

Building a Sustainable Workforce in Niagara

Introductory Report

Produced in Partnership with:

Niagara Workforce Planning Board
Literacy Link Niagara
Greater Niagara Chamber of Commerce

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Niagara Workforce Planning Board, Literacy Link Niagara, and the Greater Niagara Chamber of Commerce are working together on a project which highlights Niagara's retail sector.

This project is funded by the Ministry of Labour, Training and Skills Development (MLTSD) as an Ontario Labour Market Partnership (OLMP).



Introduction

The purpose of the *Sustainable Workforce in Niagara project* is to identify the systemic challenges inherent in the Niagara workforce, through the lens of the workforce disruptions caused by the COVID-19 pandemic.¹ With a focus on the retail sector, this project will work with employers to identify the employment-related needs that will ensure a resilient recovery post-COVID-19. Throughout this project we will work with Niagara's employers to understand how all stakeholders can help build sustainable, full-time employment as part of Niagara's economic recovery.

This paper is an introductory report that sets the context for further analysis, research, and community engagement. It seeks to report on the impact of COVID-19 and broad implications for Niagara's workforce. It further addresses how Niagara's businesses and workforce were impacted by COVID-19. To do so, these contextual data are set up through five preliminary questions:

- 1) What was the overall impact of COVID-19 on employment in Niagara?
- 2) Which sectors were the hardest hit by COVID-19?
- 3) What was the demographic profile of the hardest hit sectors?
- 4) What was the income profile of jobs in the hardest hit sectors?
- 5) Did COVID-19 change employer-identified skills in demand?

¹ This project will consider the "start" of the pandemic to be March 17th, 2020 as this is the date the Government of Ontario officially declared a state of emergency: <https://news.ontario.ca/opo/en/2020/03/ontario-enacts-declaration-of-emergency-to-protect-the-public.html>

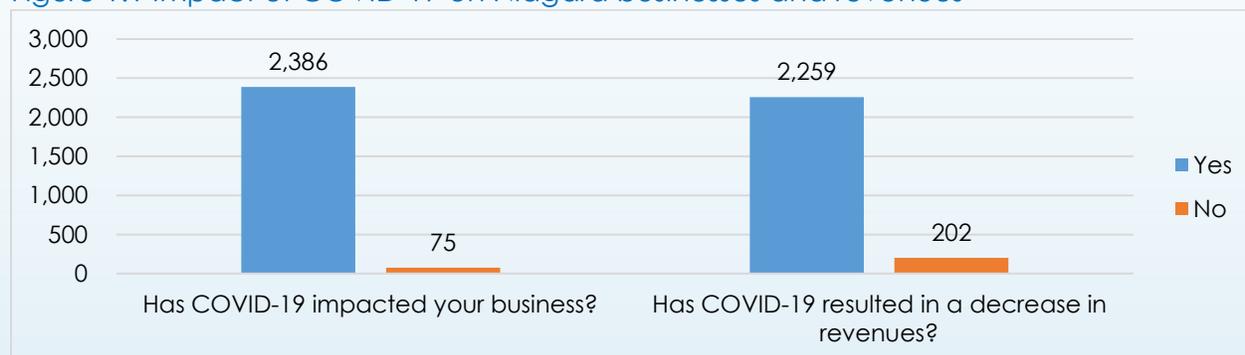
Section 1. Overall impact of COVID-19 in Niagara

The major economic impacts of COVID-19 began in March of 2020. Between March 12 and March 22, 2020, every province in Canada declared a state of emergency, and businesses deemed non-essential were instructed to close. By the end of March, Canada was reporting over 1,000 new daily cases of COVID 19, and over 40% of Canadian businesses had reported laying off at least one employee.²

In response to the economic impacts of the pandemic, the Canadian government instituted a number of financial supports for individuals and businesses. For individuals, these initiatives included the Canada Emergency Response Benefit, a temporary wage top-up for essential workers, and the Canada Emergency Student Benefit. For employers, initiatives included wage subsidy programs to retain employees and no-or-low interest loan supports.

Though these initiatives provided financial support to businesses and individuals, they have not eliminated COVID-related hardships. To gain insight into the local impact, the Niagara Economic Rapid Response Team distributed a survey among local employers regarding the impact of COVID-19.³ When asked whether COVID-19 had affected their business, almost all respondents said that a) it had affected their business and b) that COVID-19 had led to a decrease in revenue. These data are presented in Figure 1.1.

