

# Rural Ontario Foresight Papers

## Workforce Development in Rural Ontario - A Snapshot & Northern Perspective

2019



# Workforce Development in Rural Ontario – A snapshot

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With input from 10 Workforce Planning Boards across Ontario

## Introduction

This paper examines the current employment situation across Ontario and provides an overview of supply and demand in rural regions. A sampling of initiatives to address rural workforce challenges are highlighted, with an emphasis on new and emerging approaches. Industry sectors that are important to rural communities are explored in more detail, i.e., health, manufacturing and agriculture. Several considerations are offered to those engaged in rural workforce development to stimulate discussion of potentially effective policy and program directions.

In order to develop this paper, the author has tapped into a network of on-the-ground intelligence. In total, fifteen rural planning board areas provided background data and, of those, ten participated directly by providing input to this paper. Other information provided is based on the roll-up of data from the nine Western Region board areas which make up Workforce Planning West, covering South Western Ontario and also, where possible, provincial data has been used to provide an overall picture of Ontario's rural communities. Selected information from previously published [Focus on Rural Ontario Fact Sheets](#) from the [Rural Ontario Institute](#) is also included.

## Workforce Overview

### Unemployment/Participation Rates

Unemployment rates and participation rates provide important parameters about the functioning of regional labour markets; however, it is difficult to find current unemployment rates and participation rates for smaller communities. For the purposes of this report, 2016 census data for each Planning Board is illustrated in the map below.

## Map 1



Source: Statistics Canada: 2016 Census, Custom Tabulation

This map illustrates that unemployment rates are not uniform across the province. While employment growth since 2016, when this data was gathered, has been substantial and unemployment rates overall have dropped, we can expect there will continue to be uneven regional outcomes. Indeed, some rural communities are now reporting exceptionally low unemployment rates as their pool of workers shrinks and employment demand is quite high. There are pockets where unemployment rates are now under 2%, as in Bruce and Wellington Counties.

### Participation Rates/Aging Population

The participation rate within a region is important as it tells us how many people are actively working or seeking employment. Lower participation rates can be a reflection of several factors, including an aging population, as older age groups have lower participation rates.

Lack of engagement in the labour market is a key concern in many parts of Ontario. This lack of engagement might include:

- Transportation may be a barrier;
- Lack of awareness of the variety of opportunities available elsewhere in their region;

- Those who have given up looking for work may have the perception that there is nothing available to match their skill set or their availability;
- People may have family obligations that make them unable to relocate for work, especially if they are caring after others in their families; and/or
- Personal health problems.

Generally, across Ontario, areas outside metropolitan centres have an older and aging work force. Participation rates are lower in these places and the employment levels (number of jobs) have also declined.

Counties with participation rates 55% or lower:

Haliburton	49%
Manitoulin	52.5%
Prince Edward	54.2%
Algoma	54.8%
Parry Sound	55%

Source: Census 2016

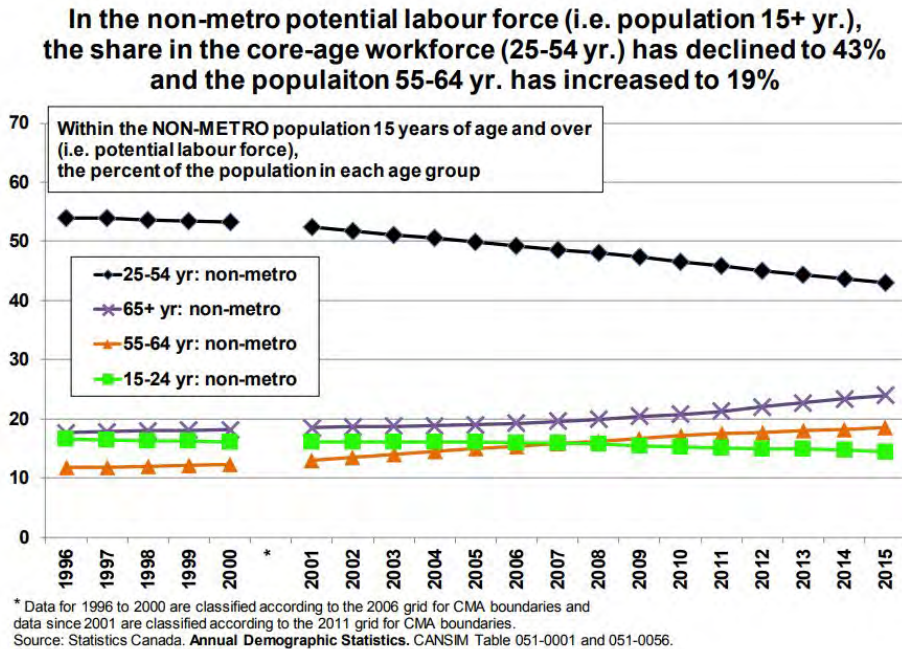
The aging rural work force impacts the participation rate despite some countervailing trends. There is an increasing trend for Canadians to retire later and to continue working after retirement age. A recent Statistics Canada report indicated that “close to one-third of persons aged 60 and over worked or wanted to work in the previous year. Of these, more than 80% worked as the main activity, about 10% worked at some time during the period without it being the main activity, and less than 10% did not work but wanted to work. Half of older workers who worked or wanted to work in the previous year did so out of necessity, and the share was similar for men and women.”<sup>4</sup>

The decline of share of the population in this core-age workforce is recognized by researchers, as is the increase share of population fifty-five and older. According to Dr. Ray Bollman<sup>5</sup> this shift will impact overall employment rates: “In non-metro areas, within the core-age workforce (25-54 yr.) 80% of the population is employed compared to 55% for those 55-65 yr. Thus, this structural shift in the age structure of the population will reduce the reported employment rate of the total potential labour force.”

<sup>4</sup> Hazel, Myriam. 2018. Labour Statistics at a Glance: Reasons for working at 60 and beyond. Statistics Canada Catalogue no. 71-222-X. Retrieved from: <https://www150.statcan.gc.ca/n1/pub/71-222-x/71-222-x2018003-eng.htm>.

<sup>5</sup> Non-metro population trends by age. (2017). Focus on Rural Ontario, Vol.4, No.1. Rural Ontario Institute. Retrieved from: [http://www.ruralontarioinstitute.ca/uploads/userfiles/files/Non-metro%20population%20trends%20by%20age%20%20Vol\\_%204%20No\\_%201.pdf](http://www.ruralontarioinstitute.ca/uploads/userfiles/files/Non-metro%20population%20trends%20by%20age%20%20Vol_%204%20No_%201.pdf)

Chart 1



In rural communities with aging populations, older workers can be encouraged to re-engage or stay in the labour market either through self-employment or if part-time opportunities are available. Generally, however, the outlook is that the trend towards increasing participation rates among the older age groups will not offset the overall decline created by the shifting demographic into older-age categories. See for example this recent Statistics Canada publication: *Insights on Canadian Society: The labour force in Canada and its regions: Projections to 2036* <https://www150.statcan.gc.ca/n1/pub/75-006-x/2019001/article/00004-eng.htm>. Rural Ontario (areas outside Census Metropolitan Areas) in these projections are predicted to witness a situation of increasingly fewer people working – by 2036 a ratio of only 1.9 persons working to those working, as compared to a ratio of 2.5 in urban Ontario. Employers in rural Ontario will be competing for increasingly scarce talent if they aren't already.

It is important to recognize that low unemployment rates do not necessarily reflect an increase in economic activity or high growth in the number of jobs available. This can also be a result of a steady economy and a shrinking labour force, as elderly workers retire and the number of incoming younger adults entering the workforce is not sufficient to replace those leaving.<sup>6</sup> In these types of situations, worker attraction becomes a key requirement and focus of economic development strategies. However, especially in rural areas, the lack of transportation and attainable housing can be a serious barrier to the ability of communities to attract new workers. There are several initiatives aimed at addressing these challenges which are highlighted later in this report.

