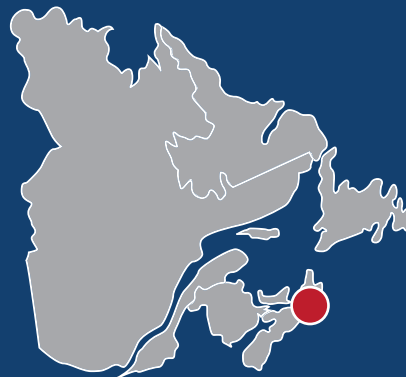


# Securing Canada's FISH + SEAFOOD Work Force

## REGIONAL SPOTLIGHT

A detailed look at the labour supply and demand in

### Richmond Region Nova Scotia



**FPSC**

FOOD PROCESSING  
SKILLS CANADA

COMPÉTENCES TRANSFORMATION  
ALIMENTAIRE CANADA



SECURING CANADA'S  
FISH + SEAFOOD  
WORKFORCE

This project was funded by the Government of Canada's Sectoral Initiatives Program.

The opinions and interpretations in this publication are those of the author and do not necessarily reflect those of the Government of Canada.

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# SUMMARY

## REGIONAL OVERVIEW

The Richmond Region is located on the East coast of Cape Breton Island in Nova Scotia. Key fishing and seafood processing towns located in the region include Arichat and Petit-de-Grat (pop. 3,150) and St.Peter's (pop. 3,796).

## LABOUR MARKET OVERVIEW

Regional labour market analysis suggests that after accounting for labour requirements in other sectors, regional labour supply is not projected to meet average or peak seafood processing employment demand in any forecast year. Supply constraints are similarly acute among lower-skill workers, potentially due to wage differentials with competing sectors. This analysis suggests significant numbers of workers are required from outside the region to meet labour requirements.

Currently, median hourly wages for shellfish/fish labourers and plant workers are slightly below the provincial average. Compared to most other lower-skill level occupations (C and D level) available in the region, median hourly wages for shellfish/fish labourers were slightly higher, while wages for shellfish/fish plant workers were lower than C and D level occupations in the region.

The region's population is expected to remain stable at 17,000 over the forecast period, with average annual growth of just 0.1%. Minimal population growth over the next decade can be attributed to low in-migration of 1,400 individuals and natural population decline (more deaths than births). Aging demographics are expected to cause the region's unemployment rate to fall from 17.6% in 2017 to below 12.0% by 2030, reducing labour availability for all employers in the region.

Seafood processing employment in the Richmond, Nova Scotia region is expected to decline slightly from 630 workers in the near-term before increasing to over 700 workers by 2030. Local processors will likely need to hire 350 additional workers between 2017 and 2030, primarily due to the need to replace workforce retirements and deaths. This figure does not include turnovers which can add significantly to total annual recruitment demands.



POPULATION  
**16,857**



LABOUR FORCE  
**8,061**

# LABOUR MARKET TIGHTNESS

The labour market tightness, a measure calculated by estimating labour requirements in other sectors in Richmond Region 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	3	3	3	3	3
LOWER SKILL	3	3	3	3	3	3

1 = Regional labour force meets seafood processing employment demand at annual average and peak employment levels

2 = Regional labour force meets seafood processing employment demand at annual average levels only

3 = Regional labour force does not meet seafood processing employment at annual average or peak levels

# 3

## HR CHALLENGES

As seafood processors struggle to remain competitive and increase productivity, common challenges experienced by plants throughout the region include ongoing recruitment and retention issues, changing catch levels and meeting EI requirements, and competition for lower-skilled labour

## SEAFOOD PROCESSING ESTABLISHMENTS



# 5<sup>1</sup>

## SEAFOOD PROCESSING EMPLOYMENT



# 630<sup>2</sup>

1 The number of establishments is based on 2016 data from Statistics Canada's Business Register.

2 Seafood processing employment is estimated based on 2016 Census data for the Southern (NS) economic region.

# 1.0 INTRODUCTION

This report is one in a series of 12 regional reports developed to provide detailed labour market information (LMI) for the fish and seafood processing industry in Atlantic 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 titled *Securing Canada's Fish and Seafood Workforce: Real Challenges, Practical Solutions and Fresh Perspectives*.