Figure 1.1 Impact of COVID-19 on Niagara businesses and revenues



Source: Niagara COVID-19 Business Impact Survey

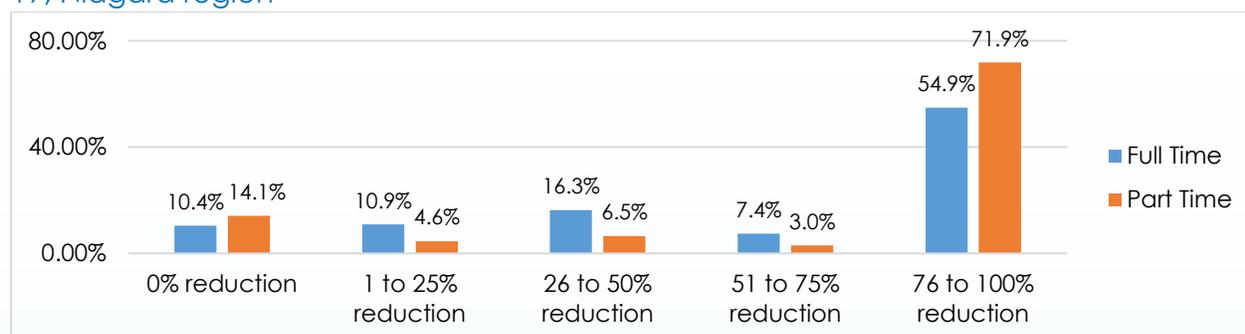
At the time of this survey's completion in late-March 2020, two out of every three respondents reported reducing staffing due to COVID-19. Of those employers who had reduced staff due to COVID-19, a majority saw between a 76 and 100 per cent reduction of both full- and part-time staff.

² Statistics Canada. Table 33-10-0232-01 Percentage of workforce laid off because of COVID-19, by business characteristics.

³ This section's data are largely derived from the Niagara COVID-19 Business Impact Survey, which was delivered by the Niagara Economic Rapid Response Team. NWPB gratefully acknowledges the efforts of Niagara's twelve municipalities and the Regional Municipality of Niagara in delivering this survey.

Approximately 54.9% of employers reduced full-time staff by 76-100%, and approximately 71.9% of employers reduced part-time staff by 76-100%. This pattern suggests that within Niagara, although both full- and part-time staff were affected by COVID-19, part-time staff were more greatly affected (see Figure 1.2).

Figure 1.2 Percentage of staff reductions for employers that laid off staff due to COVID-19, Niagara region



Source: Niagara COVID-19 Business Impact Survey

When we examined local employment, month-over-month data demonstrated that 31,000 fewer people were working in May 2020 compared to February 2020. This change accounted for a significant decrease in Niagara's employment rate (55.3% in February down to 46.6% in May) and an increase in the unemployment rate (5.9% in February to 13.0% in May), and a decreasing participation rate (58.8% to 53.6%).

Table 1.1: Niagara – Current and Historical Trends – Seasonally Unadjusted

Labour force characteristics	2019				2020			
	February	March	April	May	February	March	April	May
Labour force	212,200	207,600	204,900	204,500	211,600	205,900	199,000	193,300
Employment	197,400	192,400	190,200	191,900	199,200	188,200	177,700	168,200
Full-time employment	153,200	149,500	146,600	148,200	152,900	145,700	138,700	132,600
Part-time employment	44,100	42,900	43,600	43,600	46,400	42,500	39,000	35,600
Unemployment	14,800	15,200	14,700	12,600	12,400	17,700	21,300	25,100
Unemployment rate	7.0%	7.3%	7.2%	6.2%	5.9%	8.6%	10.7%	13.0%
Participation rate	59.8%	58.4%	57.6%	57.4%	58.8%	57.2%	55.2%	53.6%
Employment rate	55.6%	54.1%	53.5%	53.9%	55.3%	52.2%	49.3%	46.6%

Source: Statistics Canada Labour Force Survey, Table: 14-10-0095-01 (formerly CANSIM 282-0128)

When comparing these trends to annual data for 2019, the impact from COVID-19 becomes even more pronounced. May 2019 saw 11,200 more people in the labour force and 23,700 more people employed when compared to May 2020. Compared to May 2019, the unemployment rate in May 2020, was 6.8% higher, the participation rate is 3.8% lower, and, finally, the employment rate is 7.3% lower. These labour market data shifts are unprecedented, and are atypical of previous economic disruptions and recessions. Here we see negative trends more severe even than the economic data presented during the most recent depression.