<sup>6</sup> Employment trends in economic regions. (2017). Focus on Rural Ontario, Vol. 4, No. 3. Rural Ontario Institute. Retrieved from: <http://www.ruralontarioinstitute.ca/knowledge-centre/focus-on-rural-ontario>.

## In and Out-Migration of Working Age Populations

Ten participating Workforce Planning Boards identified their top three workforce development challenges. The top workforce development concern in seven of these regions was shortages in the labour market.

Youth out-migration was mentioned as a component of this challenge. It is generally recognized and understood that many rural communities experience out-migration among their youth aged 18-24. This is mainly driven by access to post-secondary education institutions which are predominantly in larger centres. In fact, with the exception of seven regions/counties (that host large community colleges or universities)<sup>7</sup>, all other areas have net out-migration among their 18-24 year old populations. Youth can also be motivated to move by a desire to access perceived enhanced employment opportunities in larger urban communities.

The propensity for youth to return to rural areas after post-secondary education is related to the strength of their family ties and their experiences in their communities before they left. The establishment of youth engagement activities, including Youth Councils, in a variety of rural communities, provides opportunities for youth to have a say and identify activities and initiatives that would keep them rooted in their communities. The Prosper in Perth initiative is one example: <https://www.perthcounty.ca/en/doing-business/prosper-in-perth-county.aspx#>

Likewise, the Northern Wellington Youth Connections event (<https://town.minto.on.ca/events/2019/04/30/northern-wellington-youth-connections>) was established to bring together students in Grade 9 to learn about available jobs, self-employment and other training opportunities within the rural community. Previous participants have contributed to the development of Youth Action Plans aimed at encouraging youth to return to their home communities after post-secondary education.

Despite the fact that many communities have embarked on, or are considering, recruitment campaigns to encourage youth to return to their home communities upon graduation or when considering starting a family, the fact remains that in many rural places the relative proportion of working age populations between the ages of 25-44 years is smaller. This has significant impacts on economic vitality and workforce availability.

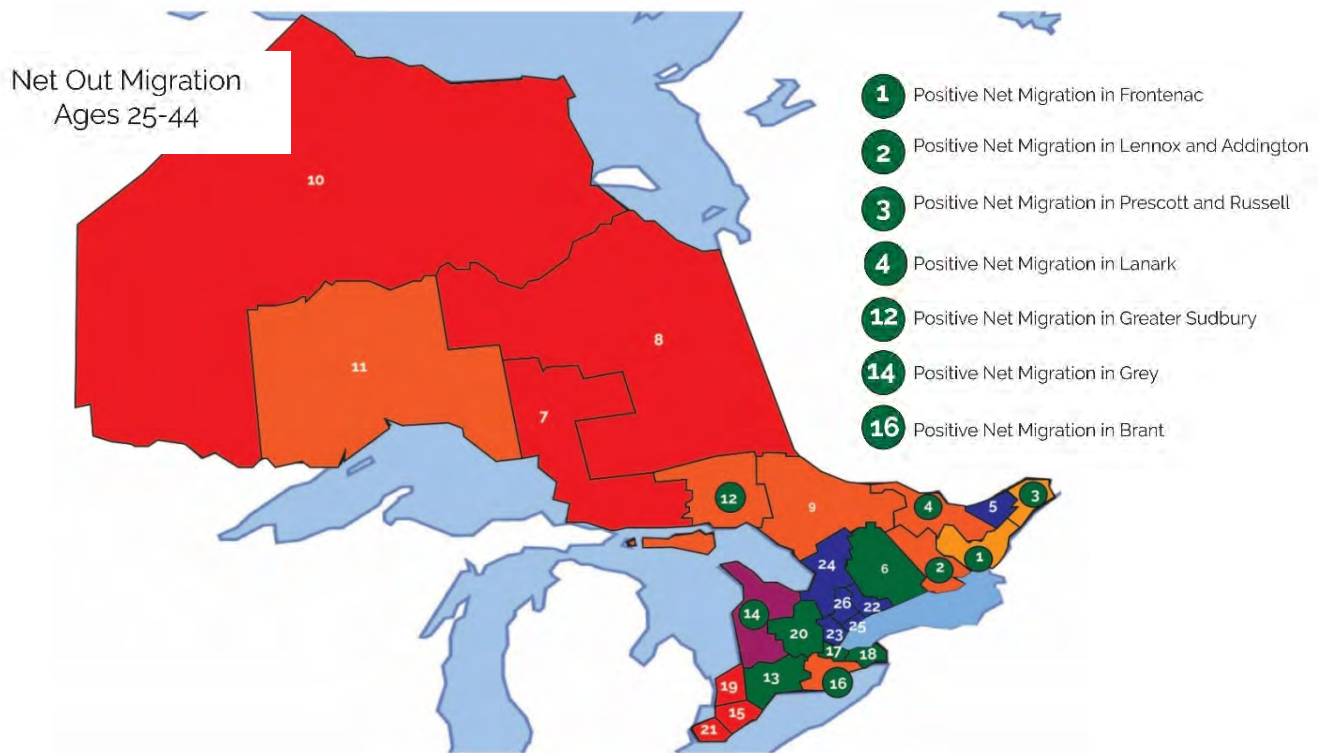
Using data from Annual Tax Filer Migration Estimates by Census Division, the map below shows variable levels of net migration (in minus out) in this key working age demographic across the province. Most non-metro counties and districts lost population in the 25-44 age group due to out-migration. However, up to a third gained population between 2011 and 2016 in this age group. (A table of county by county net migration by age group is available here:

[http://www.ruralontarioinstitute.ca/uploads/userfiles/files/Migrants%2025-44 Focus%20on%20Rural%20Ontario.pdf](http://www.ruralontarioinstitute.ca/uploads/userfiles/files/Migrants%2025-44%20Focus%20on%20Rural%20Ontario.pdf))

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<sup>7</sup> The seven geographies with post-secondary are Frontenac, Peterborough, Wellington, Hamilton, Waterloo, Middlesex and Greater Sudbury

## Map 2



Source: Statistics Canada: Annual Tax Filer Migration Estimates by Census Division

The table below shows rural census divisions with net out-migration of 2% or more of the total population in the 25-44 age range. Small net losses in the context of a large overall population will be significantly less impactful than in places with a small population base, so the percentages are as telling as the absolute numbers.

Rural census divisions with net out-migration of 2% or more of the total population in the 25-44 age range:

HURON	8.5%
PRINCE EDWARD	8.1%
SUDBURY	7.3%
RAINY RIVER	5.3%
ALGOMA	4%
COCHRANE	3.5%
TIMISKAMING	3.3%
LAMBTON	3.3%
CHATHAM-KENT	2.8%
PARRY SOUND	2%
MANITOULIN	2%

The top two counties with the highest percentage of out-migration in this age group are in Southeast and Southwest Ontario. A declining population in Huron County has been an ongoing concern for a number of years. The community is actively looking at ways to deal with this chronic problem. Huron County is one of several rural communities with a Local Immigration Partnership (LIP) initiative ([http://wiki.settlementatwork.org/index.php/Local\\_Immigration\\_Partnerships](http://wiki.settlementatwork.org/index.php/Local_Immigration_Partnerships)) to encourage immigrant attraction and settlement and has also embarked on a Worker Attraction and Retention Strategy (WARS). (See Huron County Workforce Attraction and Retention Strategy (WARS) Appendix 1)

Other factors that impact labour markets and people's decisions to locate or relocate are transportation availability and housing cost. Along with south Georgian Bay and Lake Huron shores, Prince Edward County is a rural area where we are seeing the impact of rising house prices due to an influx of recreational property buyers. This has affected the average house price, currently over \$500K, an increase of 28% over 2017. While perhaps maintaining their employment in the County, workers are moving away to neighbouring areas where there is more attainable housing. In both Huron and Prince Edward County, as in many other communities, the lack of public transportation options looms large over the labour market. Workforce mobility becomes more of a challenge if people can't afford to live close to their work places.

