REGIONAL
SPOTLIGHT

A detailed look at the labour supply and demand in

Kings County Region
Nova Scotia

FPSC
FOOD PROCESSING SKILLS CANADA
COMPÉTENCES TRANSFORMATION ALIMENTAIRE CANADA

SECURING CANADA'S **MEAT** WORKFORCE

FPSC **FOOD PROCESSING SKILLS CANADA** **COMPÉTENCES TRANSFORMATION ALIMENTAIRE CANADA**

Canada

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SUMMARY

REGIONAL OVERVIEW

The Kings County Region is in situated in Central Nova Scotia, on the northwestern shore bounded by the Bay of Fundy and Minas Basin. Towns in Kings County include Berwick (pop. 2,509), Kentville (pop. 6,271) and Wolfville (pop. 4,195). Incorporated villages include New Minas, Greenwood, Kingston, Aylesford, Canning, Port Williams and Cornwallis Square. Meat processing in the Kings County, Nova Scotia region is focused entirely on poultry, with facilities for both processing and rendering activities.

LABOUR MARKET OVERVIEW

Regional labour market analysis suggests that after accounting for labour requirements in other sectors, regional labour supply will be just below projected meat processing employment demands in the near-term and further below in the coming decade. Supply constraints are significantly more acute among lower-skill workers in the region, potentially due to wage differentials with competing sectors. This analysis suggests the lower-skill workers that are key for many processing occupations are required from outside the region to meet labour requirements.

Regional meat employment is expected to rise from 260 workers in 2017 to 285 by 2020 before growth slows in the coming decade, reaching 325 workers by 2030. Local processors will likely need to hire 200 additional workers between 2017 and 2030, due both to industry growth and the need to replace workforce retirements. This figure does not include turnovers which can add significantly to total annual recruitment demands.

The region's population is expected to remain stable around 62,000 over the entire forecast period. Additionally, net migration is not expected to be a significant source of population change. Rising retirements will cause labour force growth to lag behind employment resulting in a decline in the regional unemployment rate from 9.0% to 6.4% by 2030.

POPULATION
62,384

LABOUR FORCE
33,022

LABOUR MARKET TIGHTNESS

The labour market tightness, a measure calculated by estimating labour requirements in other sectors in Kings County and subtracting those requirements from the total labour force estimates, reveals substantial challenges facing this industry.

	2017	2018	2019	2020	AVERAGE 2021 TO 2025	AVERAGE 2026 TO 2030
TOTAL	3	2	3	3	3	3
LOWER SKILL	3	3	3	3	3	3

1 = Meat processing employment demand is less than 50% of regional labour force at annual average employment levels
2 = Meat processing employment demand is between 50 and 100% of regional labour force at annual average employment levels
3 = Meat processing employment demand is greater than 100% of regional labour force at annual average employment level

3

HR CHALLENGES

As meat processors struggle to remain competitive and increase productivity, common challenges experienced by plants throughout the region include recruitment (especially college or university graduates), absenteeism (at a 14% rate) and coping with the impending retirement of many older, often highly trained, workers.

MEAT PROCESSING ESTABLISHMENTS

2 [1]

MEAT PROCESSING EMPLOYMENT

260 [2]

1 The number of establishments is based on 2016 data from Statistics Canada's Business Register.
2 Meat processing employment is estimated based on 2016 Census data for the Annapolis Valley economic region.

1.0 INTRODUCTION

This report is one in a series of 14 regional reports developed to provide detailed labour market information (LMI) for the meat processing industry in Canada. The regionally focused LMI is one component of a broader study undertaken by Food Processing Skills Canada (FPSC) in collaboration with the Employment and Social Development Canada, and various provincial and industry partners entitled Securing Canada's Meat Workforce: Real Challenges, Practical Solutions and Fresh Perspectives.

The overall study aims to identify the scope of human resource (HR) challenges for the meat processing sector, and compile HR best practices that would help employers meet their labour force current and future needs. One important aspect of understanding HR challenges in the sector, some of which are region specific, was to gather detailed information and profiles of areas that rely heavily on meat processing for their local economies. Fourteen regions across Canada were selected for specific focus based on the amount of processing activity, and proportion of labour force working in the industry. Kings County Region on the Nova Scotia was selected as one of these regions for detailed focus.

The initial sections of this report provide overviews of the Kings County Region, meat processing overall in the province of Nova Scotia, and specifically in the Kings County Region. This is followed by sections that provide an overview of the region's labour force, and the specific findings for the labour supply and demand, current and future. The final two report sections outline the HR challenges identified in the region and some of the promising practices and innovative solutions that employers and communities are trying to address labour supply issues.

THE STUDY METHODS USED TO DEVELOP THESE DETAILED REGIONAL PROFILES INCLUDED:

- ☑ Two robust econometric models that provide detailed quantifiable projections for both labour demand and supply at the regional level (the first time these numbers have been produced at the regional, provincial and national level for the meat processing industry);

- ☑ A broad survey of meat processing facilities (n=417) across Canada covering approximately 75 per cent of the industry workforce; and

- ☑ Qualitative information focused on themes and issues collected through site visits and interviews with plant managers, employees, unions and community stakeholders. For the Kings County Region, the study team collected information from one large poultry processing plant (over 500 employees).

