

# 2021 Labour Market Update



**NIAGARA**  
**WORKFORCE**  
**PLANNING BOARD**



Niagara Workforce Planning Board (NWPB) is one of 26 regional workforce 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

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## Executive Summary

As the COVID-19 pandemic continues to impact local and national labour market trends, NWPB has prepared this report to provide an update on the state of the local labour market in 2020 and reflect on preliminary insights for 2021.

Despite the impact of the COVID-19 pandemic, Niagara's population grew from 478,201 people in 2019 to an estimated 481,727 in 2020. However, this growth was not mirrored in gains within the local labour market. Therein, Niagara's labour force shrank from 216,900 people in 2019 to 211,200 people in 2020. Year-over-year, **13,700 Niagara residents lost employment**, driving 2020's unemployment rate up to 9.8% from 5.8% in 2019. Niagara's labour market participation rate fell to 56.9% in 2020 from 59.1% in 2019, and the local employment rate fell to 51.3% in 2020 from 55.6% in 2019. 2021's data have begun to show a positive employment trend with approximately 7,000 Niagara residents finding employment between February 2021 and April 2021.

Through an occupational lens, the majority of Niagara's employment losses between 2019 and 2020 were found in *sales and service occupations*. Among the 13,700 people who lost employment in 2020, 78.8% worked in *sales and service occupations*. At an industry level, *accommodation and food service* and *retail/wholesale trade* saw the most employment losses in 2020. When combined, these two sectors accounted for 11,000 employment losses between 2019 and 2020.

The latest estimates of job losses for 2020 report that the 187,733 jobs that were estimated to exist in Niagara in 2019 fell to 166,397 in 2020. This loss of more than 21,000 jobs was concentrated three industries: *accommodation and food service*, *retail trade*, and *arts, entertainment, and recreation*.

Recent job demand trends in Niagara generally reflect a growing labour demand as Niagara moves out of the third wave of the pandemic. March 2021 saw an almost 70% increase in job demand compared to February 2021. The estimated average annual income among these jobs, assuming a full-time equivalent position, was \$40,766. Among *sales and service* positions, which represented 40% of job demand in March, the estimated average annual income was \$33,472.

Preliminary insights from employers, as seen through the Niagara COVID-19 Business Impact Survey, note that almost 73% of respondents rated their business condition as stable or better. This is a marked improvement on a previous survey which saw only 65% of respondents reporting as stable or better. However, businesses who identified as being tourism-oriented reported higher risks of immediate closure and overall lower levels of stability. This has significant implications for the local labour force given that before the pandemic, an estimated 39,134 Niagara residents were employed in tourism-supporting positions. As of March 2021, that figure had fallen 52.3% to 18,672



people employed in tourism-supporting positions. However, survey respondents in *arts, entertainment, and recreation* indicated that they would be making the most hires over the next six months. Thus, there is some potential for optimism in these data.

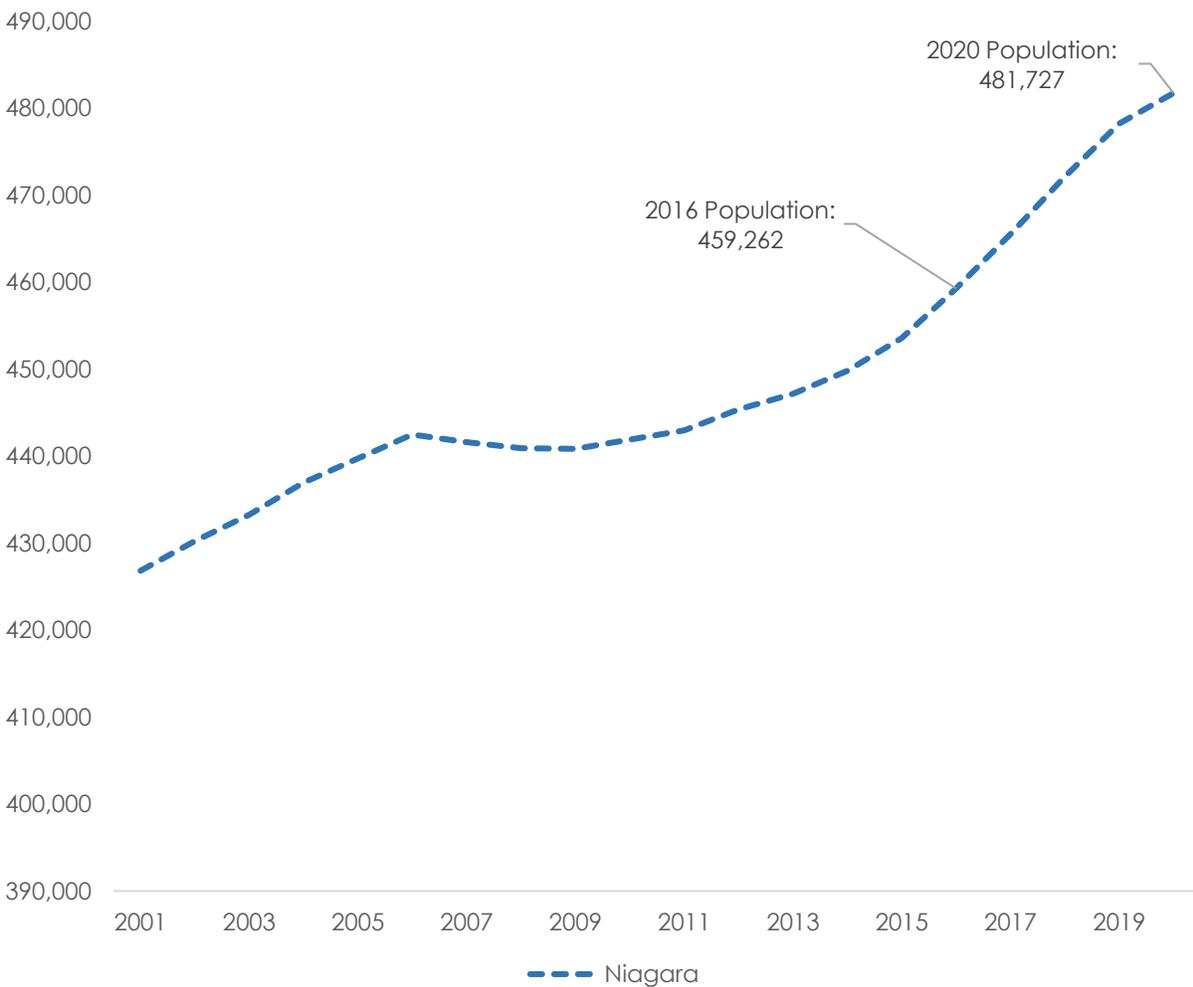
As COVID-19 restrictions continue to ease and vaccination levels continue to rise, we may well enjoy a summer of continued labour market growth. However, the last sixteen months have seen unparalleled economic disruption. Employers and the workforce alike have endured considerable economic hardship. The humble employment gains that 2021 have presented so far have not been strong enough to return Niagara to pre-pandemic levels of employment. While the immediate crisis may be coming to a close, it will likely take some time before our recovery from COVID-19 is complete.