Both Huron and Prince Edward County report that available employment opportunities are mainly at the unskilled/semi-skilled levels which typically have lower wage rates. High housing prices and low wage rates is not a recipe for an influx of people looking for work.

## **Initiatives targeting Worker Attraction**

Rural communities across Ontario are focussing on meeting employer demand through worker attraction strategies. There are a number of methods being used to try to address this issue including targeted recruitment and marketing campaigns.

Huron's economic development plan highlights the need to work with local industries to encourage expansion of the workforce in manufacturing and health care. Perth County has recently partnered with local businesses that are in need of workers to attend regional job fairs on their behalf. Lambton and Grey County have followed similar strategies. These counties have participated in job fairs in regions like Kitchener, Peel and London to try to recruit workers and encourage them to relocate. This is an effective way to use minimum resources to reach out to jobseekers in larger regions.

Grey County has also partnered with the Peel Rural Employment Initiative (REI) to invite new immigrants to explore employment opportunities in Grey. Grey REI provides supports to immigrants who have initially located in the GTA but who are interested in relocating to rural communities. Two bus tours were organized in 2018 and 2019 resulting in 73 professional immigrants visiting the area and learning about the career opportunities by participating in the Regional Job Fair. The objective



was to promote opportunities in the rural region to individuals residing outside of rural communities. Lessons learned included:

- connecting directly with champion employers prior to and post tour;
- having a defined process in responding to enquiries of interested REI clients;
- and maintaining a list of 1) interested candidates with identified skill set and 2) employer champions who are looking to hire outside of regular networks.

For more information, see [www.helpingnewcomerswork.ca](http://www.helpingnewcomerswork.ca)

Wellington County has focussed on working with post-secondary institutions to promote rural opportunities as well as working with REI to try to attract newcomers with an interest in potential entrepreneurship opportunities in Wellington.

## Employment by Skill Level

Some areas of the province experience high levels of in and out-migration even if the net balance stays relatively the same. Churn in the population is not always a symptom of problems. As Dr. Bollman observes “the inflow and outflow of workers presumably helps ameliorate skills mismatches so levels of turnover may indicate a realignment of skills in the local labour market.”<sup>8</sup>

Shifts in the skill requirements which are employed in various industries have an impact on labour force dynamics. The occupational make-up of the workers in a particular industry can shift as technological change occurs and investment in machinery or production processes occurs. The employment trends in rural census divisions show that employment in three of five skill groups has grown. As Chart 2 illustrates, most of the jobs in rural census divisions fall into Skill Groups A, B and D. Skill Group A occupations require a university degree. Skill Group B requires college or skilled trades training. Skill Group C includes intermediate jobs that usually call for high school and/or job-specific training and Skill Group D requires only on-the-job training. Skill Group A has grown the most, with close to 25% growth between 2001 and 2018. On the other hand, Skill Group C has remained fairly steady after a sharp decline following the recession in 2008-9.

Notwithstanding the general lack of growth in Skill Group C, particular occupations within it may remain in high demand. For example, this would be the case with:

- industrial butchers
- long-haul truck drivers
- food and beverage servers

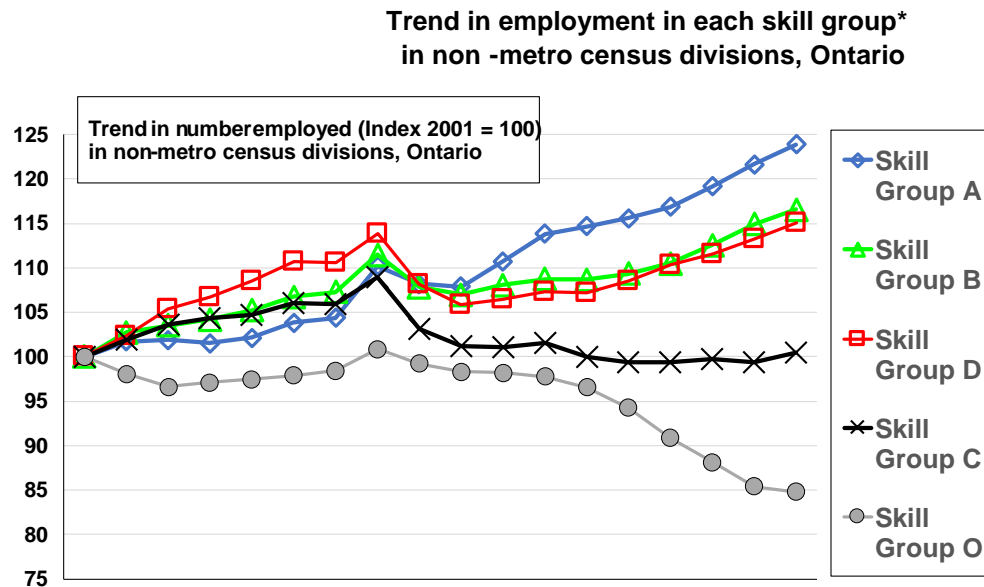
Several local employers in the Waterloo Wellington Dufferin Board area are reliant upon the FTW Foreign Temporary Workers program to fill their need for Industrial butchers.

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<sup>8</sup> Migrants 25-44 years of age. (2018). Fact Sheets on Rural Ontario, Vol. 6, No. 3. Rural Ontario Institute. Retrieved from: [http://www.ruralontarioinstitute.ca/uploads/userfiles/files/Migrants%2025-44\\_Focus%20on%20Rural%20Ontario.pdf](http://www.ruralontarioinstitute.ca/uploads/userfiles/files/Migrants%2025-44_Focus%20on%20Rural%20Ontario.pdf)

Skill Group O (Management level) has declined steeply. Employment in management occupations in rural communities is projected to continue to decline while slight employment growth is anticipated in other skill levels.

Chart 2



\* Occupations are classified to Skill Groups based on: Employment and Skills Development Canada **National Occupational Classification Matrix 2011** (<http://noc.esdc.gc.ca/English/NOC/Matrix2011.aspx?ver=11>). Source: OMAFRA, EMSI ANALYST database

Chart by RayD.Bollman@sasktel.net

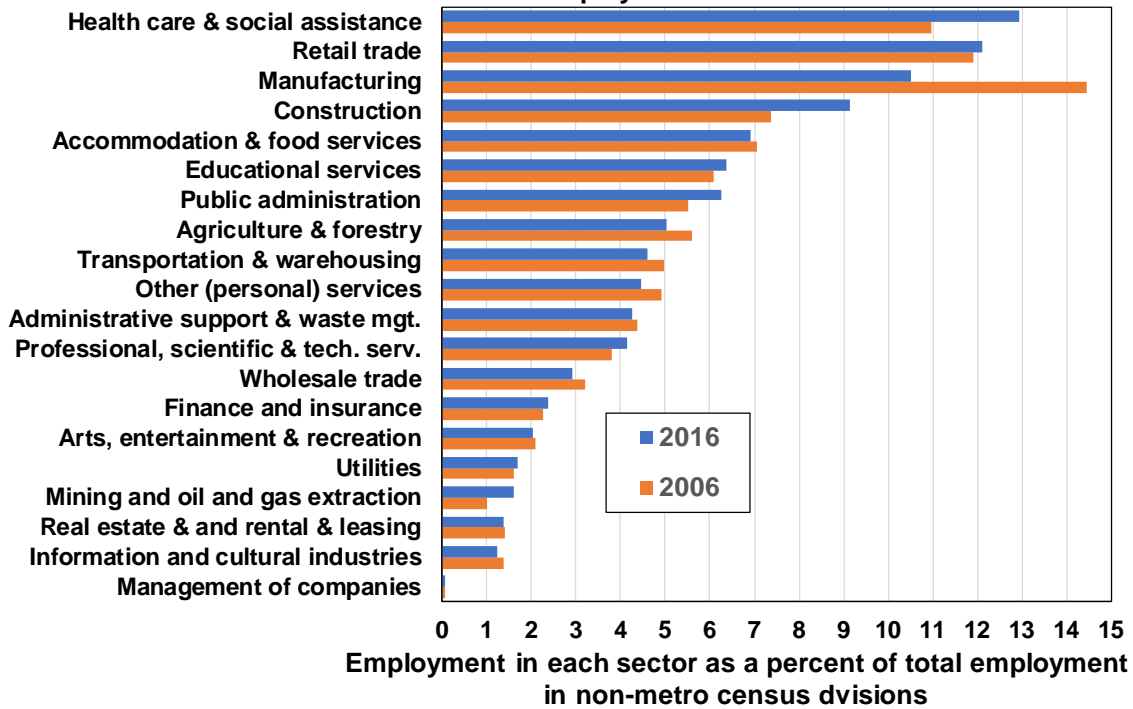
For the short term, it is expected that Skill Group B occupations will grow at a slightly faster rate than others.