REAL CHALLENGES, PRACTICAL SOLUTIONS AND FRESH PERSPECTIVES

2.0 OVERVIEW OF THE KINGS COUNTY REGION

2.1 GEOGRAPHIC LOCATION

The Kings County Region is in situated in Central Nova Scotia, on the northwestern shore bounded by the Bay of Fundy and Minas Basin. Towns in Kings County include Berwick (pop. 2,509), Kentville (pop. 6,271) and Wolfville (pop. 4,195). Incorporated villages include New Minas, Greenwood, Kingston, Aylesford, Canning, Port Williams and Cornwallis Square.
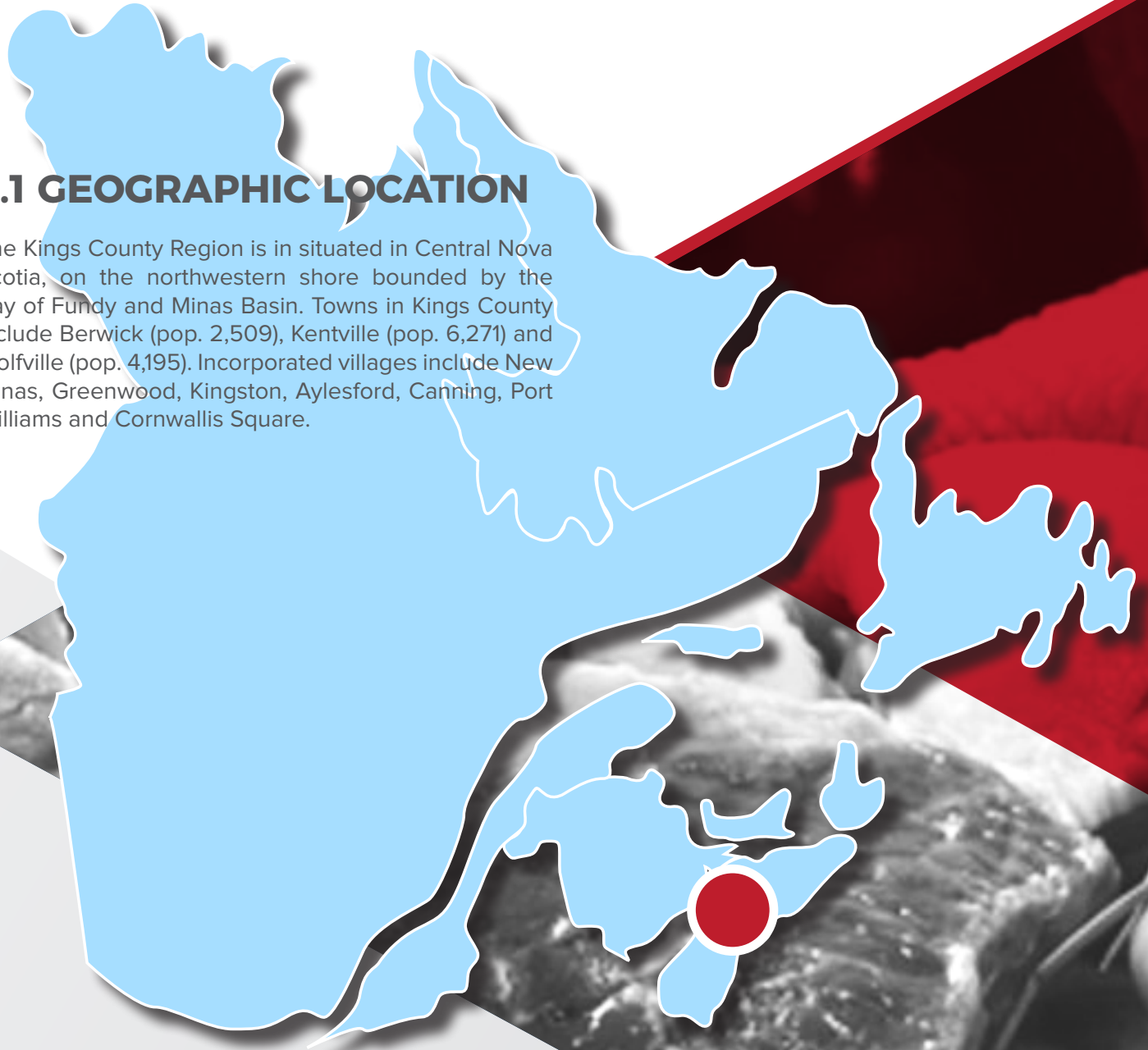
2.2 POPULATION CHARACTERISTICS

The population of Kings County Region is relatively older and is expected to remain fairly stable over the next decade. Compared to the province overall, the population has lower levels of immigrants, non-Canadian citizens, people identifying as Aboriginal (according to Census definitions) and visible minorities.

The overall population for the region in 2017 was 62,384. According to Census 2016 profiles, the proportions of immigrants (4.7%), non-Canadian citizens (2.0%), visible minorities (3.2%) and of the population that identifies as Aboriginal according to Census definitions (4.4%) are lower to those overall for Nova Scotia (see Table 1).

TABLE 1: KINGS COUNTY REGION POPULATION CHARACTERISTICS

CHARACTERISTIC	KINGS COUNTY REGION	NOVA SCOTIA
FEMALE	31,270	476,715
SHARE OF POPULATION	51.6%	51.6%
IMMIGRANTS	2,800	55,680
SHARE OF POPULATION	4.7%	6.1%
NOT CANADIAN CITIZENS	1,185	29,925
SHARE OF POPULATION	2.0%	3.3%
VISIBLE MINORITIES	1,900	58,650
SHARE OF POPULATION	3.2%	6.5%
ABORIGINAL IDENTITY	2,605	51,490
SHARE OF POPULATION	4.4%	5.7%

Source: Census 2016

According to projections, the population levels are expected to remain fairly stable with a small increase over the upcoming 13 years (62,384 in 2017 and then 62,866 by 2030). The population is currently older than other regions in Canada with the Kings County region having a median age of 46.5 years compared to the provincial median of 45.5 and a national median age of 41.2 (Census, 2016). The population will be aging over the projected time period, with the proportion of the age cohort 65 years or older rising from 21.6% in 2017 to approximately 29.4% by 2030 (see Figure 1). In addition to population growth being negatively impacted by the continued aging of the population and increased number of deaths, net migration is not expected to be a significant source of population change in the region, resulting in a small rise in population (see Figure 2).
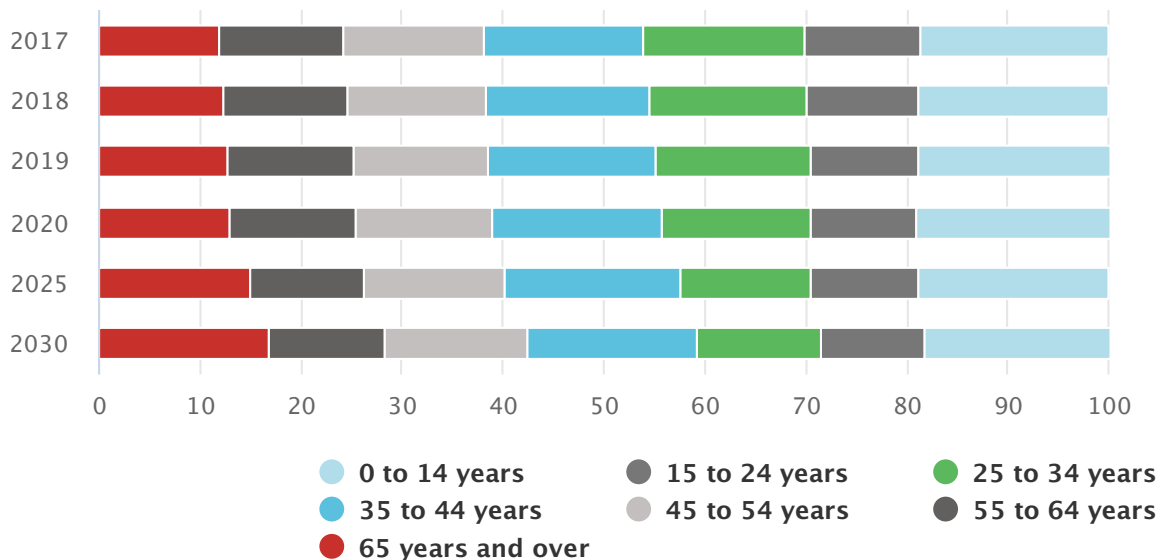
FIGURE 1: POPULATION BY AGE GROUP (%) (2017 TO 2030)

