
FOOD AND BEVERAGE ONTARIO
SKILLED TRADES STUDY & RECOMMENDATIONS

AUGUST, 2022

1

Skilled Trades Attraction

Identifying and addressing issues around attracting skilled trades professionals in Ontario's food and beverage processing facilities.

2

Skilled Trades Retention

Recognizing and finding solutions to challenges retaining skilled trades within the industry.



SKILLED TRADES STUDY

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FOOD AND BEVERAGE ONTARIO

INTRODUCTION FROM THE CEO

Christopher Conway

The food and beverage industry is one of Ontario's most exciting and innovative sectors. It's proudly comprised of a rich agricultural base, an educated workforce, maintains competitive costs, features an array of research and innovation opportunities, and serves a diversity of food lovers in Canada and around the globe.

Not surprisingly, the industry's prosperity, opportunity, and growth are attributed to the world-class talent and expertise of those working the frontline — from labourers to skilled trades professionals — who keep the production lines running smoothly and reliably make the high-quality food Canadians enjoy every day.

As Ontario's largest manufacturing industry by employment, food and beverage processors generate \$43 billion in revenue and contribute 2% of the provincial GDP. The sector employs 125,000 people across more than 4,000 establishments. It is also the sector's economic engine, accounting for 37% of the industry's revenue in Canada. Additionally, roughly 90% of Ontario processors are small businesses employing fewer than 100 employees. Labour supply continues to be the number one issue facing the food and beverage processing sector and poses notable challenges to the industry's future success. In fact, Food and Beverage Ontario (FBO) research indicates a projected shortfall of 25,000 full time employees, or 20% of the current workforce, by 2025.¹

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In many cases, food and beverage processors are facing challenges to uphold operations, meet market demand, and deliver the quality products Canadians have come to expect as they grapple with the sector's expanding number of job vacancies. Today, 54% of FBO members have discontinued products or services due to chronic labour shortages, and processors are rolling back non-core business to shore up workers simply to maintain core business operations.

Well-known brands offer clear examples of just how rapid this issue is developing. Prior to the pandemic, Brampton's Maple Lodge Farms faced just 50 job vacancies at their establishment. Today, it is facing 210 unfilled positions or 20% of the location's workforce. The shortage is causing a domino effect, placing additional stress on the remaining workforce, leading to burnout and further job vacancies. Maple Lodge Farms has already discontinued roughly 10% of their product line as a result. And unfortunately, the results of FBO's Skilled Trades Study indicate this is a widely shared experience among Ontario's food and beverage manufacturers. Skilled trades, which include the following occupations, represent approximately 10% of the industry's workforce:²

- HACCP technicians
- Maintenance technicians
- Electro-mechanical technicians
- Food production managers, millwrights
- Food tech and system leaders
- Automation technicians

The sector's severe labour shortage is not sustainable.

For regular Ontarians, inflation exacerbated by the sector's labour shortage is making it difficult to keep food on the table. A 2022 Angus Reid poll shows that 57% of Canadians reported having a difficult time feeding their family recently — an increase from 36% when the question was last asked in 2019.³

In many ways, these challenges are similar to the pressures Canadian businesses, large and small, are facing across the country. According to the Business Development Bank of Canada, 64% of Canadian businesses report labour shortages are limiting their growth. Additionally, 55% of Canadian entrepreneurs say they are struggling to fill vacancies.⁴

With specific regard to the province's skilled trades, the demand is ever growing. Between July and September 2021, there were more than 330,000 unfilled jobs in Ontario, many of which are in the skilled trades.⁵ The province predicts that one in five jobs will be in the trades by 2025. And, while it is also critical for the food and beverage manufacturing industry to attract and retain highly-valued general labour positions, data suggests that the need to replace retiring workers is greater for trades workers than other occupations. In 2016, nearly one in three journeypersons in Ontario were aged 55 years or older.⁶ An estimated 61,760 workers in a Red Seal trades are projected to retire in Ontario over the coming decade.⁷

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The industry has long been partnering with Ontario to bolster talent attraction and workforce development in order to address what many processors consider to be a transient skilled labour emergency. Food and Beverage Ontario's work, including the many employment and training initiatives delivered through FBO's CareersNOW! program, offer flexible and effective platforms that may be ramped up to alleviate the industry's current and projected demand for skilled workers. FBO's programs are informed by Food and Beverage Canada's People, Careers & Workforce Planning model, which identifies six key elements of a healthy food and beverage labour force. The model ensures a better understanding of the structural issues impacting workforce planning and the labour environment for food and beverage manufacturers. The model illustrates the interdependency of the six key elements that impact the development and retention of a strong workforce. Through this model and the input from Ontario's food and beverage processors participating in this study, FBO has developed a series of recommendations to address the industry's skilled trades crisis.