NWPB will continue to report on changing labour market conditions in the coming months. An update to this report will be available in the Winter of 2022. Over the coming months we will be engaging in stakeholder consultations with local employers and job seekers to ensure their unique needs are reflected in our winter report.

## Section 1: Who is Living and Working in Niagara?

Reviewing local population patterns provides a fundamental understanding of Niagara's maximum potential labour force. Niagara has experienced a prolonged period of population growth since 2009, as seen in Figure 1-1. The latest 2020 population estimates from Statistics Canada report that there were approximately 481,727 people living in Niagara. This figure represents a 4.9% population increase since 2016. This is less than Ontario's population increase of 6.3% during the same period.

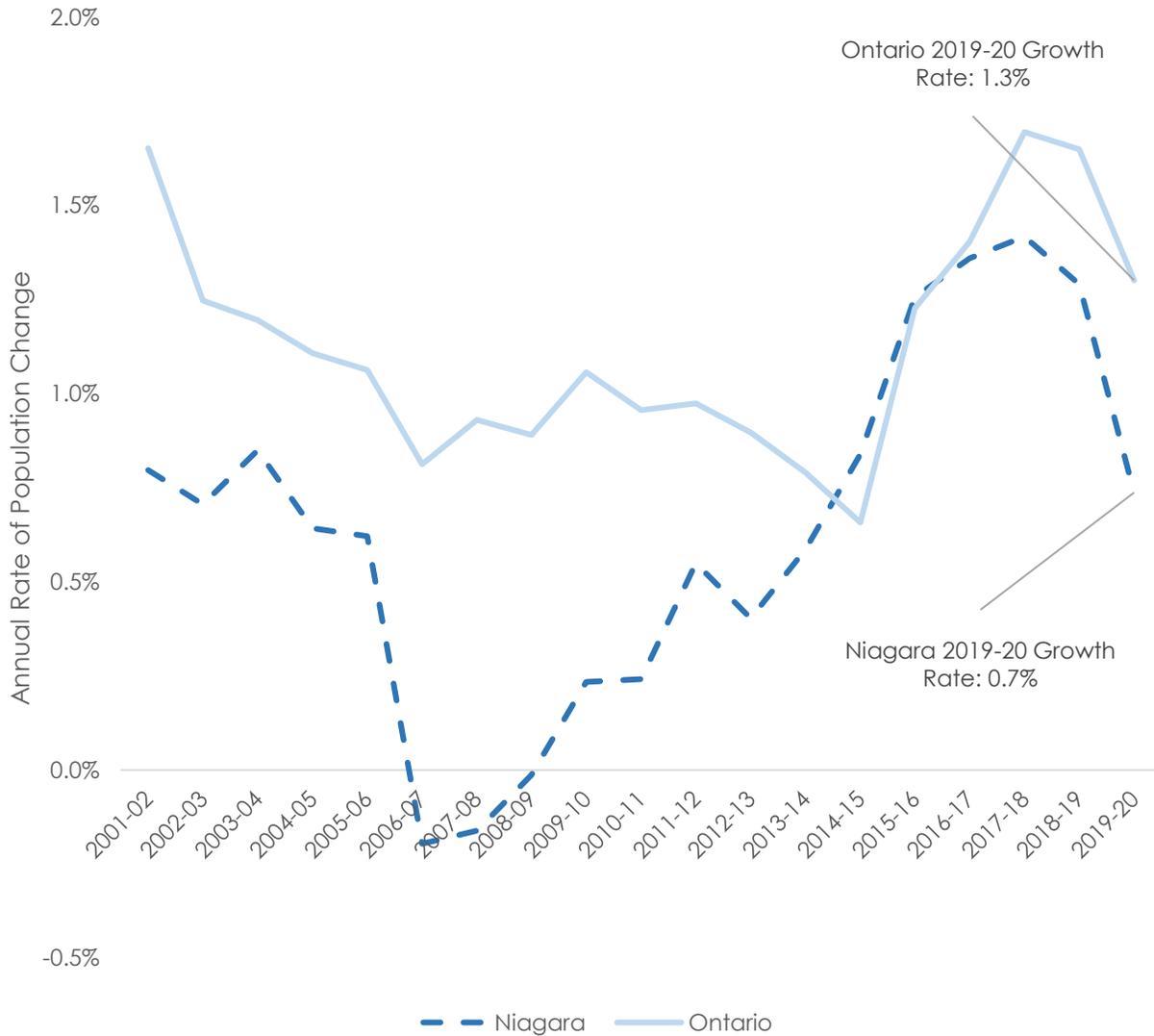
Figure 1-1 Current and Historical Population Estimates for the Niagara Region<sup>1</sup>



<sup>1</sup> Statistics Canada, Population Estimates by Census Division. Table 17-10-0139-01

Figure 1-2 notes that Niagara's year-over-year population growth rate slowed to a 0.7% increase between 2019-20. Ontario's trend was similar with growth slowing to 1.3% in 2019-20. It is likely that this trend is being influenced by national-level migration/immigration policies emerging out of the COVID-19 crisis.

Figure 1-2 Current and Historic Population Change for Ontario and Niagara<sup>2</sup>



<sup>2</sup> Statistics Canada, Population Estimates by Census Division. Table 17-10-0139-01

At the time of this report, updated migration data for 2020 were not yet available. Table 1-3 shows Niagara's most recent net-migration trends (i.e., the difference between people who moved out of the region and who moved into the region in a given year), broken down by age group.

Table 1-3: Recent (2014-2019) Net-Migration into the Niagara Region<sup>3</sup>

Year	Net-Migration Age Cohorts					Total
	Ages 0-17	Ages 18-24	Ages 25-44	Ages 45-64	Ages 65+	
2014-2015	809	-54	670	1,416	665	3,506
2015-2016	1,013	165	773	1,838	746	4,535
2016-2017	1,024	212	871	1,614	635	4,356
2017-2018	934	431	1,294	1,469	555	4,683
2018-2019	1,060	873	1,847	1,390	420	5,590
<b>Total</b>	<b>4,840</b>	<b>1,627</b>	<b>5,455</b>	<b>7,727</b>	<b>3,021</b>	<b>22,670</b>

Note: these data are inclusive of all people moving into Niagara, regardless of immigration status.

Niagara has seen steady growth in net-migration over the last 5 years. Migrants aged 45-64 years represent the largest segment of Niagara's migrants at 34.1% of net-migration. Niagara's 18-24 net-migration increased by 429.1% between 2015-16 and 2018-19, while net-migration among people 65 and older declined by 43.7% during the same period. These data call into question the popular narrative of Niagara as a purely retirement destination for migrants. While a detailed analysis of migration patterns is beyond the scope of this report, these data do demonstrate how there is no single simple narrative of population change via migration in Niagara. Niagara's trend of youth leaving the region has reversed in recent years. The number of retirement-age people moving into the region is in decline, and the number of net-migrants of early-to-mid career age has almost tripled between 2014-15 and 2018-19.

What also remains to be seen is how COVID-19 will impact migration data in 2020, and if those changes will be the start of a long-term trend or a temporary anomaly. Recent changes in Niagara's housing market, whose typically less-expensive nature stood as an asset to workforce attraction and retention efforts, may also change our current migration trend.