When we compare these impacts in Niagara to those seen at a provincial level we see very similar trends. Niagara's employment rate increased by 7.1% and the participation and employment rates decreased by 5.2% and 8.7%, respectively. Comparatively,

Ontario's unemployment rate increased 8.4%, and the participation and employment rates decreased 3.5% and 8.4%, respectively. This translates to Ontario seeing slightly fewer people leave the workforce as a proportion of its labour market, but offsetting this difference by seeing a slightly larger rise in the unemployment rate than Niagara. Together, these data show that Niagara's economy has been impacted by COVID-19 quite similarly to the rest of the province in aggregate.

Table 1.2 COVID-19 Impacts in Ontario, 2020

Labour force characteristics	Ontario	
	February	May
Labour force	7,901,500	7,497,800
Employment	7,466,900	6,456,700
Unemployment	434,500	10,411,00
Unemployment rate	5.5%	13.9%
Participation rate	64.4%	60.9%
Employment rate	60.9%	52.5%

Source: Statistics Canada Labour Force Survey, Table: 14-10-0017-01 (formerly CANSIM 282-0001)

We can also compare the economic impact in Niagara to other municipalities in Ontario. Table 1.3 presents labour force data for Toronto, Hamilton, and London. These regions have also seen similar changes when compared to Niagara's labour force. Specifically, within Toronto, Hamilton, and London, the unemployment rates rose by 6.6%, 6.1%, and 7.4%, respectively, which are very similar to Niagara's increase of 7.1%. Where Niagara's participation rate decreased by 5.2%, Toronto's fell by 4.9%, Hamilton's by 5.5%, and London's by only 2.9%. Finally, comparing the employment rates shows that Niagara's fell by 8.7%, similar to Toronto (a decrease of 8.6%) and Hamilton (8.1%), and slightly more than London (7.0%). These data demonstrate that the impacts of COVID-19, though slightly different from one region to the next, can be seen across Ontario.

Table 1.3 COVID-19 Impacts in Toronto, Hamilton, and London CMAs, 2020

Labour force characteristics	Toronto		Hamilton		London	
	February	May	February	May	February	May
Labour force	3,737,300	3,479,900	448,700	418,800	275,600	263,600
Employment	3,548,800	3,077,600	427,900	374,000	263,200	232,400
Unemployment	188,500	402,300	20,800	44,800	12,400	31,300
Unemployment rate	5.0%	11.6%	4.6%	10.7%	4.5%	11.9%
Participation rate	66.3%	61.4%	65.6%	61.1%	61.0%	58.1%
Employment rate	62.9%	54.3%	62.6%	54.5%	58.2%	51.2%

Source: Statistics Canada Labour Force Survey, Table: 14-10-0095-01 (formerly CANSIM 282-0128)

Section 2. What sectors were the hardest hit by COVID-19?

This section explores how COVID-19 had an uneven impact across business sectors in Niagara. In industries with at least 100 survey respondents to the Niagara Economic Rapid Response Team survey, at least 94.9% of respondents indicated that COVID-19 impacted their business. Within each industry, at least 83.5% claimed it had led to a decrease in revenue (see Table 2.1). Full data on each industry are in Appendix A.

Table 2.1 COVID-19 impact on business operations, by industry, Niagara region

Industry	Respondents	Has COVID impacted your businesses?		Has COVID led to a decrease in revenue	
		Yes	No	Yes	No
Other services	555	96.9%	3.1%	94.1%	5.9%
Retail trade	351	97.7%	2.3%	92.3%	7.7%
Accommodation & food services	304	98.7%	1.3%	97.7%	2.3%
Health care & social assistance	221	98.6%	1.4%	91.9%	8.1%
Arts, entertainment & recreation	207	99.0%	1.0%	97.1%	2.9%
Professional, scientific & technical services	152	95.4%	4.6%	83.6%	16.4%
Construction	138	94.9%	5.1%	87.7%	12.3%
Manufacturing	133	95.5%	4.5%	83.5%	16.5%
Total	2,449	96.9%	3.1%	91.8%	8.2%

Source: Niagara COVID-19 Business Impact Survey

With regard to staffing impacts, we see that staff reductions tended to differ by industry. For example, for *accommodation and food services* employers, 86.8% of survey respondents noted that COVID-19 led to a reduction in staff. *Retail trade* and the *health care and social assistance industry* both saw 71.4% of responding employers reduce staff. In contrast, in the *finance and insurance* industry, 26.4% of responding employers noted that COVID-19 led to a reduction in staff (see Table 2.2).

