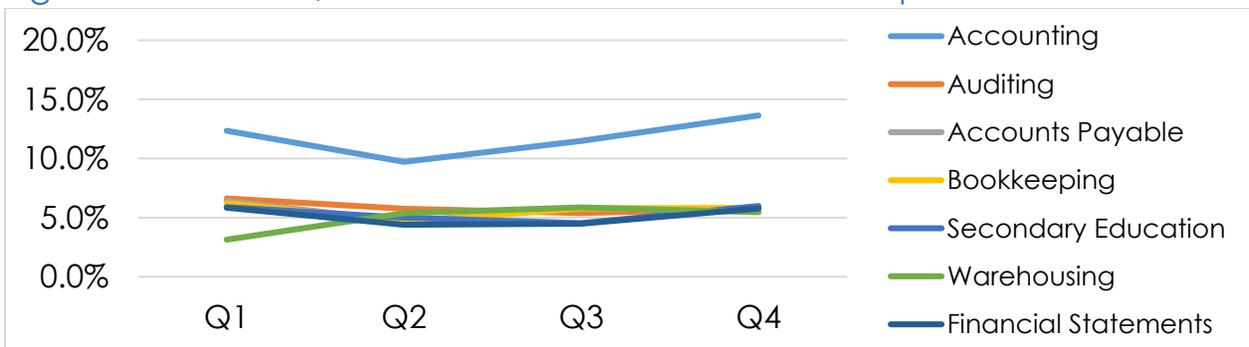
[18] EMSI Analyst, 2020.3 data set, Niagara, job post skills
[19] ibid

Interpersonal Skills

The interpersonal skills listed in job posts for sales and service occupations remained very steady across each quarter. We see that "customer service" was listed in almost half of all job posts in this occupation category. These findings are very similar to pre-pandemic conditions.
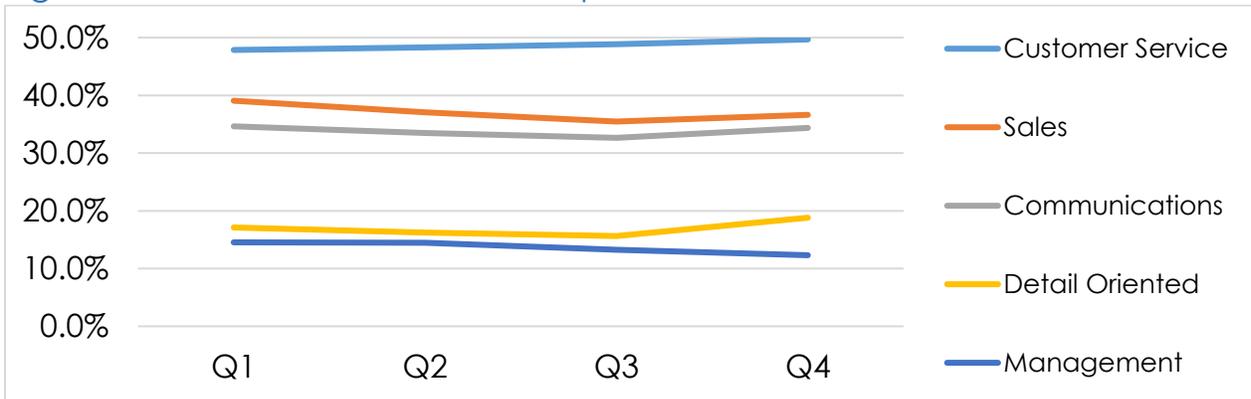
Figure 3-6. Sales and Service Occupations[20]

Figure 3-7 shows that the relative percentage of job posts for education, law, and social and community services with "teaching" as a skill declined over the course of the year. This is likely due to fluctuating job demand for elementary school teachers that was observed in the third and fourth quarter of 2020.[21]

Figure 3-7. Occupations in Education, Law and Social, Community and Government Services[22]