The overall study aims to identify the scope of human resource (HR) challenges for the Atlantic fish and seafood 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 fish and seafood processing for their local economies. Twelve regions across the four Atlantic provinces were selected for specific focus based on the amount of processing activity, and the proportion of labour force working in the industry. The Richmond Region in Nova Scotia was selected as one of these regions for detailed focus.

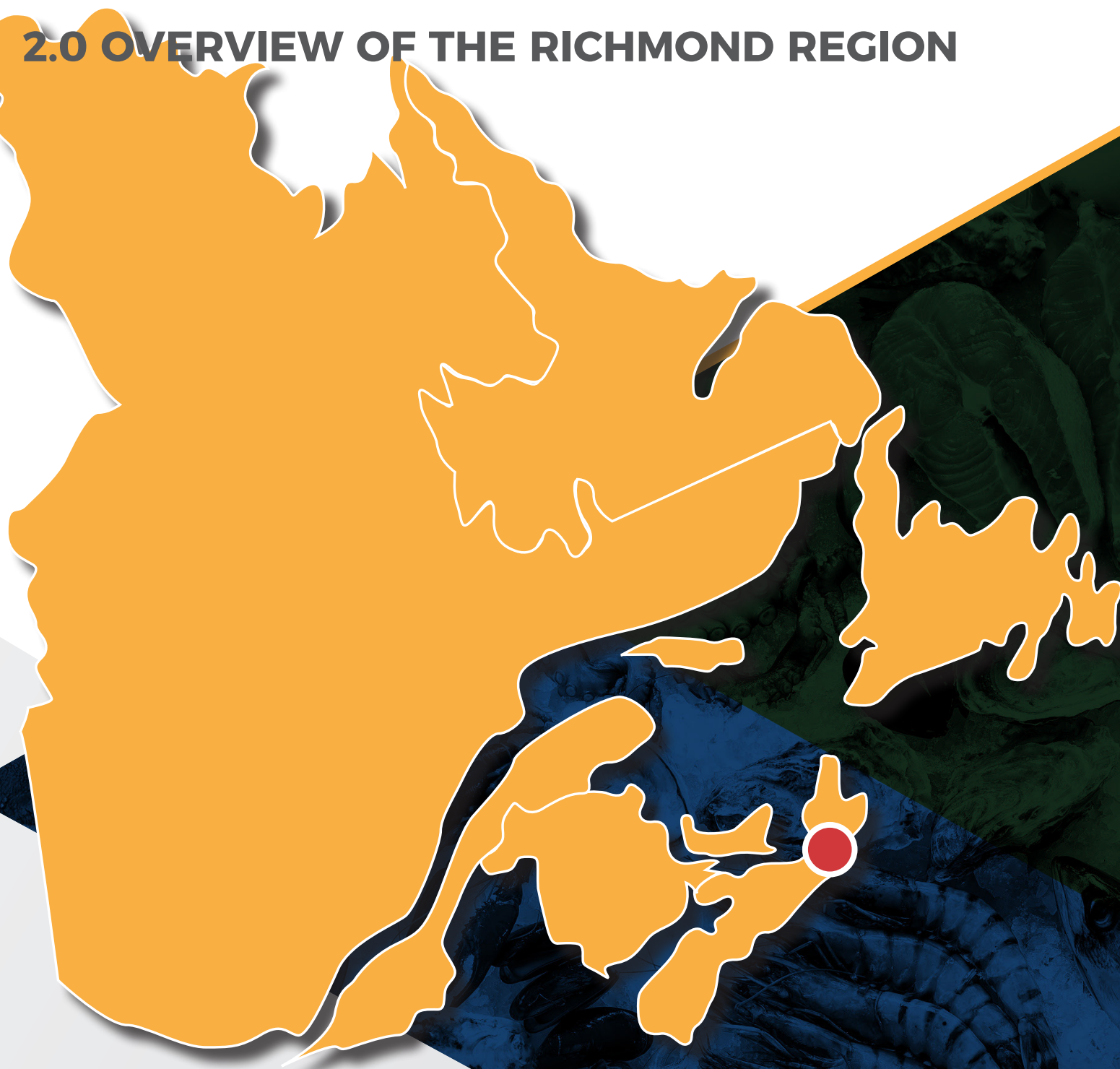
The initial sections of this report provide overviews of the Richmond Region, fish and seafood processing overall in the province of Nova Scotia, and specifically in the Richmond Region. This is followed by sections that provide an overview of the region's labour force, and the specific findings for 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. This is the first time that these numbers have been produced at the regional, provincial and Atlantic levels for the fish and seafood processing industry;
- ☑ A broad survey of fish and seafood processing facilities (n=100) across the Atlantic provinces covering approximately 69% 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 Richmond Region, the study team collected information from four plants ranging from small (two employees) to large (more than 200 employees) with different types of product and processing.