Table 2.2 COVID-19 impact on staffing, by industry, Niagara region

Industry	Respondents	Has COVID-19 led to your business reducing staff?		
		Yes	Yes %	No
Other services	495	322	65.1%	173
Retail trade	315	225	71.4%	90
Accommodation & food services	281	244	86.8%	37
Health care & social assistance	210	150	71.4%	60
Arts, entertainment & recreation	193	129	66.8%	64
Professional, scientific & technical services	142	64	45.1%	78
Manufacturing	121	67	55.4%	54
Construction	118	78	66.1%	40
Total	2,222	1465	65.9%	757

Source: Niagara COVID-19 Business Impact Survey

We are further able to assess the impact that COVID-19 had on specific industries by comparing monthly employment numbers in Niagara through 2020. These data show which industries have seen fewer Niagara residents employed throughout the pandemic. Table 2.3 shows that industries reliant on customer interaction or location-based experiences, including *information, culture and recreation; accommodation and food services; and wholesale and retail trade*, have all seen significantly fewer people employed since the beginning of this pandemic.

Table 2.3 Employment data by industry, St. Catharines-Niagara CMA, 2020

Industry	February	March	April	May	Change, Feb-May
Wholesale and retail trade	32,300	29,700	27,900	25,600	-20.7%
Accommodation and food services	26,100	23,100	18,100	14,500	-44.4%
Health care and social assistance	25,300	25,000	25,800	25,800	2.0%
Manufacturing	21,200	19,800	17,700	15,900	-25.0%
Educational services	17,100	17,700	18,100	17,300	1.2%
Construction	14,400	13,800	13,200	12,900	-10.4%
Other services (except public administration)	10,300	10,400	9,800	9,400	-8.7%
Information, culture and recreation	9,700	8,100	6,500	4,600	-52.6%
Transportation and warehousing	8,600	6,900	6,600	6,500	-24.4%
Business, building and other support services	8,400	8,300	8,700	9,200	9.5%
Finance, insurance, real estate, rental and leasing	7,200	6,800	7,800	8,900	23.6%
Public administration	5,900	6,100	5,900	5,600	-5.1%
Professional, scientific and technical services	5,500	5,300	5,200	5,200	-5.5%
Agriculture	5,400	6,000	5,300	5,800	7.4%
Utilities	1,700	1,500	x	x	N/A
Forestry, fishing, mining, quarrying, oil and gas	x	x	x	x	N/A

Source: Statistics Canada. Table 14-10-0097-01 Employment by industry, three-month moving average, unadjusted for seasonality, census metropolitan areas

Combined, the data presented in Table 2.2 and 2.3 show that the impact of COVID-19 on Niagara's workforce was unevenly distributed. Table 2.3 shows that *wholesale and retail trade* employed the most Niagara residents prior to the pandemic; however, as of May 2020, the number of people employed in *health care and social assistance* overtook the number of people employed in *wholesale and retail trade*. As a percentage of initial employment, *information, culture and recreation* suffered the largest losses, seeing a decrease of 52.6% of the pre-pandemic job count. This was followed by *accommodation and food services*, with a 44.4% decrease in jobs.

Section 3. Demographic profile of hardest hit sectors

While COVID-19 has impacted most Canadians, employment impacts were more pronounced on certain demographics. This section will outline three demographic cohorts where the unequal impacts of COVID-19 are clear: youth, women, and part-time workers.

Section 3.1 Youth impact

Table 3.1.1 presents labour force data for Niagara's youth for the months of February to May in both 2019 and 2020, which shows there were 7,000 fewer youth working in May 2020 compared to February 2020. Most of the decline in youth employment between can be attributed to fewer youth working in a part-time capacity (a decrease of 6,500).

In May 2019, compared to May 2020, the participation rate was 11.3%, the unemployment rate was a striking 20.2% lower, and the employment rate was similarly 21.2% higher.

Table 3.1.1 Niagara Seasonally Unadjusted Labour Force Statistics, Youth Aged 15 to 24

Labour force characteristics	2019				2020			
	February	March	April	May	February	March	April	May
Labour force	34,900	32,900	32,100	32,200	30,400	30,700	29,200	28,200
Employment	31,000	29,200	28,000	28,200	26,100	24,300	21,800	19,100
Full-time employment	17,200	15,200	12,800	11,700	12,100	12,000	11,900	11,600
Part-time employment	13,800	14,000	15,200	16,600	14,000	12,300	9,800	7,500
Unemployment	3,900	3,700	4,100	3,900	4,400	6,400	7,400	9,100
Unemployment rate	11.2%	11.2%	12.8%	12.1%	14.5%	20.8%	25.3%	32.3%
Participation rate	62.9%	62.3%	64.2%	68.2%	65.4%	62.1%	57.6%	56.9%
Employment rate	55.9%	55.3%	56.0%	59.7%	56.1%	49.2%	43.0%	38.5%

Source: Statistics Canada Labour Force Survey, Table: 14-10-0095-01 (formerly CANSIM 282-0128)

Working in positions that are part-time, and often for shorter periods of time (e.g., during the summer), leave youth vulnerable to the consequences of businesses closing. These labour force differences between February and May 2020 are particularly pronounced because typically this period sees the participation and employment rates for youth increase as students transition to summer employment.