Publicly accessible data from the Canadian Real Estate Association's national price map notes that in March of 2020, the average cost of a home in Niagara was \$452,400

<sup>3</sup> Statistics Canada, Taxfiler Database, Population Migration, Niagara Census Division

compared to an Ontario average of \$685,430.<sup>4</sup> Yet in March 2021 Niagara's cost had increased by 37.2% to \$620,700. Though the local average price was lower than Ontario's average of \$890,095 in March of 2021, the provincial average only increased 29.9% compared to Niagara's 37.2% increase. This annual increase in local housing cost is more than 7 times larger than Niagara's five-year 5.3% increase in household income.<sup>5</sup> The imbalance between these two trends may lead to unforeseen consequences in local migration and workforce attraction and retention. NWPB will continue to monitor this trend more data becomes available.

With respect to the local workforce, 2020 represented a year of considerable employment disruption. Annual data estimate that 13,700 people lost employment between 2019 and 2020. About 81.7% of these individuals were working in a full-time capacity. Table 1-4 provides an overview of Niagara's key annual employment indicators.

**Table 1-4 St. Catharines-Niagara CMA, Key Employment Indicators<sup>6</sup>**

Indicator	2016	2017	2018	2019	2020
Labour force	220,900	215,200	220,400	216,900	211,200
Employment	204,900	200,800	205,700	204,300	190,600
Full-time employment	159,100	155,500	156,300	158,400	147,200
Part-time employment	45,800	45,300	49,400	45,900	43,400
Unemployment	16,000	14,400	14,700	12,600	20,600
Not in labour force	129,100	140,500	141,100	150,400	160,200
Unemployment rate	7.2%	6.7%	6.7%	5.8%	9.8%
Participation rate	63.1%	60.5%	61.0%	59.1%	56.9%
Employment rate	58.5%	56.5%	56.9%	55.6%	51.3%

It is also essential to note that COVID-19's employment impacts were not evenly felt across the labour force. Women in Niagara shouldered the larger share of employment disruptions between 2019 and 2020. Among the 13,700 people who lost employment, 65.0% were women. Of the 11,200 people who lost full-time employment, 64.3% were women. Table 1-5 demonstrates the way in which the pandemic widened gender gaps that already existed in the local workforce.

<sup>4</sup> The Canadian Real Estate Association, National Price Map, Accessed May 3, 2021.

<sup>5</sup> Statistics Canada, Distribution of total income by census family type, 2014-2018, Couple Families, St. Catharines Niagara CMA, inflation adjusted. Table 11-10-0012-01

<sup>6</sup> Statistics Canada, Labour Force Survey, St. Catharines-Niagara Census Metropolitan Area, Table 14-10-0385-01

Table 1-5: St. Catharines-Niagara CMA, Key Employment Indicators by Gender<sup>7</sup>

Labour force characteristics	Gender	2019	2020	2019-20 Change
Labour force	Men	113,700	113,200	-500
Labour force	Women	103,200	98,000	-5,200
<b>Labour force</b>	<b>Total</b>	<b>216,900</b>	<b>211,200</b>	<b>-5,700</b>
Employment	Men	106,100	101,300	-4,800
Employment	Women	98,200	89,300	-8,900
<b>Employment</b>	<b>Total</b>	<b>204,300</b>	<b>190,600</b>	<b>-13,700</b>
Full-time employment	Men	90,100	86,200	-3,900
Full-time employment	Women	68,300	61,100	-7,200
<b>Full-time employment</b>	<b>Total</b>	<b>158,400</b>	<b>147,200</b>	<b>-11,200</b>
Part-time employment	Men	16,000	15,100	-900
Part-time employment	Women	29,900	28,300	-1,600
<b>Part-time employment</b>	<b>Total</b>	<b>45,900</b>	<b>43,400</b>	<b>-2,500</b>
Unemployment	Men	7,600	11,900	4,300
Unemployment	Women	4,900	8,700	3,800
<b>Unemployment</b>	<b>Total</b>	<b>12,600</b>	<b>20,600</b>	<b>8,000</b>
Not in labour force	Men	67,200	72,000	4,800
Not in labour force	Women	83,200	88,200	5,000
<b>Not in labour force</b>	<b>Total</b>	<b>150,400</b>	<b>160,200</b>	<b>9,800</b>
Unemployment rate	Men	6.7%	10.5%	3.8%
Unemployment rate	Women	4.7%	8.9%	4.2%
<b>Unemployment rate</b>	<b>Total</b>	<b>5.8%</b>	<b>9.8%</b>	<b>4.0%</b>
Participation rate	Men	62.9%	61.1%	-1.8%
Participation rate	Women	55.4%	52.6%	-2.8%
<b>Participation rate</b>	<b>Total</b>	<b>59.1%</b>	<b>56.9%</b>	<b>-2.2%</b>
Employment rate	Men	58.7%	54.7%	-4.0%
Employment rate	Women	52.7%	48.0%	-4.7%
<b>Employment rate</b>	<b>Total</b>	<b>55.6%</b>	<b>51.3%</b>	<b>-4.3%</b>

<sup>7</sup> Statistics Canada, Labour Force Survey, St. Catharines-Niagara Census Metropolitan Area, Table 14-10-0385-01

One of the challenges of the last year has been the way in which the three waves of COVID-19 created acute employment disruptions. Monthly data seen in Figure 1-6 show the peaks and valleys that prolonged periods of lockdown created for the local workforce. These data also demonstrate that while men living in Niagara briefly saw their level of employment rise above pre-pandemic levels (defined here as February 2020) employment for women has consistently remained below pre-pandemic levels. In other words, there has been no sustained employment recovery for women living in Niagara.