Legend:
- 0 to 14 years
- 15 to 24 years
- 25 to 34 years
- 35 to 44 years
- 45 to 54 years
- 55 to 64 years
- 65 years and over
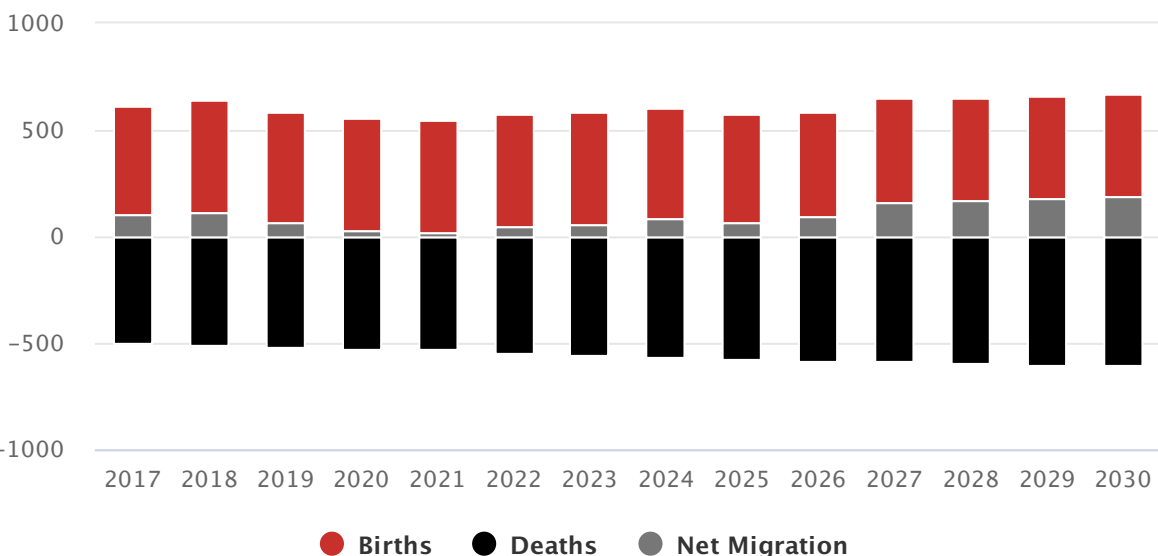
FIGURE 2: COMPONENTS OF POPULATION CHANGE (2017 TO 2030)

Legend:
- Births
- Deaths
- Net Migration

Kings County Region   Nova Scotia

Categories:
- No cert/diploma/degree
- High school diploma or equiv.
- Apprenticeship or trades cert/diploma
- College, CEGEP or other university cert/diploma
- University cert/diploma below Bachelor level
- University cert/diploma/degree
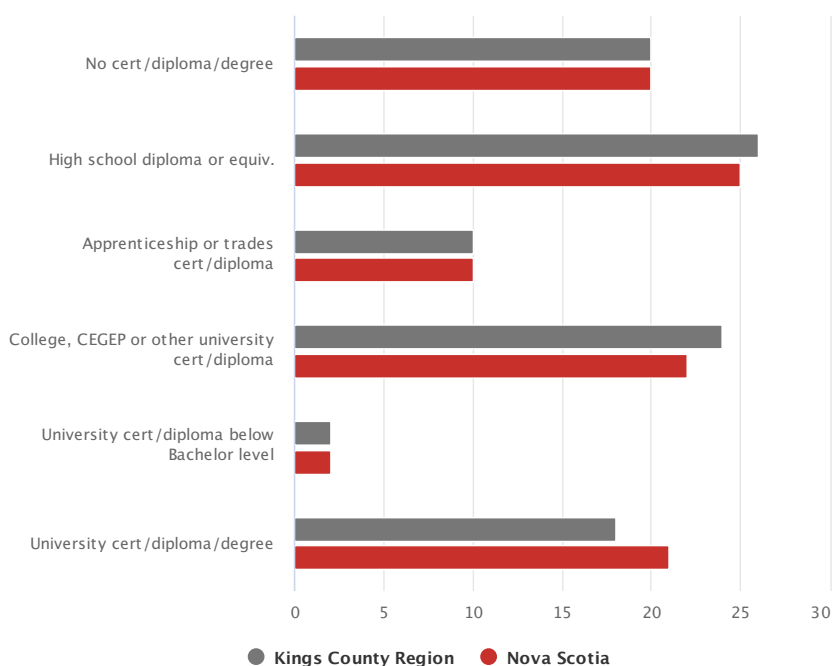
FIGURE 3: EDUCATIONAL ATTAINMENT – KINGS REGION AND NOVA SCOTIA

The overall education level of the region's residents is very similar to that of Nova Scotia overall (see Figure 3). In both the region and the province, 20% of the working age population does not have a high school diploma. In the Kings County region, 44% of the working age population has a post-secondary degree, certification or diploma, compared to 45% of the working-age population for the province overall. From interviews, it was noted that some of the main challenges in recruitments are associated with occupations requiring a post-secondary degree or a higher level of qualification than secondary school diploma. For instance, challenges finding power engineers or candidates for QA positions were highlighted.