In the event that the economy recovers quickly, Statistics Canada estimated that income losses for newly graduated youth (from high school, college, or university) due to the fallout from COVID-19 would be approximately \$6,000 over the next five years.⁴ In the event that the recovery is prolonged, however, Statistics Canada estimates that income losses for newly graduated youth could be between \$4,600 and \$8,800 per year over the next five years. This would amount to a total average earnings loss between \$23,000 and \$44,000 for youth in Canada, over the next five years. These data show the seriousness of the impact of COVID on employment for youth.

⁴ Frenette, M., Derek, M., Handler, T. 2020. Potential earnings losses among high school and postsecondary graduates due to the COVID-19 economic downturn. <https://www150.statcan.gc.ca/n1/en/pub/11-626-x/11-626-x2020012-eng.pdf?st=A6PEHFGP>

Section 3.2 Differing impacts by gender

Please note that the gender data are provided by Statistics Canada, which uses a binary option within the labour force survey. Statistics Canada has noted that they will begin rolling out modified questions related to *sex assigned at birth* and *gender identity* in the next census which will represent the population more accurately.

International and local data demonstrates that this pandemic has not had an equal impact on employment for men and women. Worldwide it is estimated that a woman is 1.8 times more likely to have her job cut due to COVID-19 than a man.⁵ We have seen evidence of this trend in Niagara's data. Statistics Canada's Labour Force Survey, noted in Table 3.2.1, shows that of the 16,900 people who left the labour force between February and June, 87.0% are women. Moreover, 19,600 of the 29,400 decrease in employed people are women (66.7%). Women also represented the majority of losses for full-time (61.8%) and part-time work (72.1%).

Table 3.2.1 – Labour force indicators by gender

	Total Population		Change by Demographic			% of Total Change	
	February	June	Total	Men	Women	Men	Women
Labour force	211,600	194,700	-16,900	-2,200	-14,700	13.0%	87.0%
Employment	199,200	169,800	-29,400	-9,800	-19,600	33.3%	66.7%
Full-time employment	152,900	135,600	-17,300	-6,500	-10,700	37.6%	61.8%
Part-time employment	46,400	34,200	-12,200	-3,400	-8,800	27.9%	72.1%
Unemployment	12,400	24,900	12,500	7,700	4,700	61.6%	37.6%
Not in labour force	148,300	166,200	17,900	2,800	15,100	15.6%	84.4%

Source: Statistics Canada Labour Force Survey, Table: 14-10-0097-01 (formerly CANSIM 282-0130).

COVID-19 led to the shut downs of industries and non-essential businesses as well as closures of schools and day cares, and we know that there is gender imbalance in home schooling and at-home child care. For example, in a 2018 report, childcare was prominent among reasons why Canadian women were not working full time, with 27% of women citing this as the reason they could not work full time.⁶ Though there are likely many reasons that women left the work force during the pandemic, it is possible that childcare is a factor (as women typically face higher at-home responsibilities than men)⁷. If this is the case, it may be more difficult for women to rebound as quickly as it does men. In total, these data make clear that COVID-19's burden has more substantially fallen upon women in Niagara.

⁵ McKinsey & Company. 2020. *Covid-19 and gender equality: countering the regressive effects*.

⁶ Statistics Canada. *Who Works Part Time and Why?* Data: 2018 Labour Force Survey.

⁷ Moyser, M., & Burlock, A. (2018). Time use: Total work burden, unpaid work, and leisure. Statistics Canada catalogue no. 89-503-X

Section 3.3 Part-time versus full-time workers

To examine the effects of COVID-19 on the number of hours Ontarians worked during the first five months of 2020, we compared a five-year historical average of “expected” hours worked versus 2020’s monthly measure of **actual** hours worked.