These recommendations are included in the Findings section of this report. I would also like to extend my gratitude to participating food and beverage processors for their time and collaboration with the association. This report is only made possible through their engagement.

CHRISTOPHER CONWAY, LLB, MBA
Chief Executive Officer,
Food and Beverage Ontario

ABOUT ONTARIO'S FOOD AND BEVERAGE INDUSTRY

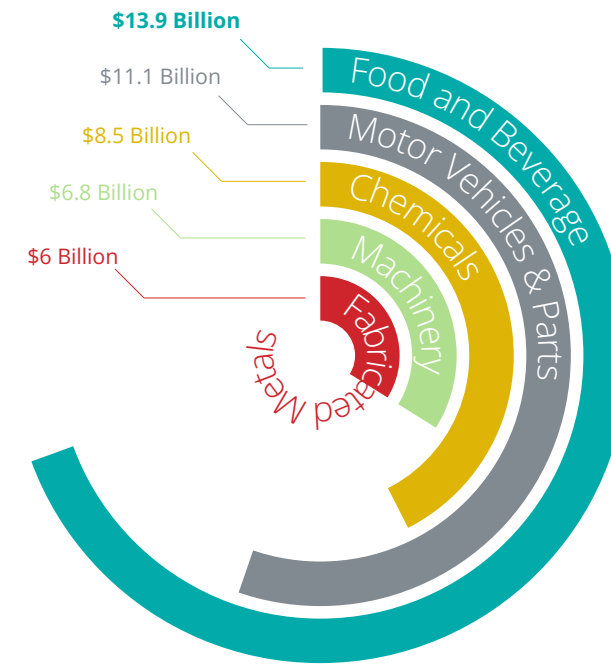
Ontario's food and beverage industry is the largest in the country, and the third-largest in North America. The sector is the largest manufacturing employer in the province, and employs 105,000 Ontarians as of 2020. 90% of processors in the sector are small businesses, employing fewer than 100 employees, while 25% of processors operate in rural communities.

The food and beverage industry is the largest contributor to gross domestic product (GDP). Its processors contributed \$13.9 billion to the GDP in 2020. The sector is also vital to a wide array of adjacent industries, including Ontario's agriculture industry. The province's more than 4,000 food and beverage processors account for the purchase of 65% of Ontario farm products. These vital ingredients allow processors to produce high-quality food products for domestic and global demand, including bread, frozen vegetables, packaged salads, sausages, beef, chicken, lasagnas, pizza, cookies, candies, alcoholic and non-alcoholic beverages. The three top sectors in Ontario are bakery, meat and beverage processing.

The industry is experiencing a chronic labour shortage that extends to both general labour and skilled trade positions. The industry is projected to face a shortfall of 25,000 vacant positions by 2025.



ONTARIO'S MANUFACTURING GDP BY SECTOR (TOP 5)⁸



Ontario Chamber of Commerce, Filling the Talent Gap in Ontario's Food and Beverage Manufacturing Sector

“**Ontario's Top
Manufacturing
Sector Employer**”

**125,000+
Employed**

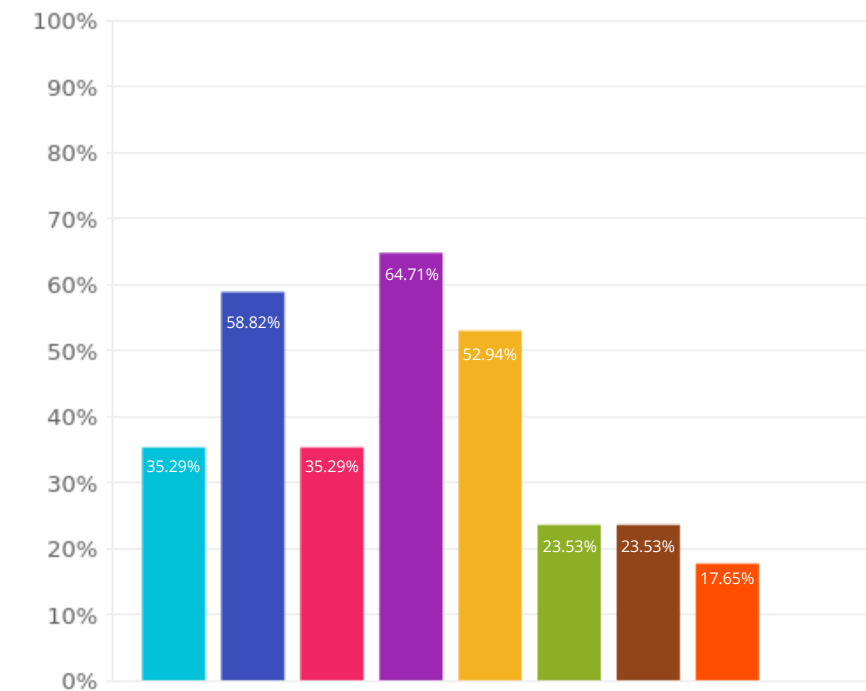
INDUSTRY SUBSECTORS



KEY FINDINGS ATTRACTION

Food and Beverage Ontario

“Are you currently seeking to employ any of the following skilled trade positions?”