## Trends in Industry Employment

Across non-metro census divisions, the sector with the largest employment in 2016 was health care and social assistance (13%), up from 11% in 2006. Manufacturing was the largest sector in non-metro CDs in 2006 (14.4%) but it declined to the third largest sector with 10.5% of total employment in 2016. From 2006 to 2016, the non-metro sector with the largest increase in employment was mining and oil and gas extraction (+55%) and the sector with the largest decrease in employment was the manufacturing (-30%).<sup>9</sup>

<sup>9</sup> Employment by Sector, Overview 2006-2016. (2018). Focus on Rural Ontario. Vol. 6, No. 10. Rural Ontario Institute. Retrieved from: [http://www.ruralontarioinstitute.ca/uploads/userfiles/files/Employment%20by%20sector%20%20Overview%202006-2016\\_Vol%206%20No%2010.pdf](http://www.ruralontarioinstitute.ca/uploads/userfiles/files/Employment%20by%20sector%20%20Overview%202006-2016_Vol%206%20No%2010.pdf)

**In 2016, employment in health care ranked as the top sector with 13% of employment in non-metro census divisions**



Source: Statistics Canada. 2006 Census of Population, Table 97-561-XCB2006013 and 2016 Census of Population, Table 98-400-X2016292.

Chart by RayD.Bollman@sasktel.net

Additionally, information supplied by 10 planning board areas covering rural communities reported industries listed as in the top 3 as follows:

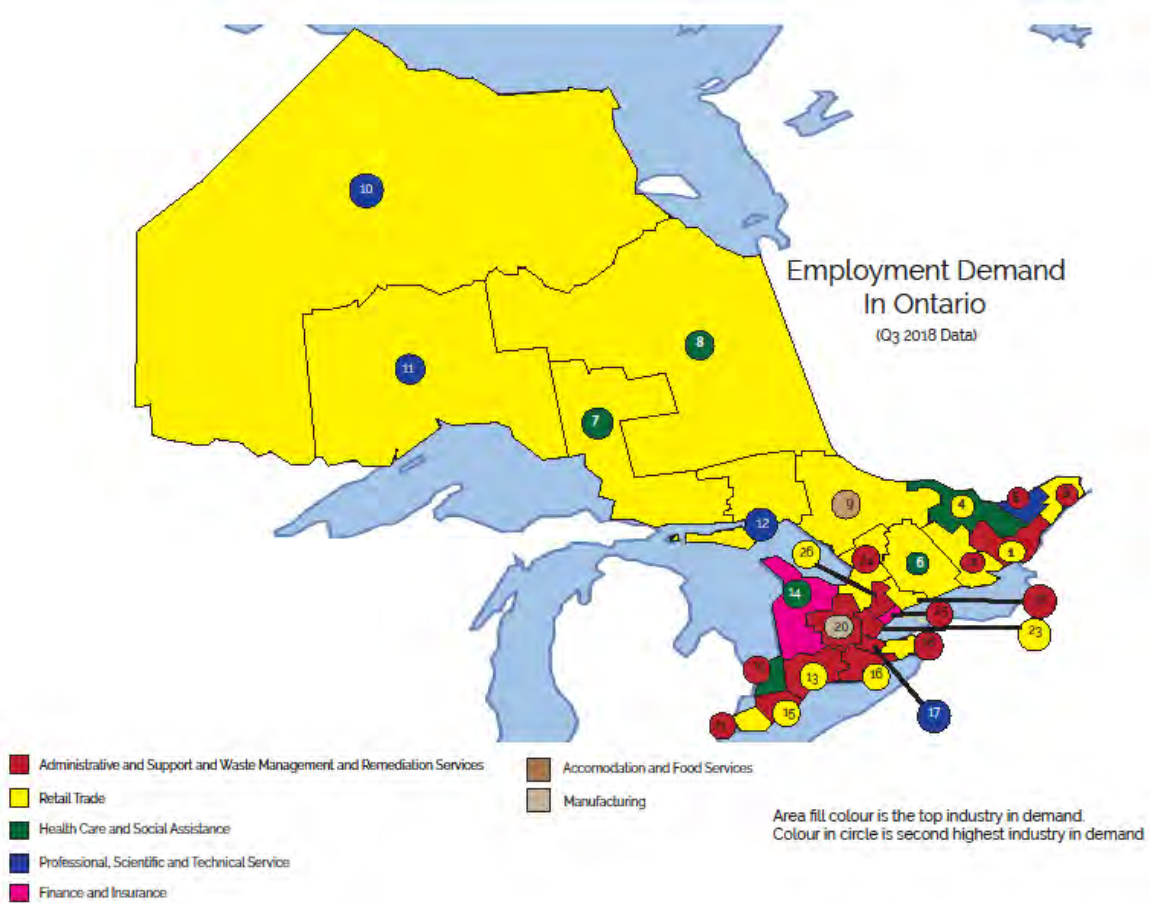
- Health (9)
- Retail Trade (9)
- Public Admin (3)
- Education (2)
- Manufacturing (4)
- Mining (1)
- Construction (1)

The manufacturing sector appeared in the top 3 in the Southwest, while Mining was in the top 3 in the North.

### Employment Demand

Another way to understand employment demand is to look at current job postings and see how many jobs are on offer in which industries. Current job postings are a snapshot look at labour markets.

Map 3



Source: CEB Talent Neuron

Based on the map above, current employment demand in the third quarter of 2018 was high in industries such as retail trade and health care across rural Ontario, while in the Southwest industries like Administrative, Support and Waste Management and Remediation had the highest demand. The top jobs on offer in Cochrane were Other Customer and Information Services Reps compared to Transport Truck drivers in Essex and General Farm Workers in Prince Edward.

However, the analysis of job postings to help identify trends in skills in increasing demand or short supply has its shortcomings and points to gaps in the availability of local data that Workforce Planning Boards have been working to fill. The “sector” of Administrative and Support Services, for example, includes “Employment Services” so it is likely that many of the job postings in that sector reflected on the map could actually be recruitment agencies who may in turn be placing workers in other sectors. A recent Labour Market Information Council report on the challenges of measuring skills and skills shortages delves in depth with some of the measurement difficulties we have in Canada with this type of issue: “How we define skills can be confusing, which limits our ability to measure skills and skills shortages. There is an urgent need for a common, credible, and open skills

taxonomy. This would enable stakeholders – job seekers, employers, and educators – to speak the same language with respect to skills.”<sup>10</sup>

The report also notes that: “Online job postings likely skew toward higher-paying, urban job markets – though even this is difficult to determine concretely”<sup>11</sup>

The Business Council of Canada in its 2016 report *Labour market information: an essential part of Canada's skills agenda* called for concerted efforts for improved data collection and investment by government to enable the collection and sharing of better local labour market information.<sup>12</sup>

## Agriculture

Rural Ontario is blessed with a broad agricultural base which feeds a value-added food chain that produces a diverse set of products for both domestic and international markets. Ontario hosts some 49,600 census farms. According to the most recent sector profile from Employment and Social Development Canada, employment in primary agriculture rose slightly to 77,700 in Ontario in 2016, after three consecutive years of decline. While primary agriculture made up just 0.7% of Ontario's total gross domestic product in 2016, that figure jumped to 5.9% for the broader agri-food industry.