Figure 3.3.1 shows that, between March and May of 2020, the number of people that were employed but working 0 hours was significantly higher than what we typically expect to see. An individual who is employed but working zero hours may be on vacation, sick leave, taking an approved leave of absence, or some other form of employer authorized leave – paid or otherwise. Alternatively, these data can also reflect an individual who is “on call” but did not receive any hours from an employer. It is important to note that an individual who has been laid off **would not** be counted as an employee working zero hours.

Figure 3.3.1 Expected vs actual Ontario employees working 0 hours, January-May, 2020



Source: Statistics Canada Labour Force Survey, Table: 14-10-0036-01 (formerly CANSIM 282-0130). Custom Tabulation.

Though the number of people employed but working 0 hours was significantly higher than expected in March, April, and May, it does not necessarily hold that all employees were affected similarly. Thus, we measured the impact from COVID-19 on those working part-time or full-time hours. Figure 3.3.2 presents the expected number of people working part-time and full-time from January-May of 2020, alongside the actual number during those months. These data represent all individuals who work in any industry across all of Ontario.

Figure 3.3.2 Expected vs actual number of Ontario employees working part- and full-time Jan-May, 2020



Source: Statistics Canada Labour Force Survey, Table: 14-10-0097-01 (formerly CANSIM 282-0130). Custom Tabulation.

The above figure shows that COVID-19 had differing impacts for those working part or full time hours. For example, in May 2020, we expected that 1,330,670 people would work part time in Ontario; however, only 1,039,500 people actually reported working part-time hours, representing a difference of 21.9%. During the same time period, we expected that 3,327,006 people would report working full-time. However, we saw an actual level of full-time employment of 3,187,000 - a difference of only 4.2%.

Part-time work can be considered to be more precarious and more financially insecure than full time work, and this data presents a clear picture that it is that same cohort facing the most difficulty due to COVID-19. Ensuring there are stable and sustainable employment opportunities for those typically working part-time will be imperative as our economy rebounds, so that we do not allow for these part-time workers to struggle to re-enter the economy.

Section 4. Income profile of hardest hit sectors

Using data from the 2019 Labour Force Survey, we can measure the rate at which families were likely able to have both adults work from home during the pandemic, separated by earnings decile. Each earnings decile represents 1/10th of the workforce, separated by their yearly earnings. For example, the 1st earning decile would consist of the lowest-earning 10% of dual-earning families in Canada.

Figure 4.1 presents the percentage of dual earning households from each decile where *both* adults work in jobs that can be done from home. These data are presented at a national level as local data are not available. These data show that the higher a family's earnings, the more likely they are to be employed in jobs that will be able to be done from home. This reality means that the risks associated with the pandemic – both in terms of contracting the illness and employment vulnerability - are more likely to be felt by those in the lowest earning deciles.

Figure 4.1 Percentage of jobs that can be done from home, by earnings decile, Canada.



Source: Statistics Canada Labour Force Survey, 2019 and The Occupational Information Network. Retrieved from <https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00029-eng.htm>

The ability to work from home for employees can also be measured by industry, seen in Table 4.2. The five industries with the lowest ability for employees to work from home are *agriculture, forestry, fishing, and hunting* (3.9% of employees can work from home); *accommodation and food services* (5.6%); *construction* (11.1%); *manufacturing* (19.1%); and *retail trade* (22%). Once again, employees within the above noted industries are significantly more susceptible to the negative effects of COVID-19.

Table 4.2 Percentage of employees that can work from home by industry, and average wage per industry

Industry	Percentage of industry that can work from home	Average Wages, 2019, Niagara	Percentage of Niagara's Jobs, 2019
Finance and insurance	85.3%	\$46,643	2.5%
Educational services	84.6%	\$60,657	7.4%
Professional, scientific and technical services	83.9%	\$57,298	3.2%
Information and cultural industries	68.5%	\$43,828	1.0%
Public administration	58.2%	\$66,004	5.1%
Wholesale trade	57.3%	\$56,036	4.0%
Real estate and rental and leasing	47.8%	\$35,407	1.1%
Arts, entertainment, recreation	40.1%	\$32,900	3.8%
Utilities	38.6%	\$96,133	0.6%
Administrative and support, waste management and remediation services	35.1%	\$34,476	5.4%
Other services (except public administration)	31.4%	\$34,834	3.9%
Health care and social assistance	28.8%	\$44,302	12.9%
Transportation and warehousing	24.5%	\$52,083	3.8%
Mining, quarrying, and oil and gas extraction	23.9%	\$76,749	0.1%
Retail trade	22.0%	\$26,702	13.4%
Manufacturing	19.1%	\$56,537	8.3%
Construction	11.1%	\$55,780	5.2%
Accommodation and food services	5.6%	\$20,777	14.1%
Agriculture, forestry, fishing and hunting	3.9%	\$27,034	2.0%

Source: Statistics Canada Labour Force Survey, 2019, the Occupational Information Network retrieved from <https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00026-eng.htm>, and EMSI Analyst 2020.1

Table 4.3 separates the above data into three cohorts – those industries where over 50% of employees can work from home, industries where 25 to 49.9% of employees can work from home, and industries where fewer than 25% of employees can work from home. As can be seen, as the ability to work from home increases, so too do average incomes.