Figure 1-6 Employment for Men and Women, St. Catharines-Niagara CMA<sup>8</sup>

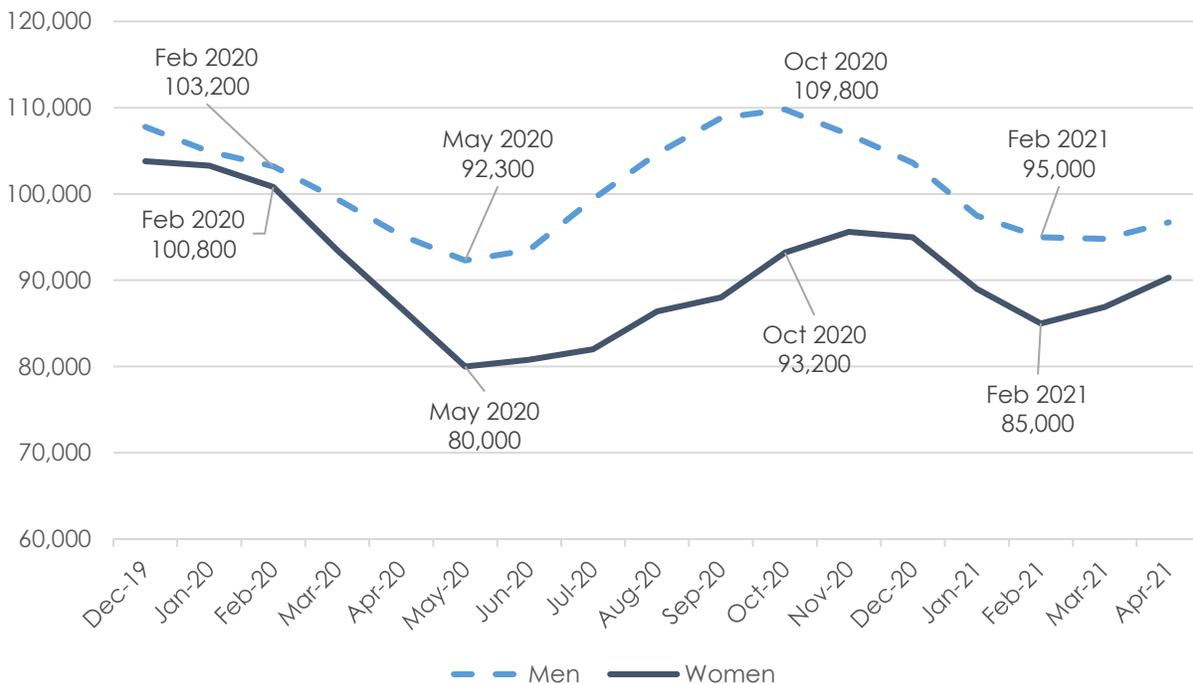


Figure 1-6 also shows how the typical December hiring boom associated with the holiday season was conspicuously absent among both men and women in 2020. Without this seasonal boost, and amid the second wave lockdown, employment trends in Niagara continued to fall from an atypical October high to a low in February of 2021. One point of good news is that despite Ontario entering a third lockdown on April 8, 2021, the local labour market showed positive momentum during the spring months. Between February 2020 and April 2020, 7,000 Niagara residents gained employment and 75.7% of those employment gains were made by women. [For a detailed analysis of these local trends, please consult NWPB's Eye on Employment.](#)

<sup>8</sup> Statistics Canada, Labour Force Survey, St. Catharines-Niagara Census Metropolitan Area, Table 14-10-0385-01

## Section 2: In what Work are Niagara Residents Engaged?

Data from Statistics Canada's Labour Force Survey allow for an examination of the occupations and industries where Niagara residents found employment in 2020. **It is essential to understand that these data are counts of employment. Employment gains or losses do not naturally translate to gains or losses in jobs.** Job data are captured in Section 3 of this report. Table 2-1 provides an overview of annual employment data with a focus on occupation of employment.

Table 2-1: Occupation of Employment: St. Catharines-Niagara CMA<sup>9</sup>

Occupation	2019	2020	2019-2020 Absolute Change	2019-2020 % Change
Management occupations	16,000	15,500	-500	-3.1%
Business, finance and administration occupations	25,300	29,500	4,200	16.6%
Natural and applied sciences and related occupations	7,700	8,700	1,000	13.0%
Health occupations	17,100	15,200	-1,900	-11.1%
Occupations in education, law and social, community and government services	18,200	19,200	1,000	5.5%
Occupations in art, culture, recreation and sport	6,500	4,000	-2,500	-38.5%
Sales and service occupations	65,500	54,700	-10,800	-16.5%
Trades, transport and equipment operators and related occupations	32,500	27,500	-5,000	-15.4%
Natural resources, agriculture and related production occupations	5,200	5,700	500	9.6%
Occupations in manufacturing and utilities	10,300	10,800	500	4.9%
<b>Total employed, all occupations</b>	<b>204,300</b>	<b>190,600</b>	<b>-13,700</b>	<b>-6.7%</b>

These data add further context to the question of who was most impacted by COVID-19's employment disruptions. Among the 13,700 people who lost employment between 2019 and 2020, 78.8% were employed in *sales and services occupations*.

<sup>9</sup> Statistics Canada, Labour Force Survey, Occupation by Employment, Table 14-10-0382-01

In contrast, the largest employment gains were seen in *business, finance, and administration occupations*, which reported a 16.6% year-on-year increase. These data can also be understood through an industry lens. Table 2-2 captures a snapshot of the industries where Niagara residents found employment in 2019 and 2020.

Table 2-2: Industry of Employment: St. Catharines-Niagara CMA<sup>10</sup>

Industry	2019	2020	2019-2020 Absolute Change	2019-2020 % Change
Agriculture	4,000	4,500	500	12.5%
Forestry, fishing, mining, quarrying, oil and gas	NA	NA	NA	NA
Utilities	1,500	NA	NA	NA
Construction	18,700	16,400	-2,300	-12.3%
Manufacturing	19,000	21,100	2,100	11.1%
Wholesale and retail trade	31,400	26,200	-5,200	-16.6%
Transportation and warehousing	8,900	7,300	-1,600	-18.0%
Finance, insurance, real estate, rental and leasing	9,700	10,900	1,200	12.4%
Professional, scientific and technical services	8,400	7,800	-600	-7.1%
Business, building and other support services	8,900	10,600	1,700	19.1%
Educational services	14,600	16,300	1,700	11.6%
Health care and social assistance	26,600	26,400	-200	-0.8%
Information, culture and recreation	9,700	6,400	-3,300	-34.0%
Accommodation and food services	24,300	18,500	-5,800	-23.9%
Other services (except public administration)	9,300	10,900	1,600	17.2%
Public administration	8,700	6,100	-2,600	-29.9%
<b>Total employed</b>	<b>204,300</b>	<b>190,600</b>	<b>-13,700</b>	<b>-6.7%</b>

Table 2-2 reflects that *construction* reported the most employment losses among goods-producing industries. However, these data must be considered alongside monthly trends. Therein, the first few months of the COVID-19 pandemic saw a considerable reduction in *construction* employment. In May 2020, there were 13,400

<sup>10</sup> Statistics Canada, Labour Force Survey, Industry of Employment, Table: 14-10-0384-01



Niagara residents employed in *construction*. By August, this figure rose to 17,700 and remained above 18,000 until January 2021.

*Manufacturing* saw 2,100 additional people employed in 2020 compared to 2019. Consultations with local stakeholders in industry and economic development have both noted that 2020 saw a considerable amount of industrial and commercial investment in Niagara, despite the COVID-19 pandemic.

Shifting focus from goods-producing industries to services-producing industries, these data note three industries that were particularly hard hit in 2020: *wholesale and retail trade; accommodation and food service; and information, culture, and recreation*. Between 2019 and 2020, these three sectors saw 14,300 Niagara residents lose employment. Table 2-3 captures the monthly industry of employment changes for the first four months of 2021 to add further context to the annual data.