There are several noteworthy trends highlighted in the report:

- The number of farms fell in Ontario but operations are larger and more valuable.
- Machinery and new technologies have allowed farms to maintain production with fewer inputs.
- The industry faces challenges to attract local workers and relies heavily on temporary labour.
- Greenhouses and the advent of medicinal marijuana will be a focal point in the years ahead.
- Employment growth will likely remain flat in the agricultural industry over the 2017 to 2019 period (Agriculture 2017-19: Labour Market and Socio-economic Information Directorate (LMSID), Service Canada, Ontario).

While direct on-farm employment may be predicted to be flat, other agriculture-related careers appear to be experiencing significant growth. According to [AgCareers.com](http://AgCareers.com), there was a 32% increase in the number of Canadian agri-food jobs posted in 2018 compared to 2017, with 21% of these jobs posted in Ontario and Quebec. The same report indicates that 57% of agribusiness companies believed workforce size would increase over the next two years. Employers cited the main reason for recruiting difficulty was that applicants lacked required skills, followed closely by the low number of applicants.<sup>13</sup> Sales and management positions are often cited as hardest to fill. Retirements and recruitment difficulties were cited as significant factors.

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<sup>10</sup> Labour Market Information Council. (2019). Is this a skill which I see before me? The challenge of measuring skills shortages. LMIC Insights, no. 14. Retrieved from: <https://lmic-cimt.ca/wp-content/uploads/2019/06/LMI-Insights-No-14-2-1.pdf>

<sup>11</sup> Ibid

<sup>12</sup> Drummond, D., Halliwell, C. (2016). Labour Market Information: an essential part of Canada's skills agenda. Business Council of Canada. Retrieved from: <http://thebusinesscouncil.ca/wp-content/uploads/2016/06/Labour-Market-Information-June-13.pdf>

<sup>13</sup> 2018 Agribusiness Job Report, Canadian Edition. (2018). Retrieved from: <https://www.agcareers.com/reports.cfm>

Farmers attending a recent consultation session with Employment & Social Development Canada shared concerns regarding concerns about the temporary foreign workers program, the following issues were raised:

- Struggles with bringing in off-shore workers despite having zero response to Canada Job Bank postings that were live for over two years.
- Increased cost related to minimum wage increase, plus the additional cost of having to provide housing. Free housing for off-shore workers is on top of wages – creates an uneven playing field for domestic workers who have to cover these costs on their own.
- Regulations and inspections – almost impossible to meet the conditions as criteria varies from ministry to ministry (e.g., housing versus health).



CANADIAN AGRICULTURAL  
HUMAN RESOURCE COUNCIL  
CONSEIL CANADIEN POUR  
LES RESSOURCES HUMAINES  
EN AGRICULTURE

In August 2019 The Canadian Agricultural Human Resources Council released a Labour Market Information report “How Labour Challenges Will Shape the Future of Agriculture: Agriculture Forecast to 2029”

Canada’s agriculture sector faces many unique labour challenges that could jeopardize its growth potential and its contribution to the national economy. In 2017, 16,500 jobs went unfilled in Canada’s agriculture sector, which cost the sector \$2.9 billion in lost revenues, or 4.7% of product sales. Labour shortages don’t just impact the sector today, they also limit its future growth by preventing or delaying expansion plans.

Chronic labour shortages have led agricultural employers to rely increasingly on foreign workers; this labour source now accounts for 17% of the sector’s workforce. While foreign labour has helped to lessen the impact of chronic labour shortages, it is only a partial solution and one that could easily disappear due to policy changes or global events.

#### A Widening Labour Gap

While agricultural labour issues are significant today, they will intensify in the future. The sector’s labour requirements are expected to grow considerably over the next 10 years. By 2029, the agriculture sector will need significantly more workers to reach production targets. At the same time, the size of the domestic agricultural workforce will shrink, driven by a rising number of retirements. In fact, the sector is expected to see 112,200 workers retire between 2018 and 2029, which is the equivalent of 37% of its workforce. This is placing added pressure on a sector already challenged to find enough workers.

As a result, the sector’s labour gap will nearly double over the next 10 years, reaching 123,000 people by 2029. This is equivalent to 32% of labour demand for that year, or roughly one in every three jobs in the sector. Ontario will account for the majority of Canada’s agricultural labour gap in 2029, but Quebec, Alberta, British Columbia, and Saskatchewan will also have a sizeable labour gap. (<https://cahrc-ccrha.ca/sites/default/files/CAHRC-National-Report-FINAL-August-19-2019.pdf>)

## Manufacturing

The manufacturing sector in Ontario employs around 770, 000 people, according to the Canadian Manufacturers and Exporters (CME) 2018 report: *Manufacturing Ontario's Future: Leveraging Ontario's Manufacturing Sector to Drive Ontario's Success*. Analysis of census data from 2016 revealed that 339,000 manufacturing jobs were in census divisions outside of the major urban centres as reported in a Fact Sheet for ROI.<sup>14</sup> However, manufacturing saw the largest sectoral decrease in employment in rural Ontario from 2006-2016, down from being the largest employment sector to 3<sup>rd</sup> as it shrank from employing 14.4% of the rural work force down to 10% over the ten year period – a 30% drop.

Proportionally, manufacturing remains a relatively larger sector in rural and small town Ontario than in urban centres, so this restructuring of the economy is of great significance. A review of rural jurisdictions with a high proportion of manufacturing employment reveals that many are in areas with access to major transportation routes such as the Highway 401 corridor.

According to the CME report, those running manufacturing companies ranked skills and labour shortages as the most important issue they face. “This message came through loudly and clearly from both the Industries 2030 Ontario consultations, as well as from the results of the 2018 Management Issues Survey. Specifically, executives noted deep concern both about the availability of workers, as well as the skill level of existing and future employees at all levels within their organizations. These gaps are undermining the current performance and future growth of their companies.”

The report goes on to identify these areas for action:

- Improve Linkages Between Industry and Post-secondary Institutions
- Support Apprenticeships and Work-Integrated Learning
- Engage Youth, Women and Other Underrepresented Groups
- Strengthen STEM Education
- Support Company Training
- Immigration Reform

In my own area I have seen several rural manufacturing companies looking to upsize but lack of available land, workers, affordable housing and transportation have impacted their ability to do so, sometimes forcing them to expand in another community. Such constraints on existing businesses may ultimately cause them to relocate or close which would devastate these small communities, their workers and the tax base. It is crucial that we work with these businesses to continue to support workforce attraction and retention to keep them viable for the foreseeable future. Manufacturing is not a dying industry but it will be if we ignore the challenges being faced by the sector in rural communities. Recent announcements of provincial funding for badly needed industry-specific training for manufacturers are uneven at best and generally focussed on larger urban areas. More focus needs to be given to manufacturing in rural communities.

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<sup>14</sup> Employment by sector: Overview 2006-2016. (2018). Focus on Rural Ontario, Vol. 6, No. 10. Rural Ontario Institute. Retrieved from: [http://www.ruralontarioinstitute.ca/uploads/userfiles/files/Employment%20by%20sector%20%20Overview%202006-2016\\_Vol%206%20No%2010.pdf](http://www.ruralontarioinstitute.ca/uploads/userfiles/files/Employment%20by%20sector%20%20Overview%202006-2016_Vol%206%20No%2010.pdf)

## Health Care

The recruitment and retention of healthcare professionals to serve rural regions is a problem shared by many nations. Countries such as Australia, the United States and the UK all have this challenge. Across Canada and Ontario many ongoing efforts are directed at this issue. HealthForceOntario (<http://www.healthforceontario.ca/>) has many incentive programs for qualifying jurisdictions based on their “rurality index.” Initiatives such as the Rural Ontario Medical Program (<https://romponline.com/>) reach into university training and education programs to help expose medical and nursing students to placements in rural settings. Gateway Centre for Excellence in Rural Health (<https://www.gatewayruralhealth.ca/>) has a long relationship with the School of Pharmacy at Waterloo and University of Western Ontario. HealthKick Huron (<http://www.gopalmer.ca/>) was designed to “grow your own” health care workers by encouraging high school students to consider professional health careers and encouraging placements locally for those that did. The Northern Ontario School of Medicine (<https://www.nosm.ca/en/>) which is described in a companion 2019 Foresight Paper has had substantive success with this approach.