3.0

OUTLOOK OF NOVA SCOTIA

MEAT PROCESSING
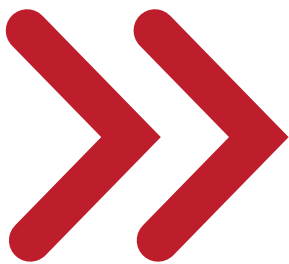
3.1 NOVA SCOTIA MEAT PRODUCT OUTLOOKS

Total real gross output (or end market-demand) for meat processing is forecast to expand 3.1% on average over 2018-21, 2.3% over 2022-26 and 2.4% over 2027-30. Overall meat consumption, however, is forecast to average -0.1% over 2018-21 to 0.0% over 2022-26, and 0.1% over 2027-30. International exports are forecast to expand at a slight pace over the projection period, averaging -0.3% over 2018-21, 1.6% over 2022-26 and 1.6% over 2027-30.

Meat of all types will benefit from the implementation of the Canada-EU CETA and the TPP with ten other Pacific Rim nations. Nova Scotia's exports to other provinces will gain from the overall rise in meat consumption in those provinces; interprovincial exports are forecast to expand at a modest rate of 0.5% over 2018-30. The provincial output will benefit from the forecasted slow pace of import growth, which leads to a growing real trade balance. Interindustry demand is reliant on the demand for meat products by other industries, particularly other food processing industries, it is forecast to average 2.9% over 2018-21, and 2.0% over 2022-25 and 2.1% over 2026-30.

TABLE 2: NOVA SCOTIA PREPARED MEAT END MARKET GROWTH (ANNUAL AVERAGE % CHANGE

END MARKET	2013-2017	2018-2021	2022-2026	2027-2030
Consumption	-1.0	-0.1	0.0	0.1
International Exports	28.9	-0.3	1.6	1.6
Interprovincial Exports	0.0	0.5	0.5	0.5
Interindustry Demand	0.9	2.9	2.0	2.1
Imports	-0.2	0.2	0.2	0.2
Total End Market Demand	3.4	3.1	2.3	2.4

3.2 MEAT PROCESSING EMPLOYMENT OUTLOOK FOR NOVA SCOTIA

Meat processing employment is expected to rise by 5.9% between 2017 and 2020, an increase of roughly 40 jobs from 680. Total employment is expected to approach 800 by 2030.

Meat processing real GDP is forecast to expand by 3.0% on average over the 2018-21 period, then 2.2% on average over 2022-26 and 2.3% over 2027-30. Labour productivity (GDP per hour worked) is forecast to increase by around 1.2% on average over the projection period. This means that the needed total hours of work will rise by 1.8% on average over 2018-21, 0.9% over 2022-26 and 1.0% over 2027-30. Average hours worked per employee is forecast to decline slightly over the projection period, which leads to the total number of jobs rising by 1.8% over 2018-21, and then by 1.0% over 2022-26 and 1.1% over 2027-30.

Taking account of both replacement and expansion demands, the industry will likely need to hire just over 400 new workers, or (57%) of the current workforce over the next 13 years (see Figure 4). These hiring requirements are net numbers of new workers and do not include annual hiring requirements due to turnover.

FIGURE 4: ANNUAL MEAT PROCESSING HIRING REQUIREMENTS (EXCLUDING TURNOVER), NOVA SCOTIA

● Replacement (Deaths and Retirements)
● Expansion (Change in Employment)
─●─ Total Hiring Requirement (Job Openings)
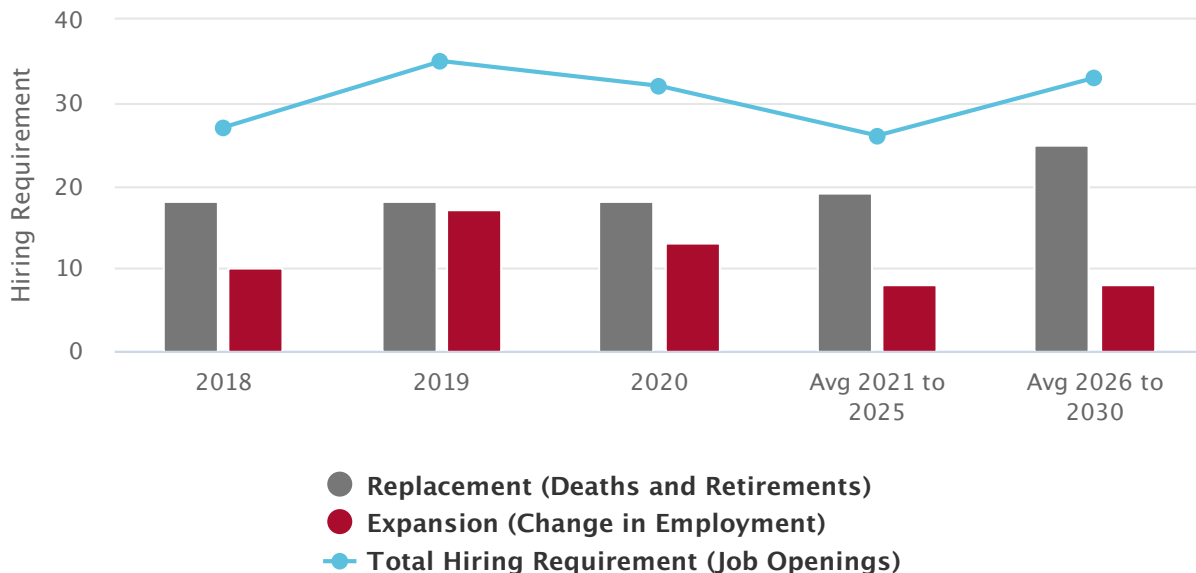
4.0 KINGS COUNTY REGION MEAT PROCESSORS

4.1 EMPLOYERS

The region hosts two processors, one of which is large.

Overall, there are two meat processing establishments in the Kings County Region[3], with a focus on poultry processing and rendering activities. As noted on the map in Section 1, there is one large establishment (between 250 and 500 employees).

THE CURRENT INDUSTRY WORKFORCE IS APPROXIMATELY 260 WORKERS WITH APPROXIMATELY 48% BEING LABOURERS AND PLANT WORKERS.

4.2 WORKERS

4.2.1 WORKFORCE SIZE & OCCUPATIONS

According to data from Statistics Canada, the estimated total number of individuals employed by the sector in the Kings County Region in 2017 was 260 (see Table 3). More than one-third of all employed (36%) were employed in occupations at the foundational level related to poultry production. Approximately 12% are employed in occupations at an intermediate skill level (NOC 9461; 9462), as general meat cutters or knife persons. This distribution was confirmed during interviews where the majority of workers are involved in production. The plant interviewed indicated that they have extensive on-the-job training for all their positions ranging from the foundational to the higher skill level occupations. While a high school diploma is often preferred, it is often not necessary to secure a starting position according to the plant and HR managers interviewed for the study.