Table 2-3: Industry of Employment: St. Catharines-Niagara CMA, January-April 2021<sup>11</sup>

Industry Sector	Jan-21	Feb-21	Mar-21	Apr-21
Agriculture	2,800	2,400	2,300	2,400
Forestry, fishing, mining, quarrying, oil and gas	NA	NA	NA	NA
Utilities	1,700	1,800	2,000	2,100
Construction	18,100	16,900	16,000	15,500
Manufacturing	22,600	23,400	24,100	25,700
Wholesale and retail trade	23,200	24,300	26,100	27,000
Transportation and warehousing	7,400	6,700	7,100	7,300
Finance, insurance, real estate, rental and leasing	10,100	9,600	10,500	10,400
Professional, scientific and technical services	9,900	9,800	10,700	10,400
Business, building and other support services	12,400	10,800	9,300	8,200
Educational services	15,300	15,300	16,900	18,700
Health care and social assistance	25,000	25,200	24,900	24,700
Information, culture and recreation	6,600	5,800	4,500	4,000
Accommodation and food services	13,700	11,000	10,000	12,500
Other services (except public administration)	10,800	9,800	9,600	9,600
Public administration	6,900	7,000	7,500	8,400
<b>Total employed, all industries</b>	<b>186,500</b>	<b>179,900</b>	<b>181,600</b>	<b>186,900</b>

<sup>11</sup> Statistics Canada, Labour Force Survey, Industry of Employment, Table: 14-10-0384-01

## Section 3: What is Niagara's Industry Profile?

NWPB typically uses data from the Canadian Business Counts (CBC) to produce an estimate of the number of businesses in Niagara (n.b. this measure is inclusive of for-profit, non-profit, and charities). These data also report on the sector in which local businesses operate. The challenge in reporting on this data is that the CBC were never engineered to keep pace with the rapid change that COVID-19 has brought into the economy.

For example, when a business closes, it can take up to three years before the business is removed from the business counts. That means year-over-year comparisons **will not capture** the worst impacts of the pandemic on Niagara. Yet in the absence of other sources, the Canadian Business Counts remain the only tool to provide a headcount of local industries.

Though the pandemic has impacted these data, we believe they remain a useful tool for two principal functions:

- 1) Establishing context on Niagara's business profile.
- 2) Measuring the potential scope of an employer trend as identified through an additional survey (e.g. the Niagara COVID-19 Business Impacts Survey or the Canadian Survey of Business Conditions).

With these limitations in mind, Table 3-1 presents a December 2020 snapshot on the number of businesses that the Canadian Business Counts estimated to be operating in Niagara.

Table 3-1: December 2020 Business Count Estimates, Niagara Region<sup>12</sup>

Size of Employer	Employer Count	Employer %
1-4 employees	6,991	51.5%
5-9 employees	2,749	20.2%
10-19 employees	1,847	13.6%
20-49 employees	1,223	9.0%
50-99 employees	503	3.7%
100-199 employees	168	1.2%
200-499 employees	70	0.5%
500 + employees	27	0.2%
<b>Total</b>	<b>13,578</b>	<b>100.0%</b>

Table 3-1 shows that slightly more than 71% of all businesses in Niagara employed 9 or fewer employees. Where the conventional definition of a small-to-medium enterprise – which includes all operations with fewer than 500 employees – captures 99.8% of business activity in Niagara, looking at employers with fewer than ten employees places a specific emphasis on the “small” cohort of small-to-medium enterprises.

As mentioned on page 16, the nature of the Canadian Business Counts' methodology renders it impossible to see the impact of COVID-19. But when we pair the CBC data with insights from the Niagara COVID-19 Business Impact Survey (NCBIS), we can estimate what that local survey's findings would look like when they are scaled up to a regional level.

For example, the NCBIS asked respondents if they lost revenue during 2020 due to COVID-19. Among the 625 employers who answered this question, the survey found that 81.3% of those respondents lost revenue.<sup>13</sup> If that same ratio held true for the region it would suggest that approximately 11,036 of Niagara's 13,578 employers lost revenue due to COVID-19. Given that the number of responses to this question represents a representative sample of employers, it is reasonable to view this extrapolation as aligning close to reality, though within a margin of error.

<sup>12</sup> Statistics Canada and Industry Canada, Canadian Business Counts, December 2020, Niagara Census Division

<sup>13</sup> Niagara COVID-19 Business Impact Survey, 3<sup>rd</sup> Delivery, Niagara Economic Rapid Response Team and NWPB calculations.

Job counts for 2020 add further context to local survey data. The insights captured in Table 3-2 report the first job losses Niagara has seen since 2013, and the most annual job losses contained within a modern data set that reports back to the year 2000.

Table 3-2 Industry Job Counts in Niagara 2019-2020<sup>14</sup>

Industry	2019 Jobs	2020 Jobs	Change	% Change
Health care and social assistance	23,883	22,724	-1,158	-4.8%
Retail trade	24,776	22,346	-2,430	-9.8%
Accommodation and food services	26,474	18,114	-8,360	-31.6%
Manufacturing	15,182	14,019	-1,163	-7.7%
Educational services	14,265	13,392	-873	-6.1%
Public administration	11,218	10,465	-753	-6.7%
Administrative and support, waste management and remediation services	10,220	9,222	-998	-9.8%
Construction	9,442	8,804	-638	-6.8%
Wholesale trade	7,579	7,150	-429	-5.7%
Transportation and warehousing	7,008	6,643	-364	-5.2%
Professional, scientific and technical services	6,297	6,068	-228	-3.6%
Other services (except public administration)	6,921	5,909	-1,012	-14.6%
Arts, entertainment and recreation	6,793	4,739	-2,054	-30.2%
Finance and insurance	4,594	4,501	-93	-2.0%
Agriculture, forestry, fishing and hunting	3,856	3,855	-1	0.0%
Unclassified	3,251	2,949	-301	-9.3%
Real estate and rental and leasing	2,227	1,915	-312	-14.0%
Information and cultural industries	1,766	1,641	-125	-7.1%
Utilities	1,311	1,240	-71	-5.4%
Management of companies and enterprises	390	417	27	7.0%
Mining, quarrying, and oil and gas extraction	281	282	1	0.2%
<b>Total</b>	<b>187,733</b>	<b>166,397</b>	<b>-21,337</b>	<b>-11.4%</b>

<sup>14</sup> EMSI Analyst, Niagara Census Division, Job Counts for Employees only, 2021.1 dataset



Year-over-year, these data report that Niagara lost an estimated 21,337 jobs due to the economic disruption created by the COVID-19 pandemic. In recent years, changes to Niagara's employment indicators were largely due to people moving in and out of employment. Historical large-scale job losses due to employers shutting down were generally overshadowed by job creation activities which created net-job gains for Niagara and, consequently, net-employment gains.

The 2020 data in Table 3-2 show how the pandemic has changed that narrative. As such, a long-term return to the employment levels seen pre-pandemic may be a much more challenging proposition. Niagara's economic recovery will be as much about job creation (or the restoration of jobs that were lost due to COVID-19) as it will be about placing people back into those positions.

It is also worth noting that the majority of Niagara's job losses were concentrated in sectors that typically pay at or below the regional median (inflation adjusted to 2020 dollars). Therefore, the narrative of a K-shaped economic recovery, wherein the recovery will be faster for jobs that exist at a higher level of compensation, should be given due consideration. Sectoral compensation data are provided in Table 3-3.