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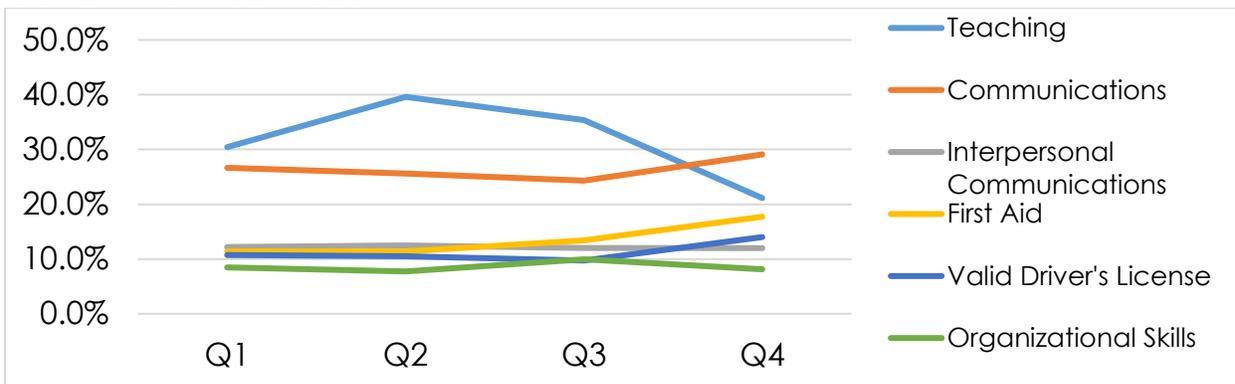
[20] EMSI Analyst, 2020.3 data set, Niagara, job post skills
[21] ibid
[22] ibid

Figure 3-8 shows that the top skills listed for jobs in trades, transport, and equipment operation remained very consistent across each quarter of 2020. The top listed skill was having a "valid driver's license". Once again, this is highly aligned to what was seen prior to the pandemic.

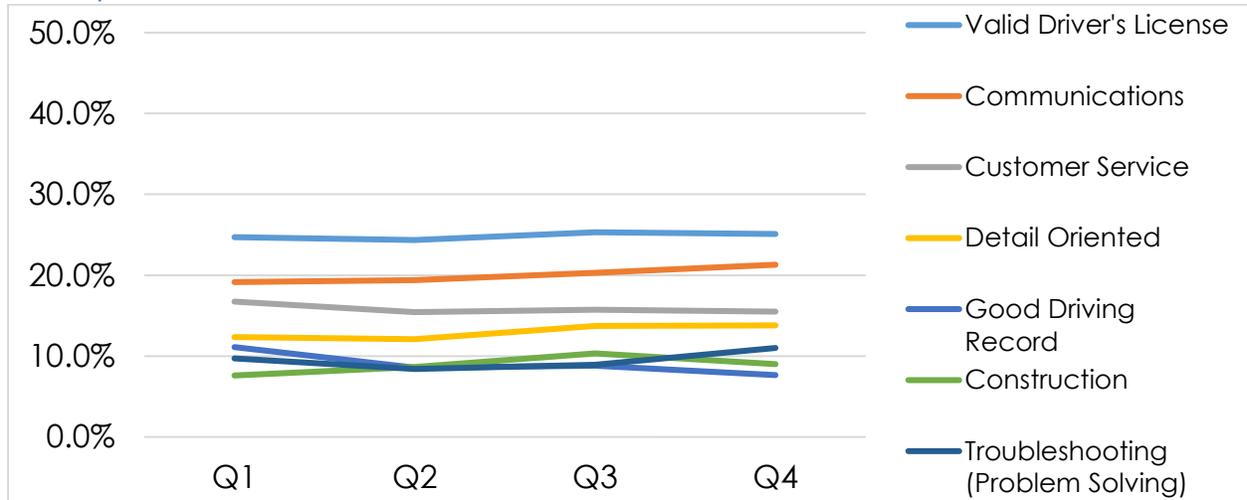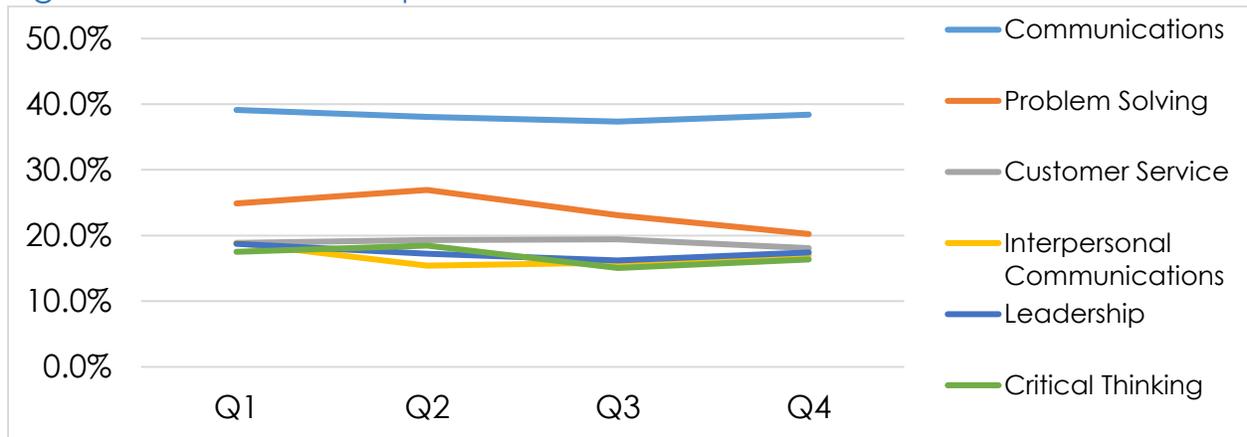Figure 3-8. Trades, transport and equipment operators and related occupations[23]

Figure 3-9 shows that the most common interpersonal skill posted in jobs in healthcare was "communications". Almost 40% of posts included this skill across each quarter of 2020.