3 Number of establishments is based on the 2016 data from Statistic Canada's Business Registrar.

TABLE 3: PROFILE OF WORKERS BY OCCUPATIONS FOR KINGS COUNTY REGION - 2017

	AVG 2017 (#)	AVG 2017 (%)
Total Employment	260	100%
FOUNDATIONAL (NOC 9617)		
Production Labourer	0	0%
Poultry Production	94	36%
INTERMEDIATE (NOC 9462; 9461)		
General Meat Cutter/Knife Person	30	12%
Machine Operator	1	0%
Slaughter Person	0	0%
HIGH (NOC 9213)		
Master Butcher	0	0%
Specialized Cutter	1	0%
SUPERVISORY (NOC 9213)		
Supervisors	21	8%
MANAGEMENT (NOC 0911)		
Management	26	10%
OTHER CATEGORIES		
Maintenance	22	8%
Skilled Trades	13	5%
Quality Control Technician	0	0%
Office Staff	23	9%
Other Occupations*	27	10%

* this includes occupations in areas such as transport, logistics, material handlers that do not fall within the main NOC codes identified above.

260 AVERAGE NUMBER OF WORKERS EMPLOYED IN THE MEAT PROCESSING INDUSTRY IN 2017
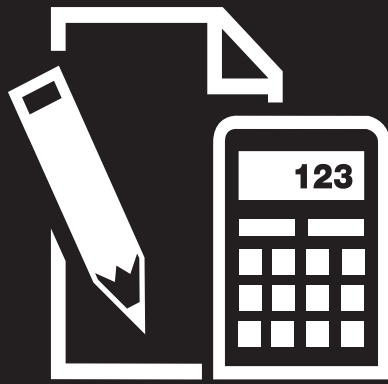
4.2.2 WAGES

Median hourly wages for labourers in food processing in the Kings Country Region are at the same level as the provincial average, and higher than some other C and D level occupations available in the region.

The median hourly wage for labourers in food processing (NOC 9617) in the Kings Country region of Nova Scotia in 2017-18 was $14.00/hour (see Table 4), which is equivalent to the provincial median wage rate for these occupations. To provide some context, the minimum wage in Nova Scotia in 2017 was $10.85/hour. When compared with other C&D Level Occupations in the same region, the median wages for labourers in food processing were generally higher by approximately $2.00 to $3.00/hour.

TABLE 4: WAGE LEVELS FOR SELECTED OCCUPATIONS - 2017 ($/HOUR)

	Low Wage (10th percentile)	Median Wage (50th Percentile)	High Wage (90th percentile)
Labourers in food processing (NOC 9617)			
Annapolis (NS)	**11.95**	**14.00**	**20.65**
All Nova Scotia	**11.95**	**14.00**	**20.65**
Halifax Region (NS)	**N/A**	**N/A**	**N/A**
Industrial butchers and meat cutters (NOC 9462)			
Annapolis (NS)	**N/A**	**N/A**	**N/A**
All Nova Scotia	**N/A**	**N/A**	**N/A**
Halifax Region (NS)	**N/A**	**N/A**	**N/A**
Other C&D Level Occupations Annapolis (NS)			
Farm Labourer (NOC 8431)	**11.00**	**12.00**	**15.50**
Retail Sales (NOC 6421)	**11.00**	**12.00**	**21.99**
Food Services (NOC 6711)	**11.00**	**11.00**	**15.72**

Source: Employment and Social Development Canada – Job Bank – Labour Market Information

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On a provincial level, the average hourly wage in food manufacturing ($15.84) is lower than other forms of manufacturing ($19.00) and lower than the average hourly wage for all industries combined ($16.76) (see Table 5). The hourly wage in food manufacturing is higher than that found in accommodation and food services ($11.56), retail ($12.09) and agriculture ($12.68), but lower than other industries such as health care and social assistance ($21.95), public administration ($20.71) and construction ($18.21).

TABLE 5: AVERAGE HOURLY WAGE – NOVA SCOTIA, 2016-2017 – ($/HOUR)

	Avg. hourly wage
All industries	$16.76
Food Manufacturing	$15.84
Manufacturing (Total)	$19.00
Agriculture, forestry, fishing and hunting	$12.68
Accommodation and food services	$11.56
Retail trade	$12.09
Health care and social assistance	$21.95
Construction	$18.21
Public administration	$20.71

Source: Job Vacancy and Wage Survey Q3 2016 – Q2 2017

5.0 REGION'S LABOUR FORCE

THE REGION'S LABOUR FORCE IS APPROXIMATELY 33,022.

5.1 OVERVIEW OF LOCAL LABOUR FORCE

5.1.1 SIZE OF LABOUR FORCE, MAIN SECTORS AND WORK PATTERNS

The overall size of the labour force for the region in 2017 was estimated at 33,022 (out of a total population of 62,384). The largest proportions of the labour force for the Kings County Region work in retail trade (14%), health care and social assistance (14%), public administration (11%) and manufacturing (9% of the labour force - includes meat processing (Census 2016).

5.1.2 UNEMPLOYMENT

The average unemployment rate for the region in 2017 was 9.0%.

The unemployment rate for the region in 2017 was 9.0% on average. According to Census data, approximately 8.1% of the population in the Kings County Region 15 years or older who had income received regular Employment Insurance (EI) payments at some point in 2016.

5.2 OVERVIEW OF IMMIGRANT SOURCES OF LABOUR

Currently, recent immigrants and temporary foreign workers do not play a significant role in addressing labour supply issues in the meat processing industry in Kings Region.

The proportion of immigrants in the Kings County Region is lower when compared with Nova Scotia overall (4.7% vs. 6.1%). According to interviews with plant managers, they are not currently using the Temporary Foreign Workers Program (TFWP) to attract employees, but as they continue to expand, it would be a potential labour source to consider. The major plant in the region collaborates with the region's YMCA to hire newcomers.

5.3 OVERVIEW OF INDIGENOUS SOURCES OF LABOUR

There are currently no outreach activities to attract members of local Indigenous communities to the sector's workforce.