Table 3-3 Average Annual Income by Industry in Niagara<sup>15</sup>

Industry	Avg. Wages Per Job	Jobs Lost 2019-2020	% Jobs in Niagara (2020)
Utilities	\$96,140	-5.4%	0.7%
Mining, quarrying, and oil and gas extraction	\$74,021	0.2%	0.2%
Public administration	\$72,971	-6.7%	6.3%
Educational services	\$64,055	-6.1%	8.0%
Professional, scientific and technical services	\$58,917	-3.6%	3.6%
Construction	\$58,127	-6.8%	5.3%
Wholesale trade	\$58,098	-5.7%	4.3%
Manufacturing	\$57,007	-7.7%	8.4%
Transportation and warehousing	\$54,917	-5.2%	4.0%
Management of companies and enterprises	\$53,959	7.0%	0.3%
Finance and insurance	\$50,262	-2.0%	2.7%
<b>Average Employment Income Men (2016 census inflation adjusted to 2020)</b>	<b>\$48,425</b>	<b>N/A</b>	<b>N/A</b>
Health care and social assistance	\$47,951	-4.8%	13.7%
Information and cultural industries	\$47,100	-7.1%	1.0%
<b>Average Employment Income (2016 census inflation adjusted to 2020)</b>	<b>\$42,112</b>	<b>N/A</b>	<b>N/A</b>
Real estate and rental and leasing	\$39,106	-14.0%	1.2%
Administrative and support, waste management and remediation services	\$37,544	-9.8%	5.5%
Arts, entertainment and recreation	\$36,952	-30.2%	2.8%
Other services (except public administration)	\$36,856	-14.6%	3.6%
<b>Average Employment Income Women (2016 census inflation adjusted to 2020)</b>	<b>\$35,369</b>	<b>N/A</b>	<b>N/A</b>
Retail trade	\$27,606	-9.8%	13.4%
Agriculture, forestry, fishing and hunting	\$27,036	0.0%	2.3%
Accommodation and food services	\$21,307	-31.6%	10.9%

<sup>15</sup> EMSI Analyst, Niagara CD, 2021.1 dataset, job counts for employees only. 2016 Census Profile, Niagara CD, with NWPB calculations.

Table 3-4 drills down on the job changes within the sectors that represent the largest segment of Niagara's employers.

Table 3-4: December 2020 Business Count Estimates, Niagara Region<sup>16</sup>

Industry	Number of Employers	2019 Jobs	2020 Jobs	Change
Specialty trade contractors	1,175	6,113	5,672	-440
Professional, scientific and technical services	1,064	6,297	6,068	-228
Ambulatory health care services	1,018	7,405	6,772	-633
Food services and drinking places	981	18,246	13,102	-5,144
Administrative and support services	583	9,450	8,433	-1,016
Real estate	533	1,605	1,401	-205
Construction of buildings	453	1,852	1,707	-145
Religious, grant-making, civic, and professional and similar organizations	438	2,393	2,225	-167
Repair and maintenance	411	1,923	1,661	-262
Personal and laundry services	363	2,375	1,792	-583
Crop production	362	3,796	3,796	0
Food and beverage stores	352	6,910	6,698	-213
Truck transportation	340	2,004	1,852	-152
<b>Total</b>	<b>13,578</b>	<b>70,367</b>	<b>61,179</b>	<b>-9,188</b>

Jobs in these sectors represent about 43% of all jobs in Niagara. Table 3-4 demonstrates that none of these industries reported job growth in 2020. While some saw proportionally small job losses, such as *food and beverage stores* and *crop production* – likely owing to both of those industry sectors being deemed essential services – *food services and drinking places* lost more than 5,000 jobs, representing more than 28% of all jobs in that sector.

*Speciality trade contractors* continue to reflect the largest number of employers in Niagara and they house a comparatively large number of jobs. This is a sector that

<sup>16</sup> Statistics Canada and Industry Canada, Canadian Business Counts, December 2020, Niagara Census Division – the sectors noted in this table represent those businesses that represent at least 2.5% of employers in Niagara. EMSI Analyst, Niagara Census Division, 2021.1 dataset.

frequently experienced labour shortages before the pandemic.<sup>17</sup> However, recent industrial and commercial growth in Niagara, despite the COVID-19 pandemic and reported job losses, suggest that this sector may be well positioned to help support Niagara's local employment recovery. NWPB will continue working with our partners in this sector to identify opportunities for long-term workforce development.

Niagara was also home to 27,510 zero-employee businesses as of December 2020. These businesses typically represent self-employed individuals. Table 3-5 captures the industry sectors in which these businesses most frequently operate.

Table 3-5: December 2020 Self-Employed/Zero-Employee Business Count Estimates, Niagara Region<sup>18</sup>

Industry Sector	Establishment Count	% of establishments
Real estate	7,869	28.6%
Professional, scientific and technical services	2,458	8.9%
Specialty trade contractors	1,482	5.4%
Securities, commodity contracts, and other financial investment and related activities	1,309	4.8%
Ambulatory health care services	1,074	3.9%
Administrative and support services	819	3.0%
Construction of buildings	808	2.9%
Personal and laundry services	739	2.7%

Table 3-5 notes that zero-employee businesses operating in *real estate* represent more than a quarter of all self-employment in Niagara. The next largest sector, *professional scientific and technical services*, is slightly less than one tenth of zero-employee businesses. Though NWPB identified some potential risk to zero-employee *real estate* businesses in our 2020 interim labour market report, that risk was built around economists' perceived anxieties about the state of the housing market in Ontario at the start of the pandemic. Recent housing trends, as noted on page 9, may serve to negate those concerns to some extent.

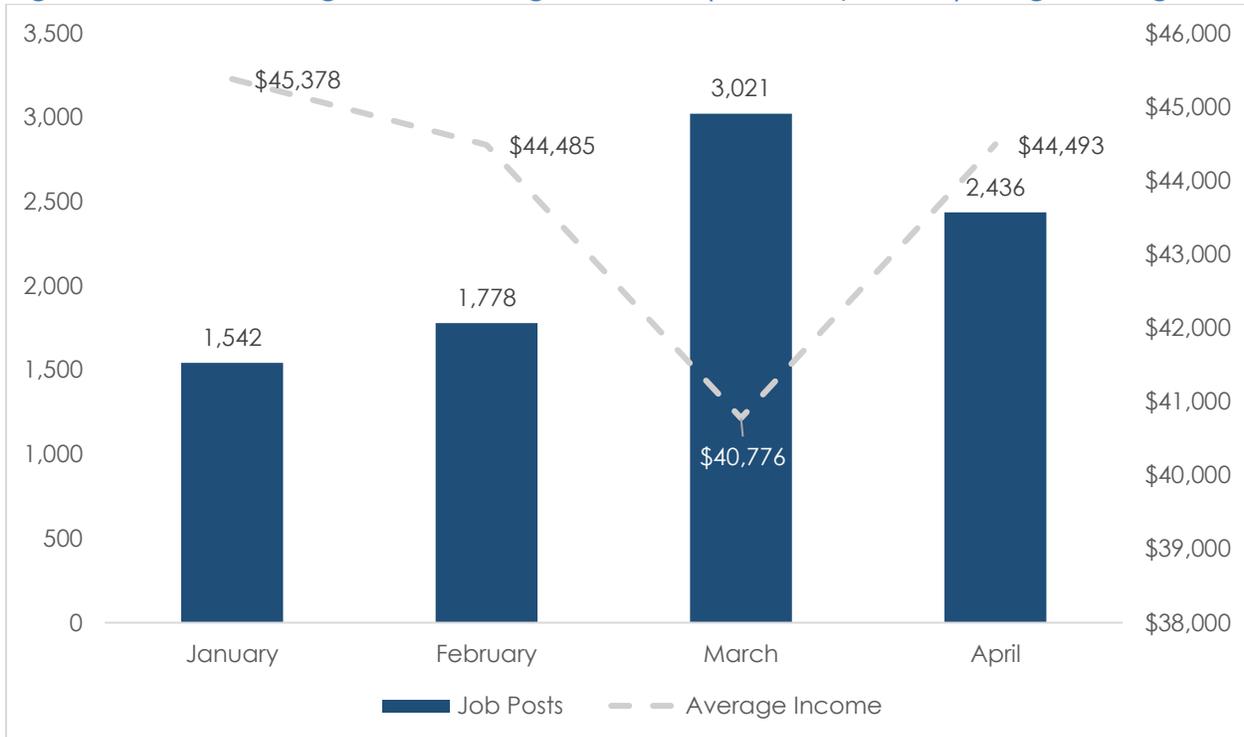
<sup>17</sup> Niagara Workforce Planning Board, In-Demand Skilled Trades Report, February 2020 – [available online](#)