**REAL  
CHALLENGES,  
PRACTICAL  
SOLUTIONS  
AND FRESH  
PERSPECTIVES**

## 2.0 OVERVIEW OF THE RICHMOND REGION



### 2.1 GEOGRAPHIC LOCATION

The Richmond Region is located on the east coast of Cape Breton Island in Nova Scotia. Key fishing and seafood processing towns located in the region include Arichat and Petit-de-Grat (pop. 3,150) and St. Peter's (pop. 3,796)<sup>3</sup>.

<sup>3</sup> Municipality of Richmond (2018). Richmond County. Retrieved from [https://novascotia.ca/tenders/pt\\_files/tenders/MOCR201816.pdf](https://novascotia.ca/tenders/pt_files/tenders/MOCR201816.pdf)

## 2.2 POPULATION CHARACTERISTICS

The population of the Richmond Region is aging, and it is expected to remain stable over the next decade. Compared to the province overall, the population has proportionally lower levels of immigrants, visible minorities, and non-Canadian citizens. However, people identifying as Aboriginal is much higher than the province overall (according to Census definitions).

The overall population for the region in 2017 was 16,857. According to Census 2016 profiles, the proportions of immigrants (3.1%), visible minorities (2.1%), non-Canadian citizens (1.8%) are below those overall for Nova Scotia. However, the proportion of those who identify as Aboriginal is approximately double the number recorded for the rest of the province (10.8% vs. 5.7%) (see Table 1).

TABLE 1: RICHMOND REGION POPULATION CHARACTERISTICS

CHARACTERISTIC	RICHMOND REGION	NOVA SCOTIA
FEMALE	8,235	476,715
SHARE OF POPULATION	50.5%	51.6%
IMMIGRANTS	500	55,680
SHARE OF POPULATION	3.1%	6.1%
NOT CANADIAN CITIZENS	285	29,925
SHARE OF POPULATION	1.8%	3.3%
VISIBLE MINORITIES	330	58,650
SHARE OF POPULATION	2.1%	6.5%
ABORIGINAL IDENTITY	1,740	51,490
SHARE OF POPULATION	10.8%	5.7%

According to projections, the population levels are expected to remain fairly stable over the upcoming 13 years (16,857 in 2017 and then 16,987 by 2030). In addition, it will be an aging population with the proportion of the age cohort 65 years or older increasing slightly from 29.9% in 2017 to approximately 39.2% by 2030 (see Figure 1). While population growth will be negatively impacted by the continued aging of the population and increased number of deaths that outpace births, this will be countered by a predicted continuation of a pattern of net immigration of 1,400 individuals, contributing to the population remaining somewhat stable (see Figure 2).