There are trends that suggest this challenge is going to get more acute. Our aging society will create a higher demand for healthcare workers – especially among personal care workers if the “aging in place” approaches are successful. In the past, as people got older they often left their homes and communities to receive care in larger communities with available care facilities. Now, however, older people are more interested in remaining in their own rural communities. A New Brunswick researcher conducted interviews with seniors in 2017 and found a common thread that they wanted to remain in their own homes.<sup>15</sup> This has had an impact on healthcare employment in rural areas – in 2016 it was the number one employment sector, with 13% of employment in non-metro census divisions<sup>16</sup>. Much of this is attributable to an increase in homecare businesses and the establishment of new longterm care facilities in smaller communities.

As the unemployment rate in many rural communities continues to decrease, attracting new workers is becoming more challenging. Recently, the Town of Minto, in Wellington County, needed to attract personal support workers (PSWs). Several Filipino PSWs had already been hired in the area and it was clear that they settled easily and were well accepted by the community. This led the Town to focus its recruitment efforts to friends and family of those who had already moved into Minto and those landing in larger centres like Toronto.

## Considerations

The following considerations are offered as important areas for further action:

- 1) Review Foreign Trained Worker Program to make it easier and quicker for workers in this program to achieve landed status more quickly and easily when employed in occupations in demand.

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<sup>15</sup> <https://www.cbc.ca/news/canada/new-brunswick/senior-home-rural-nb-1.4069723>

<sup>16</sup> Ibid



- 2) Review other immigration programs such as Express Entry and Ontario Immigrant Nominee programs to provide more opportunities for unskilled and lower skilled occupations in demand with priority given to rural communities.
- 3) There is a need to carry out in-depth analysis and case studies on how we can support immigrants to move into small town/rural communities.
- 4) Continue to build on technology infrastructure to support business growth in rural communities. E.g., SWIFT.
- 5) Invest in training for key large industries and individual businesses to support their maintained commitment to employment in rural communities.
- 6) Many organizations and initiatives supporting workforce development are funded on a year to year basis. This does not allow for longer term investment in, or development of, creative and constructive ways to address long term rural workforce development priorities. Consideration needs to be given to longer term funding cycles for programs such as LIPs and organizations like Workforce Planning Boards.

## APPENDIX 1: WORKFORCE DEVELOPMENT INITIATIVES

The following is a selection of examples of initiatives which illustrate the diversity of projects that are responding to rural labour force challenges. It is by no means exhaustive or encompassing and reflects my knowledge and experience arising from my work as an Executive Director for a particular Workforce Planning Board. What is encouraging is the range and innovation among collaborating agencies to tackle these long-term complex issues that have no single solution.

The following are just a sample of some of the types of innovative initiatives currently being implemented across the province to support workforce development in rural communities. These initiatives are led by many different organizations however the planning board area in which these initiatives is taking place is listed in brackets as the contact for information.

### Encouraging Immigration

Immigration will be a key factor to the employment success and growth of rural communities. As the majority of immigrants first settle in larger urban areas, it will be increasingly important to showcase available opportunities and lifestyle options in rural communities. Those communities which currently welcome Foreign Temporary Workers may be at the right place and time to take advantage of any new policies and programs which would change the way these workers are allowed to remain within Canada. For example, allowing FTWs to become eligible for permanent residency after a specified period of time, perhaps 2-3 years, would allow them to move on to other opportunities within the community they are familiar with and allow others to take their place in the FTW pipeline. This would be of benefit to many industries.

As communities experience lower unemployment rates due to a lack of workers, they have the potential to become less welcoming to immigrants as they perceive that there is no need as anyone currently in the community who is wanting to work is working. The perception that immigration is not needed may pose problems for some rural communities. Semi-rural/rural areas have few or no services supporting new immigrants to their communities.

### Local Immigration Partnerships (LIPs)

There are 70 Local Immigration Partnerships across Canada. 30 of these LIPs are in Ontario with 5 of these covering Toronto. Funded by Immigration, Refugees and Citizenship Canada (IRCC). 12 LIPs cover non-metro Ontario communities/counties. These are:

Chatham-Kent	Renfrew & Lanark
Five Eastern Counties	Sarnia Lambton
Huron County	Sault Ste. Marie
North Bay	Smiths Falls
Oxford	St. Thomas-Elgin
Quinte	Timmins

“LIPs are municipal or regional coalitions designed to strengthen local capacity to attract newcomers and improve integration outcomes, as indicated by enhanced economic, social, political, and civic participation. They operate through formal agreements that establish broad-based partnership councils charged with developing and implementing strategies to produce more welcoming communities. LIP coalitions include immigrant and mainstream service providers; municipalities; federal and provincial agencies; employer associations; health organizations; ethno-cultural and religious groups; school boards; academic institutions; and other partners. As such, they are important focal points for increasing engagement and promoting strategic alignments and coordination among service providers and other institutions. The LIP initiative began operations in Ontario, and has now expanded to a number of other provinces. This site is updated as new LIPs are formed and new information becomes available. The LIP initiative is funded by Immigration, Refugees and Citizenship Canada.”

Source: Pathways to Prosperity Canada website p2pcanada.ca: Definition of LIPs.

These LIPs have developed settlement strategies and/or action plans to encourage settlement of immigrants into non-metro rural areas. Many of the issues facing these LIPs are similar across Ontario. Employment and newcomer integration are key themes including such topics as transportation, housing, access to health care and translation/language training services. Samples of goals to support settlement include e.g. “Create an awareness campaign to advance the positive aspects of newcomers joining the community”<sup>17</sup>, “Increase networking opportunities between employers and newcomers and immigrants”<sup>18</sup> and “Better assist immigrants at accessing appropriate employment”<sup>19</sup>.

## WESTERN ONTARIO WARDEN'S CAUCUS

The Western Ontario Warden's Caucus (WOWC) is made up of municipal representation from small communities across Southwestern Ontario. WOWC developed a Workforce Development Strategy in 2018 with the following Regional Workforce Planning Objectives:

- **Objective 1:** To strengthen the access and quality of labour market intelligence to address the needs of businesses and create opportunities to bring together businesses, economic developers and educators to strengthen the alignment between business needs and education programming.
- **Objective 2:** To assemble intelligence that will inform municipal business retention and succession planning activities. Included in this objective is the need to advocate for improved programming support.

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<sup>17</sup> Quinte LIP – Local Settlement Strategy & Action Plan

<sup>18</sup> Sarnia Lambton – Settlement Strategy

<sup>19</sup> 5EO LIP – Work Plan

- **Objective 3:** To improve the region's access to skilled and talented labour pool that is poised and positioned to respond to changing economic conditions.

The WOWC Economic Development Committee, in partnership with Workforce Planning West, held a Conference in December 2018 to discuss workforce development issues. A follow-up conference, Growing Your Workforce will be held in Stratford in October 2019 to highlight successful initiatives to address workforce challenges, some of which are featured in this paper.

**Targeted short-term training plus subsidized work placement programs for the following:**

- At-risk youth (Eastern Ontario Training Board (EOTB))
- persons with disabilities (EOTB)
- manufacturing sector (EOTB, Workforce Planning Board of Grand Erie (WPBGE), Four County labour Market Planning Board (FCLMPB))

**Bringing transit to rural areas**

- Huron Shores Transit project (Sarnia Lambton Workforce Planning Board (SLWPB))
- Wellington Transit Project (Workforce Planning Board of Waterloo Wellington Dufferin (WPBWWD))
- Innisfil Uber Partnership (Simcoe Muskoka Workforce Development Board (SMWDB))

**Talent Attraction & Retention**

- Working in Grand Erie (WPBGE)
- Live and Work Wellington (WPBWWD)
- Talent Attraction Initiative (WPBWWD)
- Using social media to promote entry-level opportunities with targeted manufacturers (EOTB)
- Manufacturing Workforce Strategy (Centre For Workforce Development (CFWD), WPBWWD)

**Youth Retention**

- North Wellington Youth Connections (WPBWWD)
- Experiential Learning Fair & Employer Participation (Workforce Planning Board (WPB))
- *(six Nations initiative – details required)*

**Indigenous People**

Indigenous communities represent an important part of rural communities. Efforts to address system employment and education barriers are underway.