- HACCP technicians (Ex: HACCP Coordinators or QA/QC Technicians)
- Food production managers (Ex: Production Supervisors / Managers)
- Food tech and systems leaders (Ex: Continuous Improvement Managers / Six Sigma)
- Maintenance electricians (Ex: Certified Electrician (Production / Maintenance))
- Millwright
- Automation technicians
- Electro-mechanical technicians (Maintenance Supervisors / Managers)
- I'm not seeking to hire any Skilled Trades positions at this time
- Other (Please specify)

FINDINGS

- 82% of Ontario food and beverage processors are in need of and actively seeking to employ a skilled trades professional.
- Maintenance Electricians are the most in demand. Roughly 3 in 5 processing facilities are seeking to hire for the position.
- Followed by Food Production Managers (59%) and Millwrights (53%).

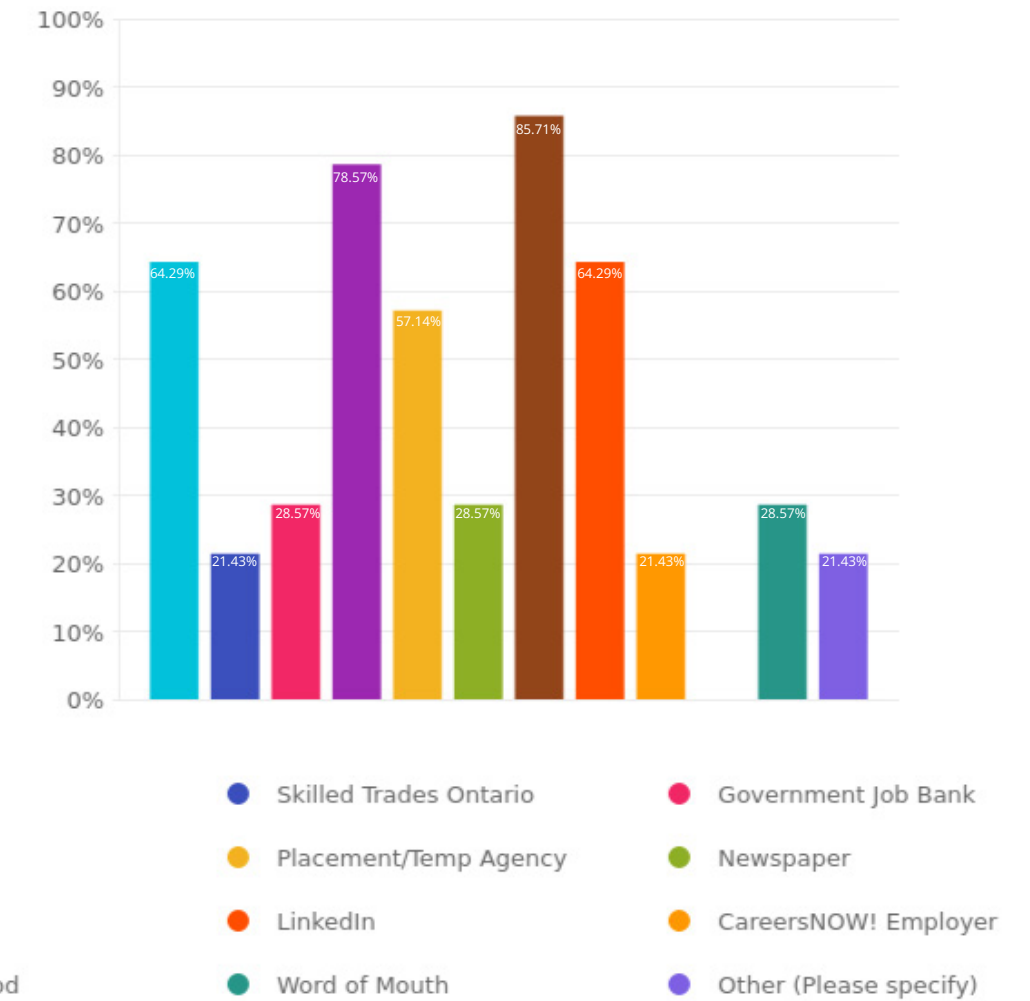
FBO RESOURCES CAREERSNOW! JOB FAIRS

Food and Beverage Ontario is providing employers with access to free virtual job fairs that attract hundreds of qualified candidates.

KEY FINDINGS ATTRACTION

Food and Beverage Ontario

“What resources have you used in your search to locate a business or person in the skilled trades?”