FIGURE 1: POPULATION BY AGE GROUP (%) (2017 TO 2030)

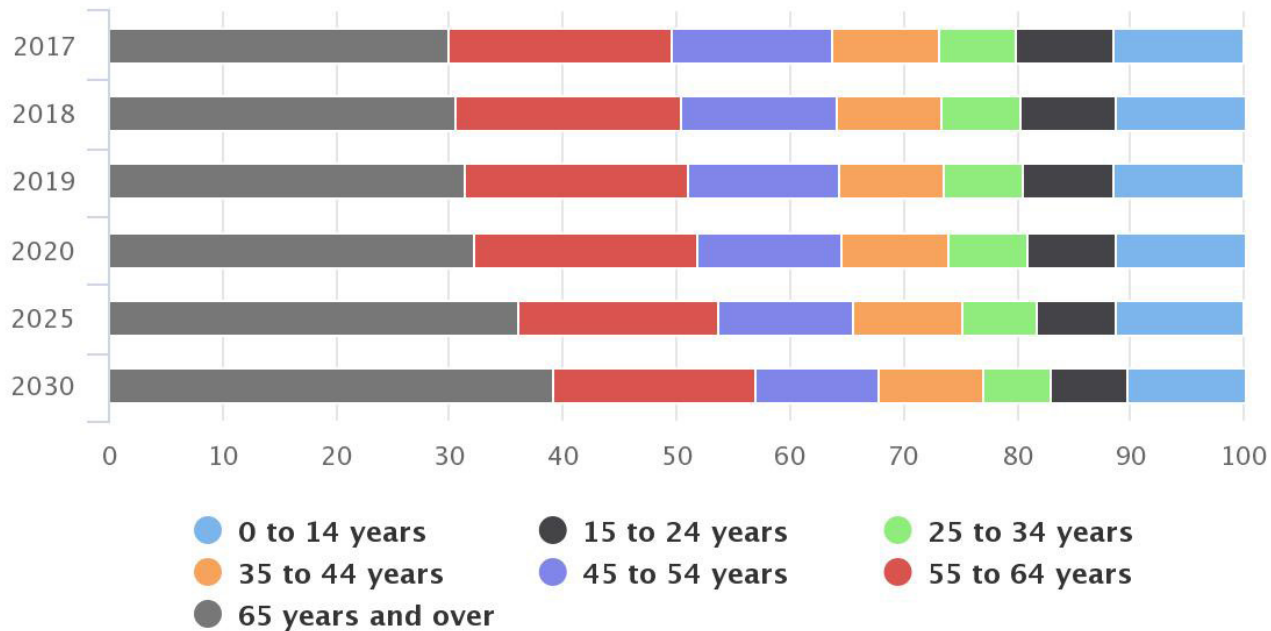


FIGURE 2: COMPONENTS OF POPULATION CHANGE (2017 TO 2030)

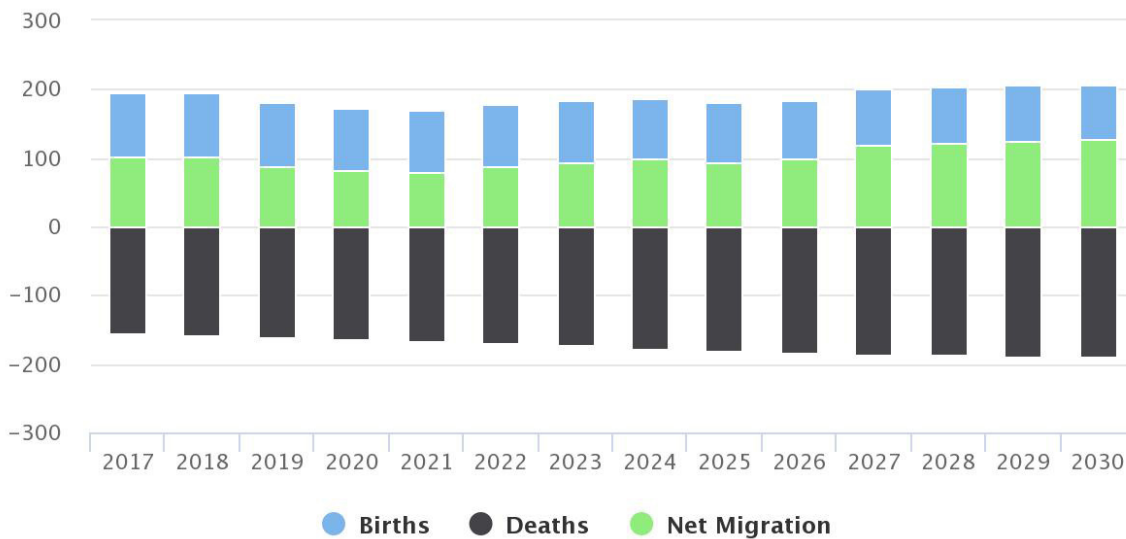
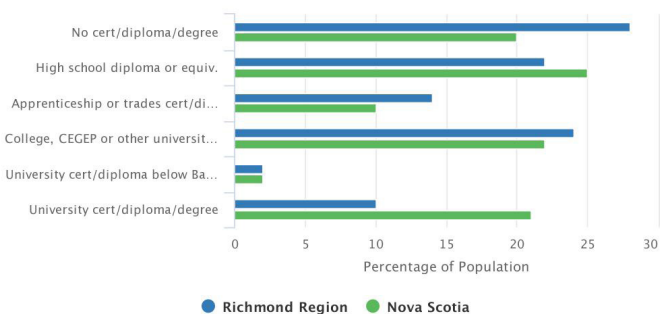