The new SN Polytechnic (SNP) facility in Brantford - SNP is delivering high school STEAM programs, technical training for women, and skilled trades training for industry and residents of Six Nations, Brantford and surrounding area.

**Entrepreneurship**

- Launchit Minto (WPBWWD)

## **Bruce, Grey Huron & Perth (2019)**

### **Proposed Research: Understanding Workforce Mobility**

#### **Four County Labour Market Planning Board**

The struggle for workers means that the Four County area needs to pay close attention to its viability as a place to live and work. This can be accomplished by examining Four County's workforce mobility characteristics and trends, as it speaks to the ability to attract workers as well as the propensity to lose workers.

Workforce mobility can be examined from two perspectives: movers and commuters.

The proposed research will analyze mover and commuter data for each County.

#### **Huron County Workforce Attraction and Retention Strategy (WARS)**

- #1 challenge is to ensure there are enough workers
- Overall goal is to add 500 people to the workforce

Huron County's plan uses a five pronged approach. A couple of examples are provided of activities proposed under each pillar as follows:

1. Prepare the Community
  - a. Support Diversity/Cultural Sensitivity
  - b. public awareness
2. Attract People
  - a. Newcomer attraction materials
  - b. We want you back campaign
3. Hire People
  - a. Regional Job Fair attendance
  - b. Employer round table
4. Settle People
  - a. Housing research
  - b. Realtor roundtable
5. Retain People
  - a. Social events for recent immigrants
  - b. First impressions survey

There are many other useful ideas for activities suggested under each of the five pillars. For more info

<https://www.ontarioswestcoast.ca/wp-content/uploads/2018/04/Huron-County-Workforce-Attraction-and-Retention-Strategy-2018-2020-V2-1.pdf>

The objective of the **Minto Alumni Attraction Program** is to bring back community expatriates who grew up in Minto, moved away, but still have an affinity for the community. For more info [www.comehometominto.ca](http://www.comehometominto.ca)

The program is designed to reach out to these expatriates and remind them of the benefits of living in Minto (access to family and friends, safety, lower cost of living...) so that they will be inspired to 'repatriate'. The model is shown below:

Audience Profile	Message
<p><b>Tier 1:</b></p> <p>High school alumni who left Minto</p> <p>People who “grew up” in Minto</p> <p>Aged 30+</p> <p>Community members: parents: teachers and friends – as a channel</p>	<p><b>Tier 1:</b></p> <p>Emphasize returning to family &amp; friends</p> <p>Nostalgic – memories of “home”</p> <p>Perfect place to raise a family with the ability to do business globally</p> <p>A refuge from the city</p>
<p><b>Tier 2:</b></p> <p>Minto youth in College/University</p> <p>Current high school students</p> <p>Aged under 30</p> <p>High school parents</p> <p>Guidance counsellors</p> <p>School teachers (Arts/Business programs)</p>	<p><b>Tier 2:</b></p> <p>Consider Minto a place where you can come back to when you’re ready to start a family</p> <p>Go and experience new things, we will always be here for you when you’re ready to return.</p> <p>If you are looking to open your own business, it might be cheaper to do it from home or in a rural area.</p> <p>It’s much easier to get customers where you know people.</p>

## **Research - Beyond the GTA: Making Immigration Work for All of Ontario, Toronto Workforce Innovation Group (TWIG) 2019**

### Key Facts Uncovered in the Research

There are still many real and perceived barriers that face immigrants in locating to a non-urban environment and part of a way to address this is information.

There is some evidence that newcomer immigrants will better integrate and have sustainable jobs with improved earning trajectories in rural/remote and small-town communities than if they were in the urban setup. TWIG encourages ongoing research on the challenges and opportunities of labour mobility through the lens of educational attainment of the newcomers.

Immigrants will respond to economic signals when they become aware of them. Willingness to relocate significantly increases with an opportunity to earn higher wages, added job security or an offer of a job more related to the training/education received by the recent immigrant.

Of those who were willing to relocate, the majority preferred larger communities. In other words, the higher the degree of rurality the less likely the recent immigrants would move in that area, indicating that a major determinant of relocation is the level of urbanization of the exact area of move. However, this requires further exploration.

Given the economic imperative to combat aging population, falling birth rates and rising out-migration from the small town/rural communities, there is a need to carry out in-depth analysis and case studies on how we can support immigrants to move into these communities.

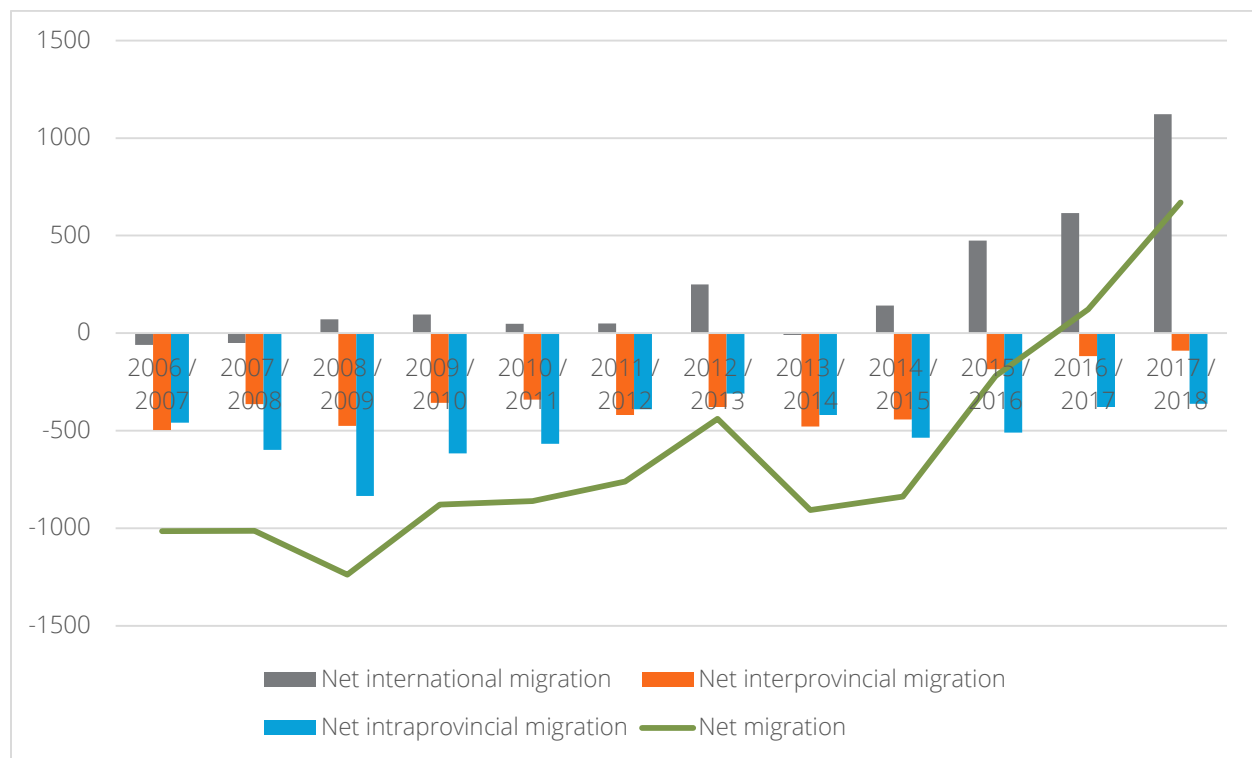
For more info <https://drive.google.com/file/d/1aTJrjfSxQFpB1lveh5IXPrmtPAs7aMC/view>

# Northern Perspective: Workforce Development in Rural Ontario- A snapshot

Amanjit Garcha

Labour market participation is crucial for the economic viability of communities. In her paper, Simpson observed the top workforce development concern was found to be shortages in the labour market. She notes there is an “inability to retain the existing working age populations between the ages of 25-44 years” within rural communities. A similar trend can be observed across districts in Northern Ontario. Looking specifically at those aged 20 to 29, there is significant out-migration in Northeastern and Northwestern Ontario (Fig.1 and 2). In recent years, positive net migration can be observed in Northern Ontario, primarily from more international migrants moving to the region than those leaving.