FINDINGS

The top 5 methods of attracting or acquiring a person in the skilled trades:

- Indeed (86%)
- Local college (79%)
- Job fair (64%)
- LinkedIn (64%)
- Placement/Temp Agency (57%)

FBO RESOURCES **FREE JOB POSTING**

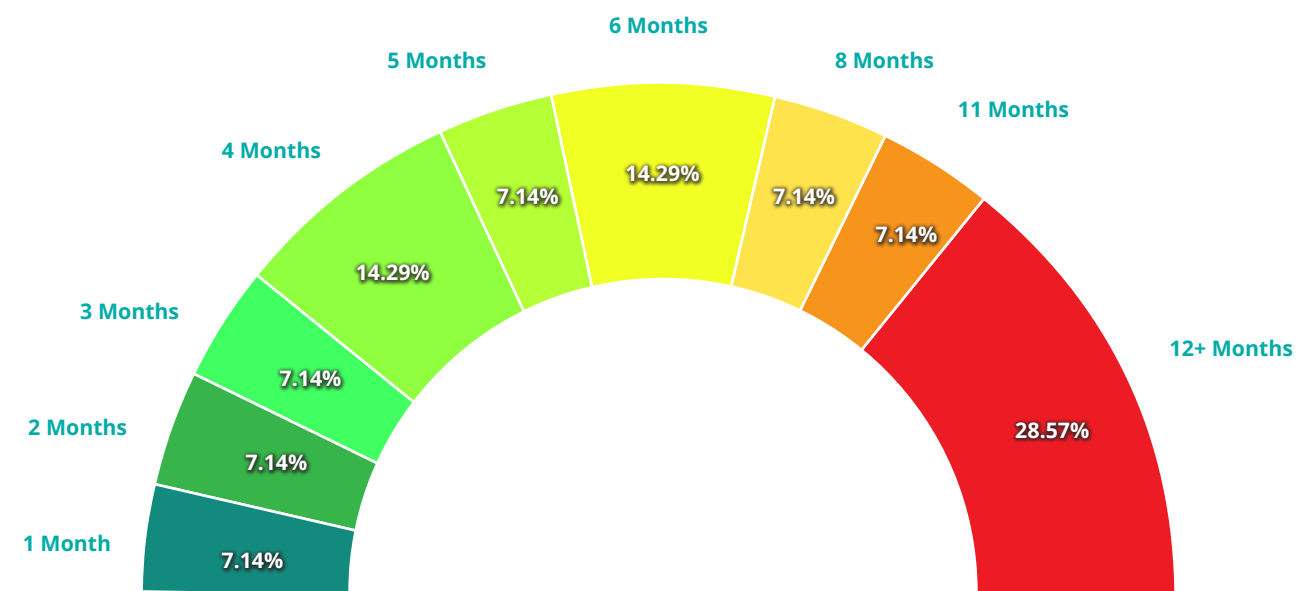
CareersNOW! offers a robust suite of resources and services to support employers in Ontario's food and beverage processing industry through CareersNOW! Employer. This includes free job postings through its employment portal, which connects thousands of job seekers to opportunities in Ontario's food and beverage industry.

KEY FINDINGS

ATTRACTION

Food and Beverage Ontario

“How many months have you been looking for a business or person in the skilled trades?”



FINDINGS

- 79% of processors have been seeking to hire a skilled trades person for more than 4 months.
- At a minimum, it takes processors an average of 7 months to acquire a skilled trades person. However, this average likely exceeds 7 months due to the responses indicating "12+" months, which FBO has conservatively calculated as 12 months.
- 29% of processors have been seeking to employ a skilled trades person for more than a year.

FBO RESOURCE

TASTE YOUR FUTURE

We recognize that any long-term solution to addressing the industry's labour gap — including its skilled trades shortage — must promote the industry and highlight rewarding opportunities with the sector.

Taste Your Future is an outreach campaign that seeks to grow the sector's labour pool by encouraging students and jobseekers to pursue rewarding career pathways to in-demand jobs at Ontario's food and beverage processing facilities.

RECOMMENDATION

RAISE AWARENESS OF THE SECTOR

FBO's Taste Your Future campaign is a proven engine for reaching targeted demographics such as woman, people with disabilities, Indigenous People, youth and New Canadians with specific industry information and job availability. This program has established social and digital marketing networks to tell the industry story and shift perceptions.

The province should continue to pursue long-term commitment to raising awareness and positive perceptions of employment in the sector.

KEY FINDINGS ATTRACTION

Food and Beverage Ontario

“Does your organization provide apprenticeship opportunities?”



FINDINGS

Food and beverage processors largely recognize the opportunities in apprenticeship training to address the province's skilled trades shortage. Of those surveyed, two-thirds of food and beverage processors provide apprenticeship opportunities.