FIGURE 3: EDUCATIONAL ATTAINMENT - RICHMOND REGION AND NOVA SCOTIA



The overall education level of the region’s residents is lower in most categories when compared with Nova Scotia overall (see Figure 3). Twenty-eight percent (28%) do not have a high school diploma (vs. 20% for the province), and 36% (vs. 45% for the province) have some type of post-secondary education (college, university certificate, diploma or degree). From interviews, it was determined that part of this might be attributable to the ongoing out-migration from the region into often more urban centres by younger people who often have higher levels of education than older cohorts. This also corresponds to the aging demographics for the region.

# 3.0 OUTLOOK OF NOVA SCOTIA FISH AND SEAFOOD PROCESSING



## 3.2 NOVA SCOTIA SEAFOOD PRODUCT OUTLOOKS

The growth of real gross output (or total end market demand) for prepared fish products is expected to accelerate over the forecast period from 1.4% on average over 2018-21, to 2.1% over 2022-26 and 2.2% over the 2027-30 (see Table 2). There are many reasons for the improvement in overall real gross output. There is expected to be slight gains in overall consumption from 0.1% in 2018-21, to 0.3% in 2022-26 to 0.5% over 2027-30 as consumer demand for prepared fish products improves. International exports are expected to rise slowly over the forecast period as trading partner market growth is modest and as trade agreements encourage market penetration in the European Union and the members of the TPP trade pact. Interprovincial exports are expected to improve modestly as consumer demand in other provinces gains from the trend toward more processed fish consumption. Interindustry demand also improves as the demand for prepared fish inputs rises, primarily as a result of increased provincial food production.



## 3.1 OVERALL PROVINCIAL ECONOMIC OUTLOOK

The Nova Scotia economy expanded by 1.2% in 2017, led by accelerating growth in private services and continued strength in manufacturing. Over the whole 2017-21 period, real GDP growth is forecast to average 1.1%. Manufacturing is forecast to average over 4% growth in the medium term, with growth over 8% in 2021, as shipbuilding for the Department of National Defense is scheduled to begin. Private services are expected to be an important driving force in the provincial economy. GDP growth is expected to average 1.1% during the 2021-26 period then slow to 1.0% on average over the 2027-30 period, as stagnant population and labour force limit potential growth.