Table 4.3 further separates industries into the “goods-producing sector” and “services-producing sector”. These data show that service jobs that cannot be done from home are the lowest earning jobs, earning an average of \$27,116 in 2019.

Table 4.3 Average wages by sector and ability to work from home, Niagara

Percentage of employees that can work from home	Average wages, Niagara		
	All industries	Goods-producing sector	Services-producing sector
50%+	\$58,334	n/a	\$58,334
25-49.9%	\$40,271	\$96,133	\$39,018
0-24.9%	\$35,602	\$52,652	\$27,116

Source: Statistics Canada Labour Force Survey, 2019, The Occupational Information Network, and EMSI Analyst 2020.1

Section 5. In-demand skills, Hiring, and COVID-19

5.1 In-demand Skills and Labour Force Skills

A preliminary evaluation of the in-demand hard skills, soft skills, and certifications, as seen in online job postings, shows fairly constant trends before and during this pandemic. For example, when comparing the top five hard skills posted in 2019 to those seen in the first half of 2020, four of the five are the same (see Table 5.1.1).

Table 5.1.1 Top hard skills in online postings, 2019 and 2020, Niagara region

	2019		January-June, 2020			
	Count	% of all posts		Count	% of all posts	
Hard Skills	Merchandising	182	13.4%	Merchandising	154	27.0%
	Operations	161	11.9%	Operations	145	25.4%
	Customer experience	139	10.2%	Customer experience	111	19.5%
	Standard operating procedures	103	7.6%	Compliance	98	17.2%
	Compliance	88	6.5%	Cashiering	76	13.3%

Source: Gartner TalentNeuron; Niagara County; January 1-June, 2019; January 1-June 30, 2020; excluding Kijiji; new jobs

NWPB is engaged in ongoing conversations with Niagara's employment service providers to monitor any emerging trends in skills demand. These conversations have indicated that employers' skills needs *are* changing, particularly those related to technology needs. As these changes remain subject to the activities of pandemic recovery, we will continue to monitor these data and update them in future reports.

In terms of labour force skills, data from the 2016 Census show that Niagara lags behind the province in terms of proportion of the workforce with post-secondary completion. Locally, 10.1% of Niagara's labour force has *no certificate, diploma or degree*, 31.6% has a *high school diploma or equivalency certificate*, and 58.3% have some form of *postsecondary certificate, diploma or degree* (Table 5.1.2.)

Table 5.1.2 Niagara Census Division and Ontario Educational Attainment, 2016

Level of Educational Attainment	Niagara %	Ontario %
No certificate, diploma or degree	10.1%	9.7%
Secondary (high) school diploma or equivalency certificate	31.6%	26.6%
Postsecondary certificate, diploma or degree	58.3%	63.7%

Source: Statistics Canada Census, 2016.

As the pandemic creates uncertainty in the labour market, there are opportunities to leverage new methods of professional education (e.g., micro-credentialing)⁸ as a way to support employers and the workforce. Many micro-credential opportunities are undertaken by adults who already have completed post-secondary education⁹. This is unsurprising as many courses build upon post-secondary education. Part of our work will assess opportunities that are available to the workforce, regardless of education level.

⁸ Micro-credentials are designed to train specific aspects of a position that would benefit from further development, rather than degree completion. They add qualifications to a person's skillset (e.g., financial planning).