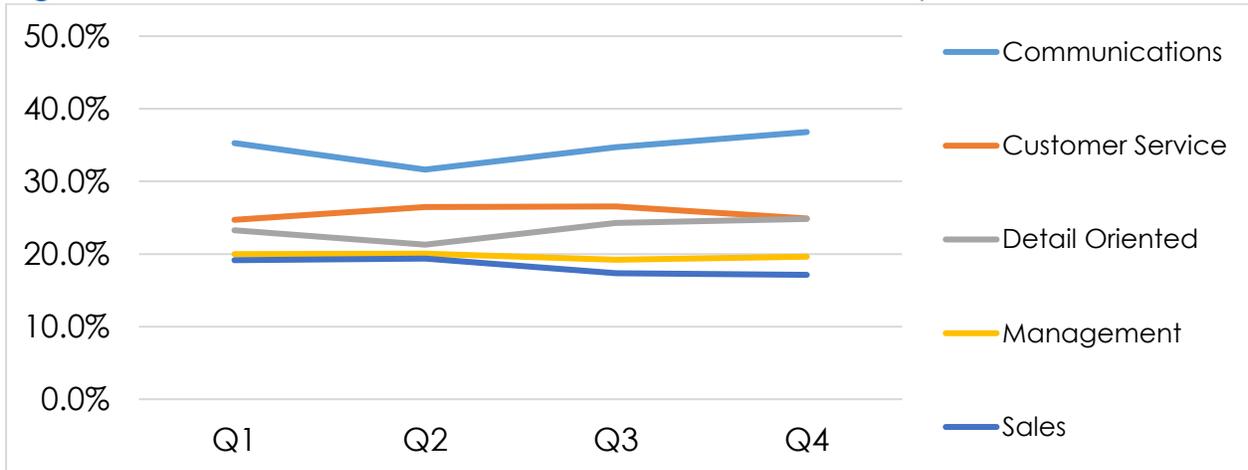Figure 3-9. Health Occupations[24]

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[23] EMSI Analyst, 2020.3 run, Niagara, job post skills
[24] ibid

Figure 3-10 also indicates fairly consistent demand for each of these top-listed skills. "Communications" saw a slight increase in terms of the relative number of posts including this skills over the course of 2020.

Figure 3-10. Business, Finance and Administration Occupations[25]

Concluding Remarks and Next Steps

One of this report's key findings is that the skills that were employable in Niagara before the pandemic remained highly relevant during the pandemic. However, provincial indicators, as well as regional indicators – which NWPB has reported on throughout the pandemic – reflect a lower level of overall job demand occurring at a time when employers are generally expecting to make fewer hires over the coming months.

This suggests that in the coming months (not withstanding unforeseen impacts of a potential third wave of the COVID-19 pandemic in advance of Ontario's general vaccine rollout) job seeking will become a more challenging prospect as employers work to attract customers, stabilize cash flow, and continue to operate at reduced capacities.

A 2021 tourism season on par with what was observed following the 2020 lockdown is likely to lead to some employment opportunities unique to the Niagara region that contrast the broader provincial trend. However, data at the provincial level reports that employers within the *information and culture* sector, as well as the *accommodation and food service* sector were more likely to lay off staff than any other sector. Potential optimism based on Niagara's historic tourism strengths must be grounded against this employment outlook.

As part of a local response to these challenges, NWPB will be expanding our suite of monthly labour market tools to include detailed analysis on youth employment, breakdowns on employment in tourism, and reports on sectoral-specific job demand. NWPB also anticipates undertaking a workforce-facing study on barriers to employment. We believe all of these activities will help support our partners who are developing training programs for individuals who are looking to return to work or change their career paths following the pandemic.

Additional insights on how the COVID-19 pandemic impacted local employers can be found in our 2020 Labour Market Report. NWPB will further follow up on this research in the publication of an interim labour market report in June 2021.

For additional information on the local labour market, and to review previous publications, please visit our website at www.nwpb.ca

Contact Us:

3350 Schmon Parkway, Unit 1B
Thorold, Ontario
L2V 4Y6

Email: info@nwpb.ca

Telephone: 905-641-0801