## 1 in 4 food and beverage manufacturers waiting over a year to hire critical trade roles, according to new study

Toronto, Ontario, August 23, 2022 - Ontario's food and beverage processing industry is seeking to increase education, employment opportunities, and access to qualified foreign workers as skilled trade shortages continue to take their toll on production capacity. This is according to a new study conducted by Food and Beverage Ontario and funded by the Ontario Ministry of Agriculture, Food and Rural Affairs.

The food and beverage processing industry is Ontario's largest manufacturing sector by employment. It contributed \$13.9 billion to Ontario's GDP in 2020 and is the largest purchaser of Ontario farm products. However, the industry is projecting a shortfall of 25,000 employees by 2025.

The study, which explores how the skilled labour shortage is impacting processing facilities across the province, found 82% of Ontario's food and beverage processors need, or are actively seeking to employ a skilled trades professional. These positions include critical roles such as automation technicians, millwrights, electricians, and quality control technicians.

It takes an average of 7 months to hire for the role, while a quarter of food and beverage processors note they have been waiting over a year to fill some skilled trades roles.

"The demand due to broad labour shortages has created both a loss in industry capacity and a cycle that draws existing resources to accommodate the shortage and labour turn over," said Doug Alexander, Vice President Sustainability and Government Relations at Belmont Food Group. "The more skilled trades jobs we need to fill, and the longer it takes to fill them, the more pressure is placed on current employees to keep operations running. That can lead to burnout and food production constraints, while literally turning down orders."

Due to the high demand of skilled trades people across the country, industries are competing for talent in a limited labour pool.

"The food and beverage processing industry is a highly innovative sector with tremendous career opportunities," said FBO's CEO, Christopher Conway. "Increasing awareness and education about the benefits of skilled trades and careers in the food and beverage industry—especially at the secondary and post-secondary level—is essential to addressing the sector's long term labour needs."

The report also identifies barriers to employment and potential solutions to address the short-term challenges causing current production and staffing issues. Employers say short term solutions should include increasing the industry's access to qualified foreign workers for

businesses that need to fill immediate skilled trade vacancies. The sector also encourages further investment in initiatives to leverage existing job opportunities and supercharge training and employment programs connecting employers with job seekers.

"The province has been a supportive partner in funding initiatives to connect employers with jobseekers," Conway said. "Food and Beverage Ontario's flagship workforce development program CareersNOW! is showing immense potential in engaging students and jobseekers and facilitating connections to employers, but scale up is needed to meet industry demand."

## **Ouick Facts**

- Food and beverage processing is Ontario's largest manufacturing sector by employment, with more than 125,000 people working in the industry.
- Ontario's 4,000+ food and beverage processors are the largest purchaser of Ontario farm products, accounting for the purchase of 65% of Ontario farm products.
- Ontario's food and beverage processing sector is the largest in Canada accounting for 37% of the industry's revenue in the country.
- 54% of Food and Beverage Ontario's members have discontinued products or services due to chronic labour shortages, and processors are rolling back non-core business simply to maintain core-business operations.
- Nearly 20% of Ontario manufacturing jobs are in food and beverage processing.
- 90% of processors in Ontario are small to medium-sized businesses employing fewer than 100 people.
- 25% of Ontario's food and beverage processors are located in rural communities indirectly supporting hundreds of thousands of jobs in other industries.
- 25% of the sector's workforce will retire or be in the process of retiring by 2025.

## **About Food and Beverage Ontario**

<u>Food and Beverage Ontario</u> is a not-for-profit leadership organization dedicated to advancing the interests of Ontario's food and beverage processors. The organization's focus is on the success, prosperity and growth of the food and beverage processing sector - a \$40 billion industry and a major contributor to the province's economy.

## **Media Contact**

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