<sup>18</sup> Statistics Canada and Industry Canada, Canadian Business Counts, December 2020, Niagara Census Division – the sectors noted in this table represent those businesses that represent at least 2.5% of total zero-employee businesses in Niagara.

## Section 4: Niagara's Job Demand Profile

NWPB measures job demand through the aggregation of online job postings. While this is not a complete measure of all job demand – as it can not account for informal recruiting, referral networks, and word of mouth hiring – it provides a reliable summary of job postings that the general public are likely to see during their job search activities. From January to April of 2021, NWPB tracked approximately 8,777 job postings in the Niagara region. Table 4-1 provides a monthly overview as well as the monthly average income reported across all job postings.

Figure 4-1 Job Postings and Average Income (all occupations) Niagara Region<sup>19</sup>

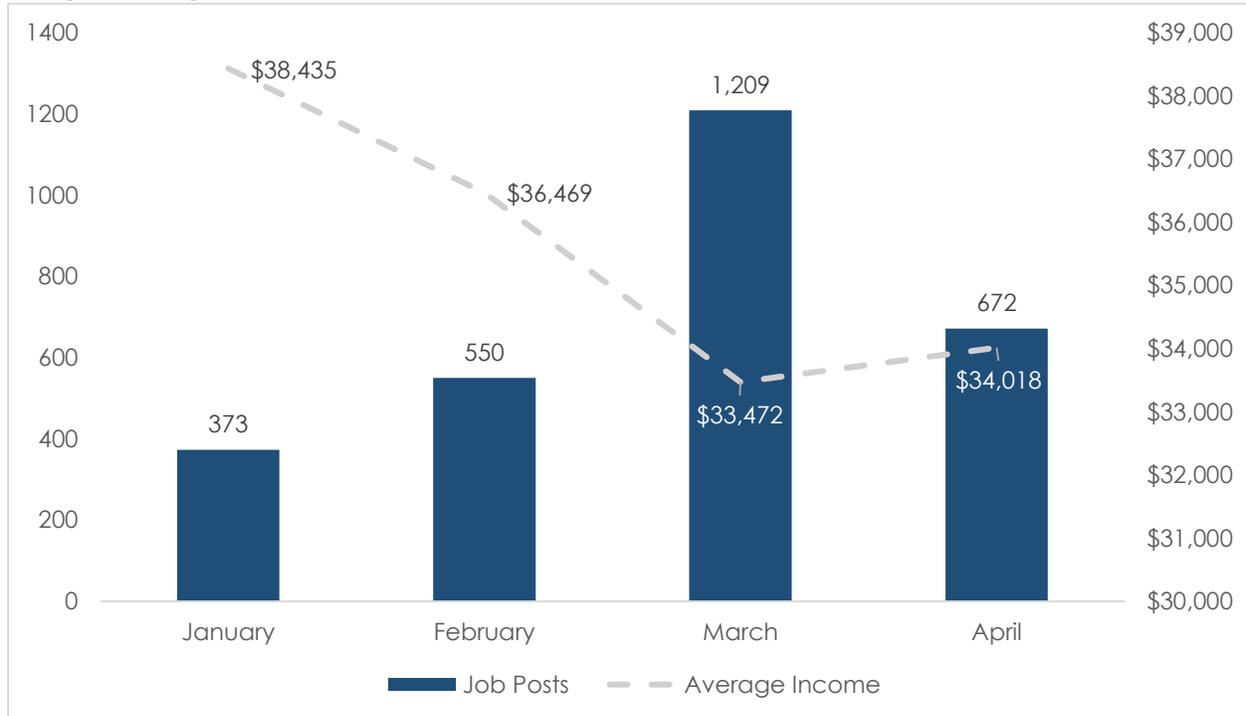


The data seen in Figure 4-1 reflect some of 2021's labour market challenges. March's increase in job postings (a 69.9% increase on February's job postings) likely reflect that some employers were making preparations for seasonal hiring. Despite April's Labour Force Survey data showing an increase in employment, April's job demand data noted a clear decline. The decline in job postings in April likely represented a consequence of Ontario shifting into a provincial lockdown amid the third wave of the COVID-19 pandemic.

<sup>19</sup> NWPB Job Demand Aggregator: Note that NWPB excludes job postings originating on Kijiji.com. Income figures assume full-time equivalent positions.

Figure 4-2 focuses on demand for *sales and service occupations*. This occupation group is notable in that it is most closely aligned to the local tourism economy and Niagara's seasonal economy. This sector also houses the largest share of employment among Niagara's residents.

Figure 4-2 Job Postings and Average Income (sales and service occupations), Niagara Region<sup>20</sup>



These data follow a similar trend in terms of the number of job postings, but present a considerably smaller month-over-month increase in average income between March and April. Where the average income among all job postings increased by 9.1% between March and April, *sales and service occupations* only saw a 1.6% month-over-month increase. These data speak to a much larger, and more complex narrative emerging over recent months. Despite unemployment rates being at historic highs and employment rates being at historic lows, various employer roundtables and consultations have noted employers reporting a challenge in finding individuals to meet their labour needs. Data from the labour force survey suggests that job seekers actively want to work, but a disconnect between job seekers and employers, despite 2020's job losses noted in section 3 of this report, is growing more apparent.

<sup>20</sup> NWPB Job Demand Aggregator: Note that NWPB excludes job postings originating on Kijiji.com. Income figures assume full-time equivalent positions.



At the time of this report's publication, NWPB was collecting survey data to explore barriers to employment from a job seeker point of view. NWPB will also be releasing a briefing note in the summer of 2021 that explores hiring and job seeking challenges within the *accommodations and food services* sector as seen through job postings, hours worked within this sector, and the challenges of full-time and part-time employment.

Additional insights on job demand in tourism supporting industries can be found through [our tourism employment dashboard](#). Additional sector-specific insights can be accessed through our [monthly job demand dashboard](#).

## Section 5: Preliminary Employer Insights

NWPB collaborated with Niagara Economic Development and the Niagara Economic Rapid Response Team to ensure that our data gathering needs were harmonized with broader community efforts. As such, NWPB is able to draw on the insights of 786 employers who completed the third delivery of the Niagara COVID-19 Business Impact Survey.<sup>21</sup> Table 5-1 provides a snapshot of how these survey respondents rated the overall status of their business at the time of the survey's delivery between March 29 and April 16, 2021.