FBO RESOURCES

WORK INTEGRATED LEARNING

Through CareersNOW! Employer, food and beverage processors can apply for access to wage subsidies of up to \$7,500 for Work Integrated Learning placements.

RECOMMENDATION

EXPAND CAREER PATHWAYS

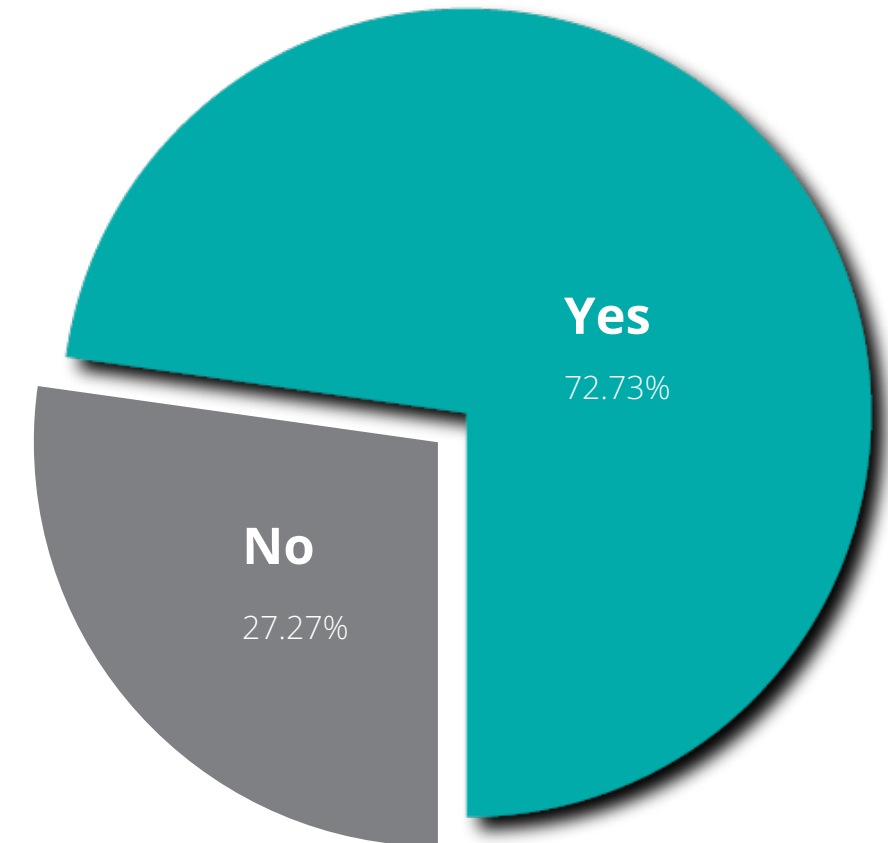
Attracting young, skilled talent and modernizing the employer workplace is critical to sector success. These employees are experienced, comfortable in the workplace, and likely to remain in the sector long-term following their training.

To encourage youth to explore the industry, Ontario should update curriculums and develop training and co-op pilots for grades 9 to 12, colleges, and universities.

KEY FINDINGS RETENTION

Food and Beverage Ontario

“Do apprentices stay with your organization upon completion of their apprenticeship?”



FINDINGS

Apprenticeships offer an effective pathway to long term employment within the sector, and apprentices typically remain with an organization after the completion of their program.

FBO RESOURCES

MENTORSHIP SESSIONS

Mentorship is a proven strategy to support individuals, especially students, in exploring career opportunities and building professional confidence.

FBO's CareersNOW! program works with industry leaders and subject matter experts to facilitate mentorship sessions that encourage students and jobseekers to explore career pathways in Ontario's food and beverage processing industry.