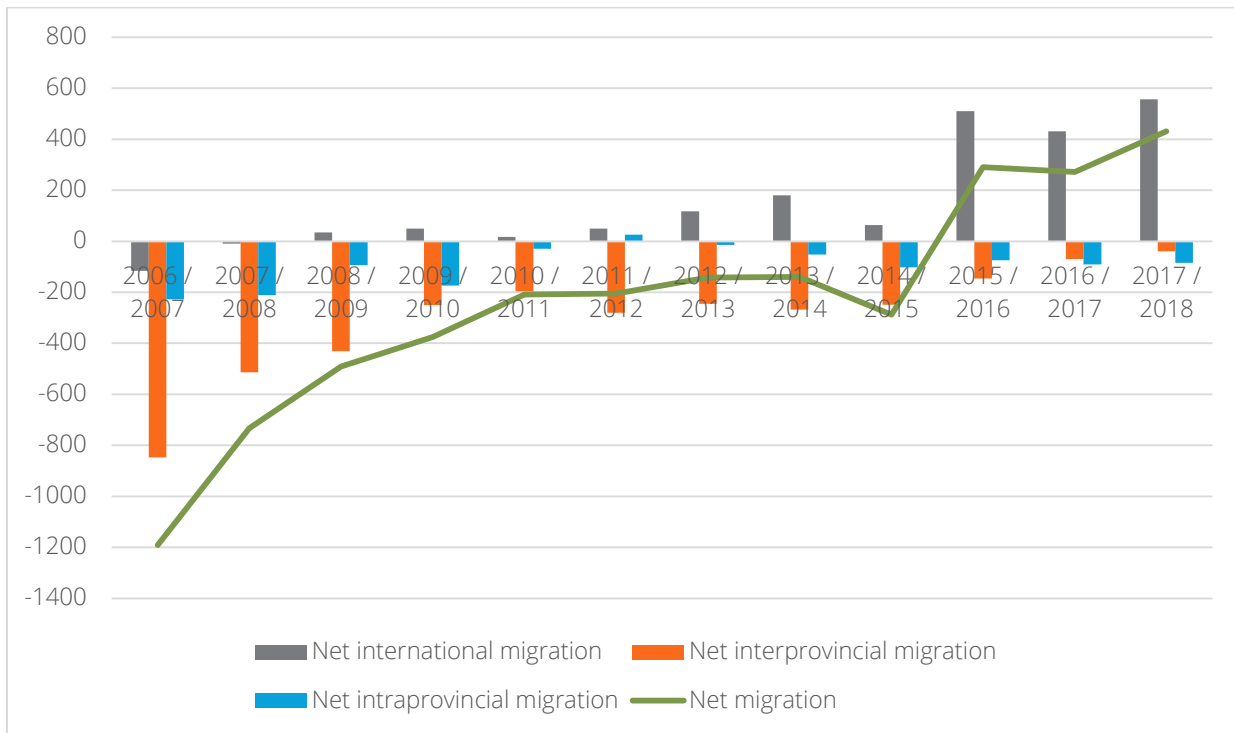
**Figure 1: Net Migration, 20-29 Age Group, Northeastern Ontario, 2006-2018**



Source: Statistics Canada, table #17-10-0138-01, Author's calculations (2019)



**Figure 2: Net Migration, 20-29 Age Group, Northwestern Ontario, 2006-2018**



Source: Statistics Canada, table #17-10-0138-01, Author's calculations (2019)

Like the rural communities elsewhere, a declining population is a significant concern within northern communities. Northeastern and Northwestern Ontario observed a rising population during the 1980s and 1990s followed by a decline in population during the 21<sup>st</sup> century. Two major causes have been noted for this decline: out-migration by youth and a fertility rate below the generational replacement rate (Moazzami, 2019). The result is a population comprised of fewer young people to replace the current aging workforce.

As with the rural communities an aging population is a major concern in the north. "Northern Ontario's population is also expected to experience a large shift in its age structure, with the share of seniors in the population there becoming the highest in Canada by 2041" (Zefi, 2018). This is concerning because there will be a greater number of dependents while the number of working individuals who will be supporting the economy declines (Zefi, 2018).

As Simpson notes, immigrants can help to fill the gap in the workforce left by the aging population, falling birth rates and out-migration in rural communities. This is also true for northern communities. In 2016, the labour force participation in Northern Ontario by immigrants was higher than the non-immigrant population apart from Manitoulin (Zefi, 2019b). This is indicative of the potential for increased labour force participants given that immigrants participate in the labour force at higher numbers. Immigrants in northern communities are at an added advantage as they

generally have a higher median income than those immigrants who settle in high-density immigration hubs such as Toronto (Zefi, 2019b).

Investments need to be made in immigration attraction and recruitment programs in the north to provide Northern Ontario with opportunities to benefit from immigration as Southern Ontario has. In her Northern Attraction series Christina Zefi demonstrated how the north lags when compared to the south in attracting newcomers. “From 2011 to 2016, Ontario welcomed 472,175 immigrants; of that number, only 3,305 people, or just 0.7 per cent of the total, came to Northern Ontario” (Zefi, 2019b). Initiatives like the Rural and Northern Immigration Pilot (RNIP) are steps in the right direction. The pilot will be a means for participating communities to attract newcomers and fill skill shortages in local economies (Government of Canada 2019).

Immigrant attraction should not focus solely on international newcomers, consideration should be given to attracting newcomers from communities across Ontario and other provinces. The marketing scheme to attract international immigrants should also be applied to attract young people from Southern Ontario and other metropolitan areas that are unaffordable for young individuals. As Simpson mentions, there is a need to bring the young back by promoting the rural and northern communities. For the north, promoting the attractive housing prices and lower shelter costs for young families among other factors will be key (Zefi, 2019b).

Another means to address the future workforce is to take advantage of what communities have to offer already. Communities in Northern Ontario are at a natural advantage as they have prominent Indigenous communities with a population that is growing. In general, the Indigenous population is younger compared to the non-Indigenous demographic. As such, the young Indigenous population will be a means to address the aging workforce. There is a projected increase in the share of the labour force represented by Indigenous workers as their non-Indigenous counterparts retire (Moazzami, 2019). Provided that the Indigenous labour force will comprise a significant portion of Ontario’s future workforce, it is necessary to invest in educational policies that will enable this demographic to meet future labour market requirements (Moazzami, 2019).

Additionally, to address the workforce shortage, it is necessary to be aware of which sectors are in demand, and which ones will be in demand in the future. In her study Simpson noted that jobs in Skill Group C were in demand across the province, which includes jobs such as industrial butchers, long-haul truck drivers and food and beverage servers. In Northern Ontario, many jobs in demand are classified as Skill Group C or D (Zefi, 2019a). Skill Group C entails intermediate jobs requiring high school and/or job-specific training while Skill Group D entails labour jobs usually requiring on-the-job training (Government of Canada 2018). Existing express entry immigration streams do not include occupations categories C and D (Zefi, 2019a). As such, programs need to be developed that focus on attracting individuals to fill the gaps in these specified industry sectors.

Overall, as Simpson suggests, a review into immigration programs is needed to match the immigrants arriving with the jobs in demand in rural and northern communities. Special attention

needs to be given to northern communities facing skill and labour market shortages as their population demographic shifts.

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