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

END MARKET	2013-2017	2018-2021	2022-2026	2027-2030
Consumption	-0.6	0.1	0.3	0.5
International Exports	36.5	1.1	2.0	2.1
Interprovincial Exports	-0.3	0.3	0.6	0.8
Interindustry Demand	0.5	2.6	1.6	1.6
Imports	-0.6	0.1	0.3	0.5
Total End Market Demand	36.3	1.4	2.1	2.2

### 3.3 SEAFOOD PROCESSING EMPLOYMENT OUTLOOK FOR NOVA SCOTIA

Average annual seafood processing employment in Nova Scotia is expected to rise steadily from 6,400 in 2017 to 6,700 by 2030. Production labour (processing and plant workers) constitute nearly 5-in-10 (46%) jobs. Seafood processing real GDP is forecast to expand by 1.4% on average over the 2018-21 period, then the pace of growth is expected to quicken to 2.1% on average over 2022-26 and 2.2% over 2027-30. Labour productivity (GDP per hour worked) is forecast to average 1.1% over the projection period. Average hours worked per employee is forecast to rise by 0.4% on average over the projection period, which leads to the total number of jobs falling by 0.1% over 2018-21, and then rising by 0.7% over 2022-26 and 0.7% over 2027-30.

Replacement demands (deaths and retirements) are expected to total 3000 between 2017 and 2030. Taking account of both replacement and expansion demands, the industry will likely need to need to hire just over 3,400 new workers, or (53%) of the current workforce over the next 13 years. These hiring requirements are net numbers of new workers and do not include annual hiring requirements due to turnover.



# 4.0 RICHMOND REGION FISH AND SEAFOOD PROCESSORS

## 4.1 EMPLOYERS

The region hosts two processors ranging in size, species processed, and types of processing.

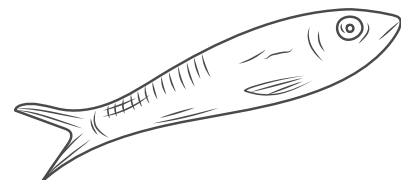
Overall, there are two fish and seafood processing establishments in the Richmond Region<sup>4</sup>. Species processed include crab and shrimp, along with some handling of live lobster. As noted on the map in Section 2, one of these establishments is large (between 100 and 200 employees), and the other one is medium sized (between 50 and 100 employees).

**THE CURRENT INDUSTRY WORKFORCE IS APPROXIMATELY 800 WORKERS AT PEAK SEASON WITH MORE THAN ONE-HALF BEING LABOURERS AND PLANT WORKERS.**

## 4.2 WORKERS

### 4.2.1 WORKFORCE SIZE & OCCUPATIONS

The estimated total number of individuals employed by the sector in the Richmond Region in 2017 was 630 on average and rising to 829 at peak season<sup>5</sup> (see Table 3). Over one-half of all employed at the peak season (53%) were labourers (NOC 9618) or plant workers (NOC 9463). This distribution was confirmed during interviews where plants made recruitment efforts during the peak season to ensure sufficient numbers of labourers and plant workers would be available to meet their requirements. The labourer positions do not generally require previous experience or training and are often the entry level position for many of the plants. The plant worker jobs generally require some experience in the industry (6-12 months) with on-the-job training (e.g., operating specific pieces of equipment). 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.



<sup>4</sup> Number of establishments is based on the 2016 data from Statistic Canada's Business Registrar.

<sup>5</sup> Average employment refers to average monthly employment over the calendar year, while peak employment is the average number employed during the month with the highest employment during the year.



TABLE 3: PROFILE OF WORKERS BY OCCUPATIONS FOR RICHMOND REGION - 2017 (AVERAGE & PEAK)