RECOMMENDATION

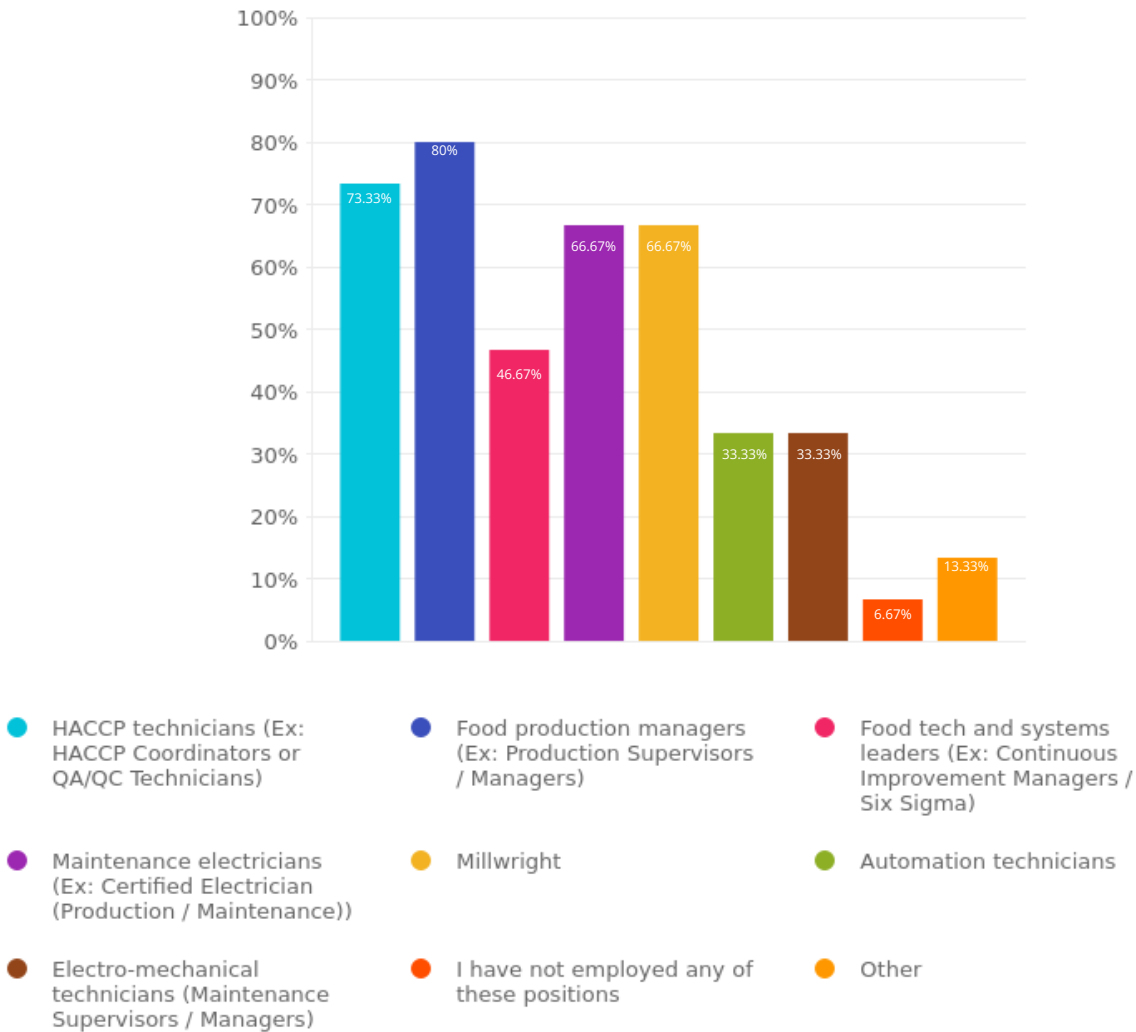
SUPPORT AUTOMATION

The rapid advancement of automation and technology has created an elevated need for skilled workers such as millwrights and mechanics.

Ontario should seek opportunities to expand dedicated skills training and micro-credential programming, specifically in the areas of automation and technology.

“

Are you currently employing or have employed any of the following positions in the past 12 months?



Q: Have you experienced challenges attracting skilled trade applicants through job fairs or awareness campaigns?

YES

100%

Of survey respondents experienced challenges attracting skilled trade applicants through job fairs or awareness campaigns.

HOW HAS THE SKILLED TRADE SHORTAGE AFFECTED YOUR BUSINESS OVER THE PAST YEAR?

The skilled trades shortage is making the difficult job of working in food and beverage processing facilities even harder.

Surveyed processors express challenges to their organization's production capacity and staff experience.

Respondents express employees are often facing increased overtime, employee leave, and fatigue/burnout.

In addition to the strain on employees, the limited access to skilled trades professionals at Ontario food and beverage facilities is leading to unplanned equipment downtime, a loss of revenue, and inefficiency germane to reduced product offerings.



“

Not having enough skilled trades puts a strain on the rest of the maintenance team having to cover general production shifts and overtime shifts. High risk of staff becoming burnt out and not getting enough time off work.

Impact on overall production due to lack of manpower. Higher overtime costs for existing technicians due to vacancies