The Kings County Region is close to two Indigenous communities: Glooscap Nation, located approximately 50km from the large processing plant, and Annapolis Valley First Nation, located in Cambridge Station, at approximately 8km from the plant. The total population living on-reserve is approximately 240. There is a small proportion of the population (4.4% in Census 2016; 2,605 individuals) in the Kings County Region who identify as Aboriginal according to Census definitions. In interviews with plant managers in the Region, it was noted that there are no current outreach activities with the leadership of the local Indigenous communities and very few applicants for positions at the plant from these communities.

6.0 CURRENT AND FUTURE LABOUR DEMAND VS. SUPPLY

6.1 LABOUR MARKET TIGHTNESS

THERE IS CURRENTLY AN INSUFFICIENT LOCAL LABOUR FORCE TO MEET THE REGION'S LABOUR REQUIREMENTS (FOR ALL INDUSTRIES) LEAVING AN OVERALL POTENTIAL GAP. THIS TREND CONTINUES THROUGH TO 2030.

TABLE 6: POPULATION AND LABOUR FORCE OUTLOOK SUMMARY – KINGS COUNTY REGION – 2017-2030

	2017	2018	2019	2020	AVG 2021-2025	AVG 2026-2030
Total Population	62,384	62,515	62,587	62,620	62,694	62,866
Avg. Annual Change (%)		0.2%	0.1%	0.1%	0.0%	0.1%
Total Labour Force	33,022	33,085	33,022	32,974	32,476	32,466
Avg. Annual Change (%)		0.2%	-0.2%	-0.1%	-0.4%	0.2%
Total Employment	30,036	30,056	30,149	30,143	29,970	30,391
Avg. Annual Change (%)		0.1%	0.3%	0.0%	-0.1%	0.4%
Unemployment Rate	9.0%	9.2%	8.7%	8.6%	7.7%	6.4%

The model projections indicate that taking into account the trends in migration and aging, the Kings County Region will experience very little population growth within the period under study, with it remaining very stable around 62,500 (2017 to 2030) (see Table 7). Given the aging population, the labour force is expected to decrease. As a result, unemployment rates are expected to decline from an average of 9.0% to 6.4% based on increased opportunities, and a declining labour force.

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LABOUR MARKET TIGHTNESS EXPLAINED

Specifically, for this project, the analytic team developed an approach to demonstrate the "tightness" of the labour market in supplying the employment demands from meat processing in the identified regions. This was calculated by estimating labour requirements in other sectors in the region (non meat-processing labour requirements) and subtracting those requirements from the total labour force estimates. This difference results in an estimated "residual" labour force for the region from which meat processing needs to draw. Not all of the meat processing workers come from the residual pool, as the sector actively competes with other sectors for workers; however, the "tightness" measure indicates where shortages are likely occurring for not only the meat processing sector but likely other sectors drawing from the same labour supply. Using this approach, the current and future labour market tightness was calculated to determine the extent to which the region's labour force can meet the labour requirements of all sectors (both non-meat processing and meat processing).

As illustrated in Table 8 and Figure 5, the Total Meat Processing Employment (Annual Average) is higher than the Residual Total Labour Force. This suggests that there is currently (2017) an insufficient local labour force to meet all of the region's labour requirements (for all industries) leaving an overall potential gap. This trend continues all the way through to 2030.

The analysis outlined in Table 8 and Figure 6 describes the labour market context within which the meat processors in the Kings County Region are operating with respect to finding sufficient numbers of workers from the local labour supply. Within this very tight, competitive labour market, the industry employers have had some success recruiting. For example, in 2017, the meat processing industry was able to recruit and employ 260 within a labour market that had a residual total labour force of only 257. This means that the meat processing industry was likely recruiting workers from other industries and from outside the local region. While the industry did experience vacancies, these would likely have been substantially higher had it not been successful in recruiting labour external to the region, and/or competing with other industries in recruiting workers.

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TABLE 7: TOTAL LABOUR MARKET TIGHTNESS – KINGS COUNTY REGION – 2017-2030

	2017	2018	2019	2020	AVG 2021-2025	AVG 2026-2030
Total Labour Force [4]	33,022	33,085	33,022	32,974	32,476	32,466
Total Non-Meat Processing Labour Requirement [5]	32,765	32,813	32,750	32,697	32,210	32,260
Residual Total Labour Force[6]	257	273	272	277	266	246
Total Meat Processing Employment (Annual Average)	260	266	273	279	293	317

FIGURE 5: TOTAL MEAT PROCESSING EMPLOYMENT AND RESIDUAL LABOUR FORCE – KINGS COUNTY REGION – 2017-2030

● Total Meat Processing Employment (Annual Average) ─●─ Residual Labour Force
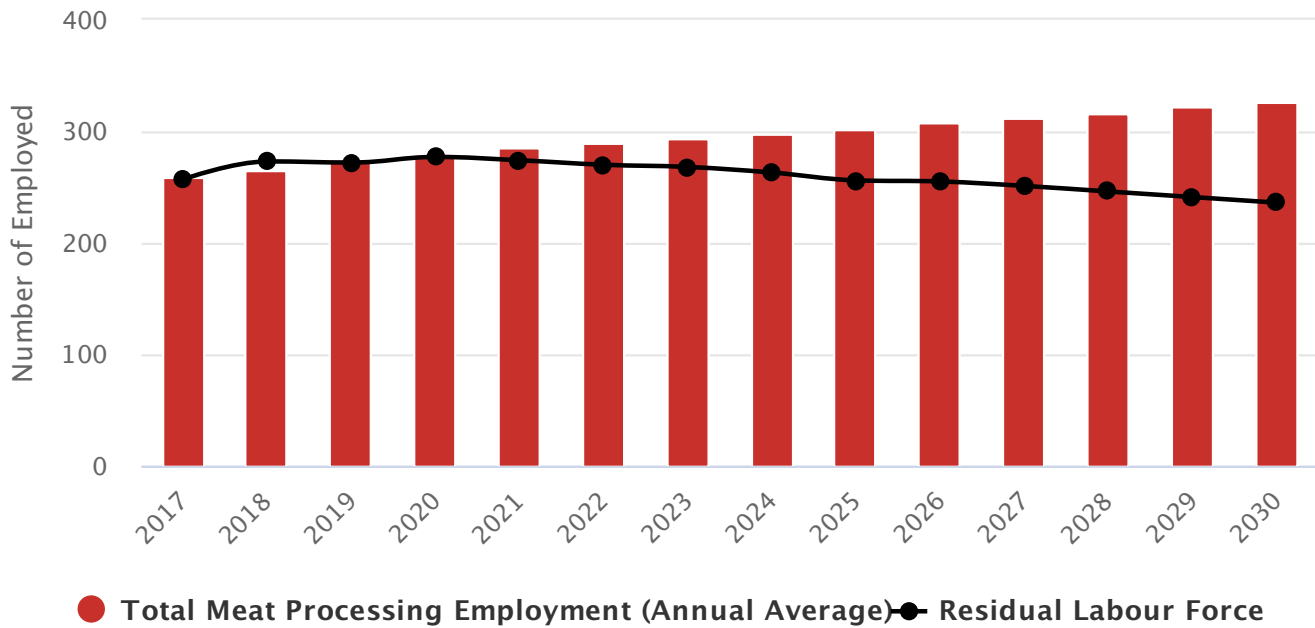
4 The labour force includes all individuals who are either employed or unemployed and actively seeking work. The unemployed would include those on regular EI claims along with those receiving other sources of income (e.g., social assistance) who are actively looking for employment.
5 Non-meat processing labour requirement consists of employment demand from other sectors with an allowance for typical levels of sector-specific unemployment.
6 The residual labour force is the difference between the labour force and the non-meat processing labour requirement.