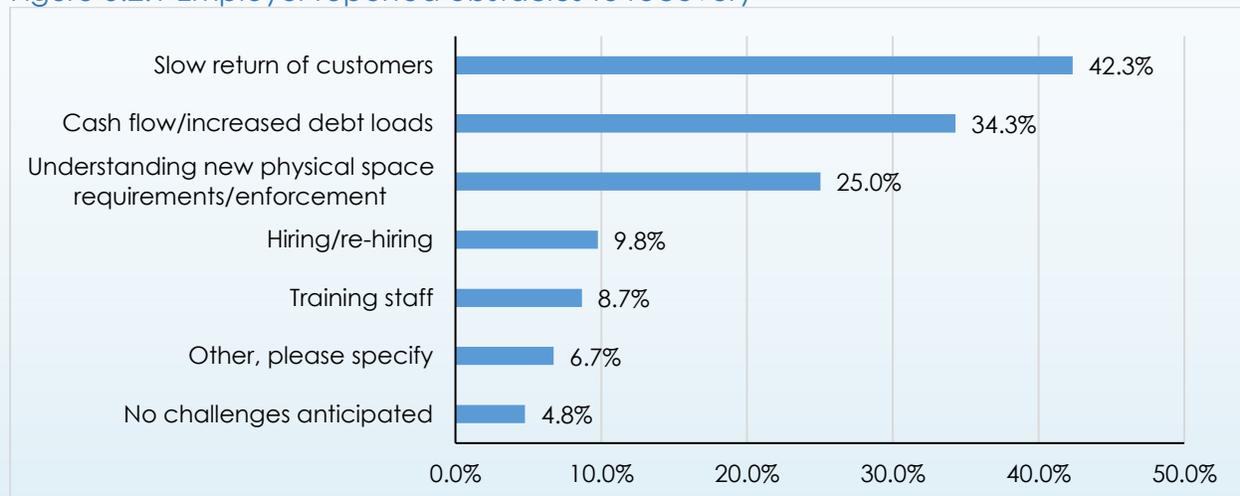
⁹ Hollands et al. 2019. *Benefits and costs of MOOC-based alternative credentials: 2018-2019 results from end-of-program surveys*. Columbia University.

5.2 Hiring Difficulties and COVID-19 Impacts

In terms of hiring experiences, past Employer One surveys have shown that some employers experienced difficulties in finding suitable candidates for job vacancies. For example, in our 2018 Employer One survey, 60.1% of employers who were hiring noted they were hiring for positions that were “hard-to-fill” (i.e., a job posting that took longer to fill than expected). In 2019, this number rose to 72.9%. When asked why these positions were deemed “hard-to-fill”, 51.5% of respondents noted it was due to a *lack of qualifications (education level/credentials)* among applicants.

Though training may help with these hard-to-fill positions over the long-term, the short- and medium-term impact of COVID-19 has introduced new priorities. Data from the Niagara Economic Rapid Recovery Team’s survey has shown that, in the aftermath of the pandemic, employers are increasingly focused on fundamental business needs. Specifically, when asked what their biggest obstacle to business recovery was, 42.3% of respondents noted their biggest obstacle was the *slow return of customers* and 34.3% noted it was *cash flow/increased debt load*. Only 8.7% of businesses responded that it was *training staff* (see Figure 5.2.1). These data likely speak to a post-pandemic reality where businesses are focused on staying open and maintaining cash flow before investing further in employee training.

Figure 5.2.1 Employer reported obstacles to recovery



Source: Niagara COVID-19 Business Impact Survey 2

As the above data show an increased focus on business essentials in order to remain operational and less of a focus on the training of staff, it is possible that we will see employers' qualification needs continue to change as the focus shifts to pandemic “recovery”. Given the changes that have been brought on by COVID-19, a component of this project will be seeking to stay up to date on immediate employer needs, but also continuing to examine in-demand skills for those that are hiring, given the ever-changing dynamic of what skills are most needed. We will further assess and highlight local resources that promote functional skills development for prospective employees and strengthen on-the-job training components.

Appendix A: COVID-19 impact on operations, by industry, Niagara region

Industry	Respondents	Has COVID impacted your businesses?		Has COVID led to a decrease in revenue	
		Yes	No	Yes	No
Other Services	555	538	17	522	33
Retail Trade	351	343	8	324	27
Accommodation & food services	304	300	4	297	7
Health care & social assistance	221	218	3	203	18
Arts, entertainment & recreation	207	205	2	201	6
Professional, scientific & technical services	152	145	7	127	25
Construction	138	131	7	121	17
Manufacturing	133	127	6	111	22
Agriculture, forestry, fishing & hunting	76	66	10	60	16
Finance & insurance	76	74	2	66	10
Transportation & warehousing	63	61	2	56	7
Educational services	56	57	0	55	1
Real estate & rental & leasing	42	40	2	37	5
Wholesale trade	38	35	3	35	3
Information and cultural industries	11	11	0	11	0
Management of companies & enterprises	11	10	1	9	2
Utilities	7	6	1	6	1
Administrative & support, waste management & remediation services	5	5	0	4	1
Mining, quarrying & oil & gas extraction	2	2	0	2	0

Source: Niagara COVID-19 Business Impact Survey