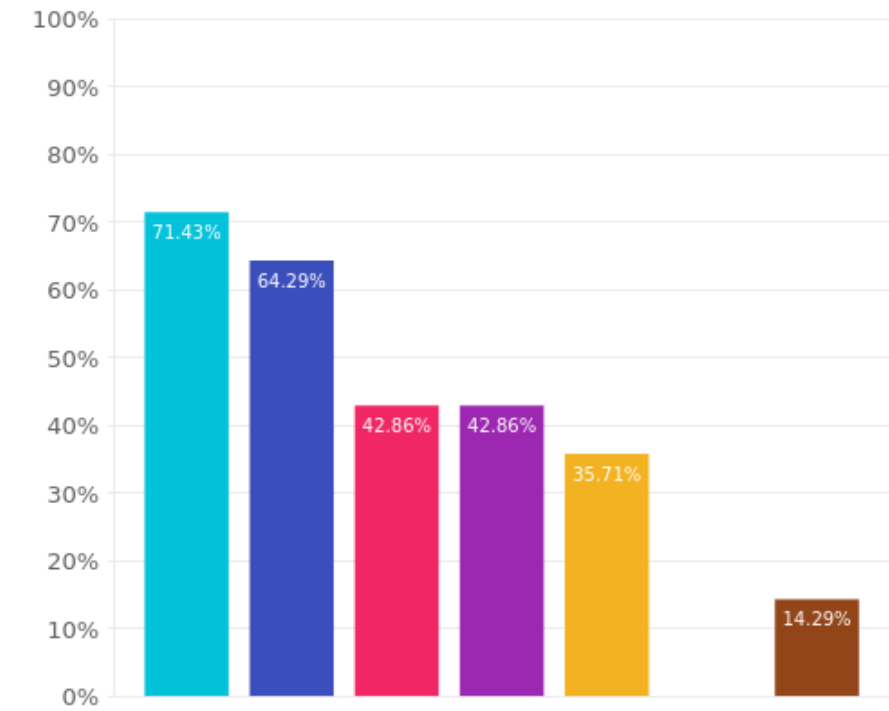
Significantly - currently have 50% of budgeted skilled trade required to operate facility.

— Survey respondents

KEY FINDINGS RETENTION

Food and Beverage Ontario

“What issues have you experienced retaining skilled trades positions?”



- Compensation
- Better job opportunities in the market.
- Not a good fit.
- Lack of growth/promotion opportunities.
- Lack of benefits (health insurance, flex hours, vacation time, child care, etc.)
- I'm not experiencing challenges retaining skilled trades positions.
- Other (Please specify)

FINDINGS

There is a clear need to increase the number of skilled trades candidates in the market as well as improve access to skilled trades professionals for remote processors outside central production hubs in the Greater Toronto Area.

Similar to skilled trades acquisition, processors offer increased education, awareness and pathways to the skilled trades within secondary and post-secondary education as potential solutions to challenges in retaining skilled trades professionals. Ideally, this would also increase the number of skilled trades available outside the Greater Toronto Area, allowing remote processors to access a local, skilled workforce.

Some processors also highlight the need to advance career development opportunities and promotion from within Ontario food and beverage processing facilities. Upskilling provides an internal pathway for businesses to grow existing staff into high-demand roles, while meeting the organization's needs for skilled personnel. The pathway also offers advancement opportunities for employees, supporting a business's workforce retention efforts.

FBO RESOURCES

HIRING COACH

FBO's CareersNOW! program offers free sessions for Ontario businesses with an expert hiring coach. These sessions support employers in recruitment and retention best practices, and creating a rewarding workplace culture for employees.

RECOMMENDATION

ENCOURAGE UPSKILLING

The industry is positioned to benefit from high-quality, specialised training solutions such as micro-credentials and co-ops that offer career advancement opportunities and rapidly align the skills of job seekers and re-trainers with the shifting needs of market demand. Specialised programs with flexible course schedules that accommodate adult learners are critical to expanding the labour market and upskilling current industry workers.

WHAT RESOURCES OR SUPPORTS DO YOU BELIEVE FBO AND THE PROVINCE CAN PROVIDE TO FURTHER ADDRESS THE SKILLED TRADES SHORTAGE?

While opinions on potential solutions to solve the skilled trades gap afflicting the sector are diverse and varied, respondents participating in the study illuminated three recurring themes:

Increase education and awareness of the food and beverage industry.

A common understanding among respondents was the long-term need for increased education and awareness about the benefits of skilled trades and careers in the food and beverage industry. Processors expressed a need to invest in programs that attract more youth into the trades and increase business's ability to hire skilled tradespersons from within their own communities. Specifically, processors believe further efforts should be made to promote education and awareness of the food and beverage industry within secondary and post-secondary institutions.

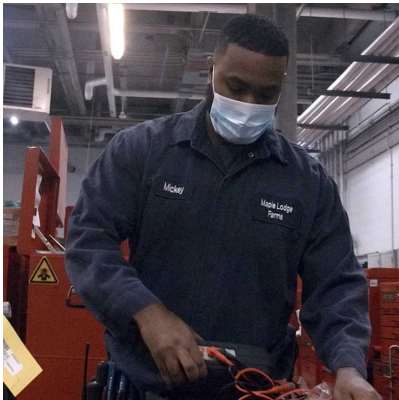
Increase employment opportunities.

Amplify existing job opportunities and supercharge training and employment programs connecting employers with job seekers.

Respondents expressed difficulty in attracting and retaining skilled tradespersons. Due to the high-demand of skilled tradespeople in Ontario, processors are not only competing fiercely to fill their skilled trade vacancies but also keep the position filled. To address this challenge, employers are seeking supports that allow businesses to upskill existing employees, build stronger connections with trainers, and better reach qualified job seekers.