As noted in the description of the occupations, approximately 48% of the occupations in the industry in this region are in the "C" and "D" levels which are often referred to as "lower-skill level" occupations, not requiring post-secondary education. Given much of the focus is on the lower-skill level labour force, the study also analyzed the "tightness" of the lower-skill level labour market (see Table 9 and Figure 7). The tightness of lower-skill level labour market is also high. For example, in 2017, the meat processing industry was able to recruit and employ 135 workers within a labour market that had a residual total labour force of only 23. This means that the meat processing industry was likely recruiting workers from other industries, and from outside the local region. This level of tightness suggests that many of the industries that rely on a lower-skill level labour market are also experiencing labour shortages in this region.

TABLE 8: LOWER-SKILL LEVEL LABOUR MARKET TIGHTNESS – KINGS COUNTY REGION – 2017-2030

	2017	2018	2019	2020	AVG 2021-2025	AVG 2026-2030
Lower-Skill Labour Force[7]	316,171	316,626	319,853	324,352	340,946	358,104
Lower-Skill Non-Meat Processing Labour Requirement	302,968	304,143	308,836	314,965	331,216	347,676
Residual Lower-Skill Labour Force	13,203	12,483	11,017	9,387	9,730	12,052
Lower-Skill Meat Processing Employment (Annual Average)	1,728	1,756	1,828	1,870	1,984	2,208

7   The lower-skill labour force is the portion of the total labour force with no education beyond a high school diploma

FIGURE 6: LOWER-SKILL LEVEL MEAT PROCESSING EMPLOYMENT AND RESIDUAL LABOUR FORCE
KINGS COUNTY REGION – 2017-2030

● **Lower–Skill Meat Processing Employment (Annual Average)**
─●─ **Residual Labour Force**
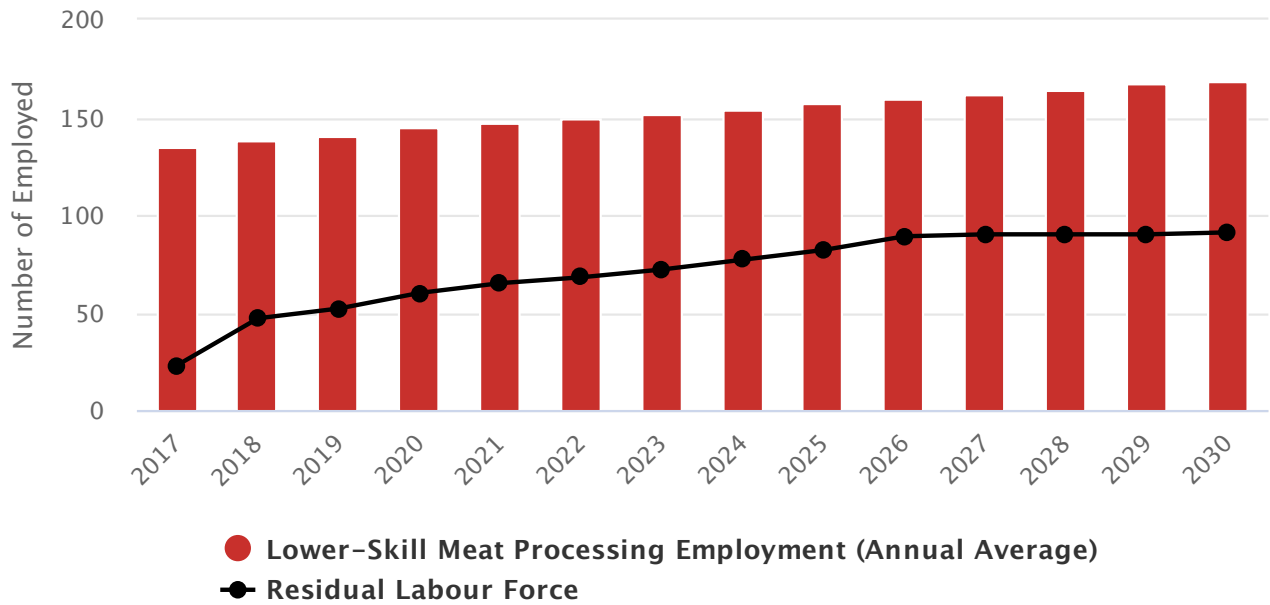
The overall summary of the labour market tightness as modelled for the Kings County Region (Table 10) demonstrates that the local labour force is unable to meet the employment requirements of employers in the area at average levels. This tightness is demonstrated for the overall labour market as well as the lower-level skill workers. This trend is anticipated to continue throughout the period of study (2017 to 2030). These results assume similar industry employment demand (e.g., no new major employers arriving or leaving the area), and no major changes in net migration patterns.