Table 5-1: Current Status of Business, All Respondents<sup>22</sup>

Status of Business	Responses
At risk of imminent permanent closure	6.7%
Vulnerable to closure	20.4%
Stable	24.7%
Sustaining	36.2%
Doing well	12.0%

Almost 73% of the 716 business responding to this question reported that they were either stable, sustaining, or doing well. This is a considerable improvement compared to the June 2020 NCBIS survey; therein, only 65.4% of respondents reported that their condition was stable, sustaining, or doing well. Despite the positive overall trend, the situation for local tourism supporting employers is quite different.

Table 5-2: Current Status of Business, Self-Identified Tourism-Oriented Employers<sup>23</sup>

Status of Business	Responses
At risk of imminent permanent closure	9.2%
Vulnerable to closure	35.6%
Stable	9.2%
Sustaining	44.2%
Doing well	1.8%

Table 5-2 shows that among tourism-oriented employers responding to the NCBIS, only 55.2% rated their status as stable or better. Nearly one in ten was at risk of imminent permanent closure and more than one-third were vulnerable to closure. These trends are closely aligned with the tourism employment data that NWPB has been tracking

<sup>21</sup> NWPB gratefully acknowledges the support of Niagara Region Economic Development and all of Niagara's municipalities for the facilitation of this data.

<sup>22</sup> Niagara COVID-19 Business Impact Survey, 3<sup>rd</sup> Delivery, Niagara Economic Rapid Response Team

<sup>23</sup> *ibid*

since the summer of 2020. While a full overview of that project can be [found at this link](#) NWPB's most recent estimates note that employment in tourism among Niagara residents fell to its lowest point in March of 2021 with an estimated 18,672 people employed in supporting industries. For context, the March 2021 figure is 47.7% of the estimated 39,134 people who were employed in tourism in February 2020.

Amid the uncertainty of the third wave of the COVID-19 pandemic, data from the NCBIS also offer some insights on potential sectors of employment growth. Table 5-3 notes the number of hires respondents expected to make, broken down by sector, over the next six months.

Table 5-3: NCBIS Respondents Anticipated 6 month Hiring<sup>24</sup>

Industry	Anticipated Full-Time hires	Anticipated Part-Time hires
Accommodation and food services	223	438
Manufacturing	173	97
Arts, entertainment and recreation	169	414
Agriculture, forestry, fishing and hunting	88	21
Finance and insurance	53	5
Construction	48	4
Management of companies and enterprises	40	10
Retail trade	38	88
Other services (except public administration)	29	26
Professional, scientific and technical services	27	14
Utilities	22	0
Transportation and warehousing	20	12
Educational services	15	43
Health care and social assistance	12	19
Real estate, and rental and leasing services	12	0
Wholesale trade	9	6
Administrative and support, waste management and remediation services	4	4
Information and cultural industries	1	3
<b>Total</b>	<b>983</b>	<b>1,204</b>

<sup>24</sup> Niagara COVID-19 Business Impact Survey, 3<sup>rd</sup> Delivery, Niagara Economic Rapid Response Team

Respondents who anticipated making full-time hires in the next six months were most frequently found in *accommodation and food service, manufacturing, and arts, entertainment and recreation*. Respondents who anticipated making the most part-time hires operated in the same sectors, with *accommodation and foods services* expecting the most hires and *arts, entertainment, and recreation* reporting that part-time hires would more than double that sector’s expected full-time hires. These sectors are all among Niagara’s largest employment drivers. It is also noteworthy that employment in manufacturing is often highly skilled and well compensated.

While these data reflect some cause for optimism, they must also be placed in an appropriate context. Table 5-4 compares the number of survey respondents who anticipated hiring over the next six months compared to those who either reported zero anticipated hires or did not answer the question.

Table 5-4: Employers Expecting to Hire Over the Next Six Months<sup>25</sup>

Anticipate Hiring in the next 6 months	Full-Time Hires	Full-Time %	Part Time Hires	Part-Time %
<b>Yes</b>	<b>212</b>	<b>27.0%</b>	<b>203</b>	<b>25.8%</b>
No	178	22.6%	168	21.4%
Did not answer	396	50.4%	415	52.8%
Total	786	100.0%	786	100.0%

Given that this is a generally representative sample of Niagara’s employers, these data can be taken as a bellwether for the region as a whole. Even though 73% of survey respondents reported they were either stable, sustaining, or doing well, more than half of respondents to this question did not offer an answer. We can see some potential for hiring uncertainty further reflected in a question that asked respondents to rate how important hiring was for their business over the next six months. Only 30.3% of employers said that hiring was either “very important” or “extremely important” compared to 49% who responded hiring was “a little important” or “not at all important”.

Pairing this data with the decline in job demand and declining advertised compensation seen in Figure 4-1 presents a narrative of continued challenges for both

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<sup>25</sup> Niagara COVID-19 Business Impact Survey, 3<sup>rd</sup> Delivery, Niagara Economic Rapid Response Team



the workforce and employers despite some emerging indicators that speak toward a slow path to recovery.

## Concluding Remarks and Next Steps

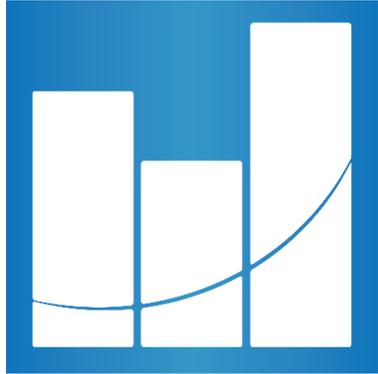
This report has demonstrated the extent to which the COVID-19 pandemic has had an impact on Niagara's workforce and employers. Even as vaccine rollouts accelerate, the data presented in this report show the extent to which the return to pre-pandemic conditions will be a long path. Moreover, an equitable return to pre-pandemic trends must be one that addresses gender-based and sectoral employment challenges that have emerged, or accelerated, since March of 2020.

Over the coming months NWPB will be working to produce data and insights on all the labour market challenges that COVID-19 has created in the Niagara region. We will continue to report on the latest labour market conditions through our monthly [Eye on Employment](#). We have prepared data dashboards that offer monthly reports on employment in the [tourism industry](#) and [gender-based employment trends](#). As well, we have developed a monthly dashboard to report on [sector-specific job demand](#). We are also preparing an updated youth employment study given the historic unemployment highs reported among Niagara's youth.

This report will be updated in February 2022, with a retrospective on the local labour market in 2020 and continuing trends for 2021. In the interim, NWPB will be publishing a series of quarterly labour market briefings that examine specific topics within the local labour market.

It is our hope that these efforts will provide a range of knowledge and insights that our partners and community collaborators will use to support both the workforce and employers as the acute crisis of the pandemic comes to a close, and we begin the hard work of building back.

Should you have specific questions or data requests relating to this report, please contact us at [info@nwpcb.ca](mailto:info@nwpcb.ca)



# **NIAGARA WORKFORCE PLANNING BOARD**

For additional information on the local labour market, and to review previous publications, please visit our website at [www.nwpb.ca](http://www.nwpb.ca)

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