Increase the industry's access to qualified foreign workers that businesses need to fill immediate skilled trade vacancies.

The industry is seeking expedient pathways to expand and increase access to the available labour pool within the province. This is often driven by an urgent need to fill existing skilled labour gaps fueling employee burnout, unexpected production downtime, and uncertainty within processing facilities. Because the need to fill specialized jobs is immediate, processors would benefit greatly from supports that increase their access to foreign and immigrant workers with existing qualifications.



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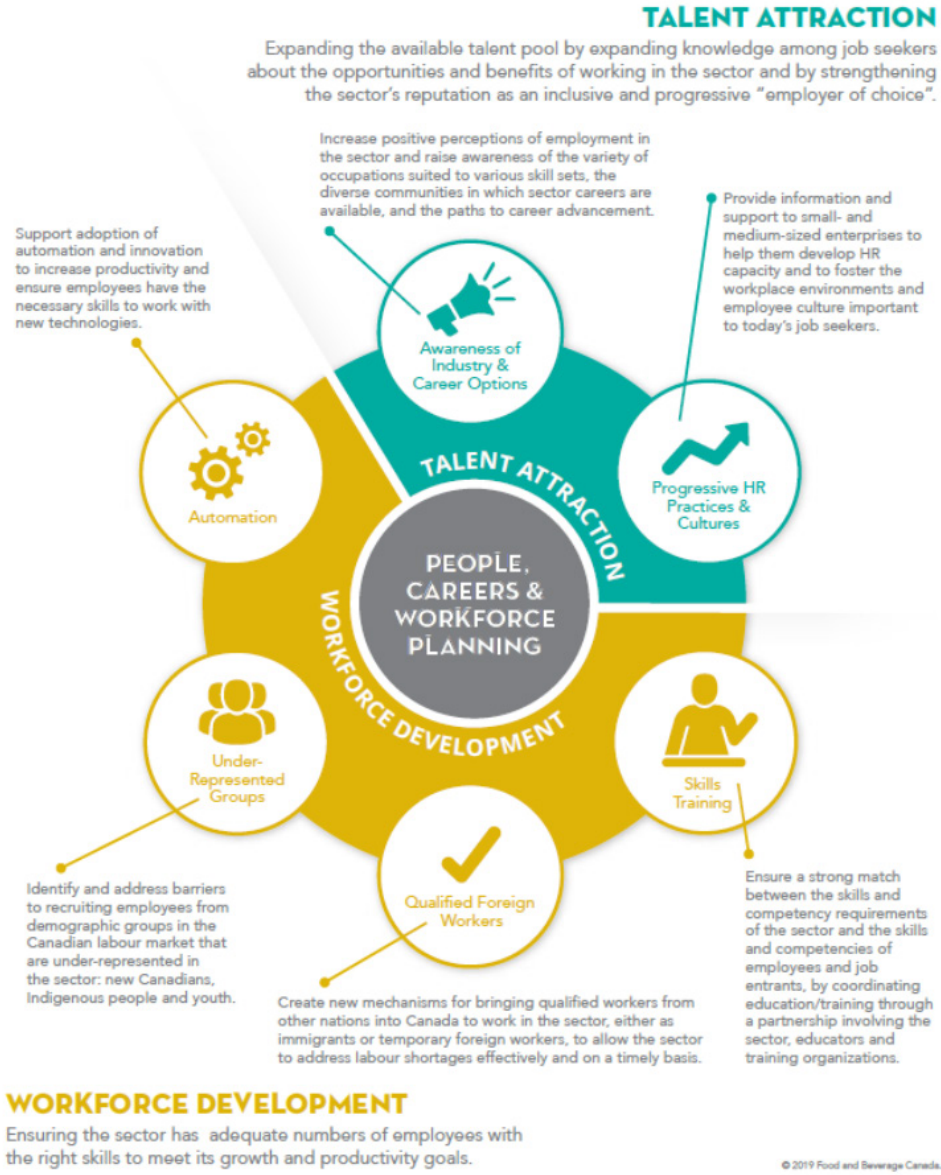
Attract more youth into trades, support in house upskilling programs for lower skilled workers into trades, make it easier to set up apprenticeship programs.

- Fast track school program
- Incentives for business's to take on more apprentices
- Incentives for young adults to get into skilled trades

International recruiting efforts. Skills upgrading.

More education / awareness in schools about benefits of skilled trades.

— Survey respondents



Endnotes

1 Ontario Chamber of Commerce. (2022, May). Filling the Talent Gap in Ontario's Food and Beverage Manufacturing Sector (No. 978-1-928052-85-2). <https://occ.ca/wp-content/uploads/FBO-report.pdf>

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