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TABLE 9: SUMMARY OF LABOUR MARKET TIGHTNESS – KINGS COUNTY REGION – 2017-2030

	2017	2018	2019	2020	AVERAGE 2021 TO 2025	AVERAGE 2026 TO 2030
TOTAL	3	2	3	3	3	3
LOWER SKILL	3	3	3	3	3	3

1 = Meat processing employment demand is less than 50% of regional labour force at annual average employment levels
2 = Meat processing employment demand is between 50 and 100% of regional labour force at annual average employment levels
3 = Meat processing employment demand is greater than 100% of regional labour force at annual average employment level

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6.2 NUMBER OF WORKERS REQUIRED

Within a very tight labour market, projections indicate that the Kings County Region employers will need to attract approximately 170 new workers to the meat processing industry by 2030. This is equivalent to approximately 67% of their current annual workforce. This requirement is due to both anticipated industry growth and replacement of anticipated retirements over this period. Unfortunately, this recruitment will be occurring within the context of a very tight regional labour market that is currently experiencing labour shortages which are predicted to continue during this period. This tightness in the labour market is contributing to the high number of current vacancies experienced by employers in meat processing (estimated at 10% in Atlantic Canada), and to some degree the higher turnover rates in the industry as workers have more employment opportunities from which to choose, particularly in the lower-skill level occupations (estimated imputed turnover rate of 39% in Atlantic Canada in meat processing industry). All of these factors contribute to the substantial challenges facing Kings County Region meat processors in their attempts to recruit enough workers to replace retirements, fill ongoing vacancies, work to address turnover rates, while also trying to grow, remain competitive and increase productivity.

Overall, it is anticipated that as of 2017, there will be a need for increased numbers of new hires, due to both industry growth and the need for replacements due to anticipated retirements and deaths among the workforce (see Table 9). Overall, this results in the need to attract approximately 170 new workers to the industry between 2018 and 2030. This equates to replacing approximately 67% of the 2017 average meat processing workforce in the region.

	2017	2018	2019	2020	SUM 2021-2025	SUM 2026-2030
Net Hiring Requirement[8]	12	13	15	14	64	67
Industry Growth	5	6	7	6	24	24
Retirements and Mortality	7	8	8	8	41	43

The employment outlook according to occupation is detailed in Table 11 (Annual Average).

8   Net hiring requirement does not include hiring required as a result of turnover (i.e. hiring workers to replace individuals who quit or are fired from their positions). The imputed turnover rate (total number of people workers hired as a share of the total number of workers) for Atlantic Canada meat processors is estimated at 39%.

TABLE 11: EMPLOYMENT OUTLOOK (ANNUAL AVERAGE) – KINGS COUNTY REGION – 2017-2030

	2017	2018	2019	2020	AVG 2021-2025	AVG 2026-2030
Total Employment	260	266	273	279	293	317
FOUNDATIONAL (NOC 9617)						
Production Labourer (including Processor, Packer, Barn Worker)	0	0	0	0	0	0
Poultry Production Labourer (including Plant Production Worker, Poultry Worker, General Labourer)	94	96	99	101	106	115
INTERMEDIATE (NOC 9462; 9461)						
General Meat Cutter or Knife Person/Poultry Cutter	30	31	32	33	34	37
Machine Operator (including Saw Operator)	1	1	1	1	1	1
HIGH (NOC 9213)						
Master Butcher, expertise in multiple cuts (includes Butcher or Lead Hand of a shift)	0	0	0	0	0	0
Specialized Cutter, expertise in one cut (including Pull tenderloin, Drop (seam) Inside Round, Lead Hand, Specialized Meat Cutter)	1	1	1	1	1	1
SUPERVISORY (NOC 9213)						
Supervisors (including Kill Floor Supervisor, Abattoir Supervisor, Production Supervisor, Raw Room Supervisor)	21	22	22	23	24	26
MANAGEMENT (NOC 0911)						
Management (including Plant Manager, Director of Operations, Sales, Kill Floor Manager, Food Safety Managers)	26	27	28	28	30	32
OTHER CATEGORIES						
Maintenance (including Janitors, Sanitation Workers, Cleaners)	22	23	24	24	25	27
Skilled Trades (including Millwright, Industrial Electrician, Truck Driver)	13	13	14	14	15	16
Quality Control	0	0	0	0	0	0
Office Staff (including Administrator or HR Manager)	23	24	24	25	26	28
Other Occupations*	27	28	29	29	31	33

* this includes occupations in areas such as transport, logistics, material handlers that do not fall within the main NOC codes identified above

7.0 OVERVIEW OF HR ISSUES ENCOUNTERED

Interviews with plant managers in the region outlined various HR issues that they have experienced in the attempt to retain and recruit an adequate labour force. While issues and challenges vary from plant to plant, these are some of the common themes that were identified and may be characteristic of this region. Main themes include:

» Recruitment

The most challenging positions to recruit for are those requiring post-secondary education. During interviews, the managers noted that they are experiencing difficulties finding engineers as well as individuals with a college or university degree for QA positions. Their preference would be that individuals for these positions have a college degree, but these are currently being filled internally.

» Absenteeism

The main issue among current workers is absenteeism, with a 14% rate or the equivalent of 35 days absent from the workplace. Absenteeism is highest on the days where more manual work is required, which is the case for days when turkey is processed as this is not as automated as other products. Compared to the number of regulated days for absences as per the collective agreement, the average number of absences is two weeks more than the regulated time. They are currently in negotiations with the union to develop a new agreement in this regard.

» Future Retirements

The main plant in the region will have 85 workers eligible for retirement over the next two years. Most of these workers are in the evisceration room which has the highest training requirements due to Canadian Food Inspecting Agency (CFIA) regulations.

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8.0 PROMISING PRACTICES AND INNOVATIONS

Employers in the region are trying various approaches to address the challenges with labour supply and retention. Some of those that were identified during interviews include:

COMPANY PRIORITIES AND CULTURE

During interviews, considerable emphasis was placed on the company culture and their demonstrated priorities in emphasizing the importance of the people as the key to success. Some of the examples included:

- Providing adequate benefits to employees (e.g., medical, dental, pension plan) and everything they need to do their work (e.g., funding for footwear).

- They offer a predictable schedule and ensure one day off per weekend as well as one single shift on Sunday.

- They provide significant training to their employees, including train-the-trainer, and have designated trainers in each production line

BUILDING A COMMUNITY AS WELL AS A WORKFORCE

There is considerable effort, emphasis and focus by the large employer on building and supporting the community within which it is located. This employer supports employees and farmers in their pursuit of volunteering and fundraising for community activities including 4H Clubs, Jumpstart, Relay for Life, SPCA, Scouts and local sports teams. This large plant is also committed to purchasing from local suppliers when possible.

FOOD PROCESSING SKILLS CANADA