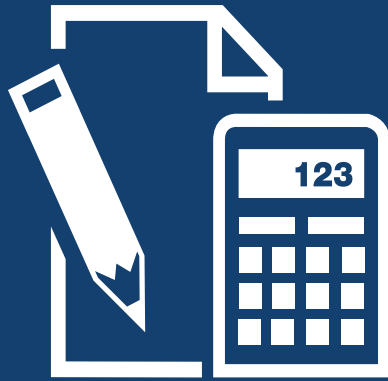
	<b>AVG 2017 (#)</b>	<b>AVG 2017 (%)</b>	<b>PEAK 2017 (#)</b>	<b>PEAK 2017 (%)</b>	<b>EXTRA NEEDED FOR PEAK</b>
<b>Total Employment</b>	630	100%	829	100%	199
<b>FOUNDATIONAL (NOC 9618)</b>					
Shellfish Processing Labourer	116	18%	173	21%	57
Fish Processing Labourer	65	10%	98	12%	33
<b>INTERMEDIATE (NOC 9463)</b>					
Shellfish Plant Worker	72	11%	107	13%	35
Fish Plant Worker	41	7%	61	7%	20
<b>SUPERVISORY (NOC 9213)</b>					
Supervisors	22	3%	22	3%	0
<b>MANAGEMENT (NOC 0911; 0016)</b>					
Management	25	4%	25	3%	0
<b>OTHER CATEGORIES</b>					
Maintenance	20	3%	23	3%	3
Skilled Trades	46	7%	56	7%	10
Quality Control Technician	11	2%	12	1%	1
Office Staff	46	7%	46	6%	0
Other Occupations	166	27%	206	25%	40

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



**630**

**AVERAGE NUMBER OF WORKERS EMPLOYED IN  
THE SEAFOOD PROCESSING INDUSTRY IN 2017**



## 4.2.2 WAGES

Median hourly wages for shellfish/fish labourers and plant workers are slightly below the provincial average. Compared to most other C and D level occupations available in the region, median hourly wages for shellfish/fish labourers were slightly higher while wages for shellfish/fish plant workers were lower.



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

	Low Wage (10th percentile)	Median Wage (50th Percentile)	High Wage (90th percentile)
<b>Shellfish/Fish Processing Labourer (NOC 9618)</b>			
Cape Breton Region (NS)	11.50	12.50	15.60
All Nova Scotia	12.00	14.50	20.00
Halifax Region (NS)	12.00	14.60	20.25
<b>Shellfish/Fish Plant Worker (NOC 9463)</b>			
Cape Breton Region (NS)	11.50	12.50	13.85
All Nova Scotia	11.40	13.50	21.00
Halifax Region (NS)	N/A	N/A	N/A
<b>Other C&amp;D Level Occupations (NS)</b>			
Farm Worker (NOC 8431)	N/A	N/A	N/A
Deckhand, Fishing (NOC 8441)	N/A	N/A	N/A
Retail Sales (NOC 6421)	11.00	11.67	20.09
Food Services (NOC 6711)	11.00	11.70	16.00
Cashier (NOC 6611)	11.00	11.00	13.10

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

The median hourly wage for both shellfish/fish labourers (NOC 9618) and shellfish/fish plant workers (NOC 9463) in the Cape Breton Region<sup>6</sup> of Nova Scotia in 2017 was \$12.50/hour (see Table 4). These wage rates are both lower than the provincial median rates (\$14.50/hour and \$13.50/hour respectively) for these occupations, as well as lower than median wages in the closest urban region (Halifax). 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 shellfish/fish labourers and workers were generally higher by approximately \$1.00 to \$2.00/hour.

6 The Cape Breton Region of Nova Scotia includes the Richmond Region as well as some additional areas. Reliable wage data was only available for this slightly larger region.

# 5.0

## REGION'S LABOUR FORCE

THE REGION'S LABOUR FORCE IS APPROXIMATELY 8,000. APPROXIMATELY ONE FIFTH (20%) OF THE ADULT POPULATION WORKED IN A FULL-YEAR, FULL-TIME POSITION IN 2015.



### 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 8,061 (out of a total population of 16,857). The largest proportions of the labour force for the Cape Breton Economic Region of Nova Scotia work in health care and social services (17% of the labour force), retail trade (13%) and construction (8%) (Census, 2016).

According to Census 2016 data, approximately twenty percent (21%) of the population 15 years or older worked full-time for the full-year (see Figure 4). A larger proportion worked part of the year and/or part-time (35%), while over forty percent (44%) reported not working in 2015. This is consistent with the information collected from interviews that indicated that much of the private sector-based employment in the region is seasonal (e.g., tourism, retail, fish harvesting), so it is challenging for people to find full-time, year-round employment which is often more characteristic of the public-sector opportunities in the area (e.g., health, education).

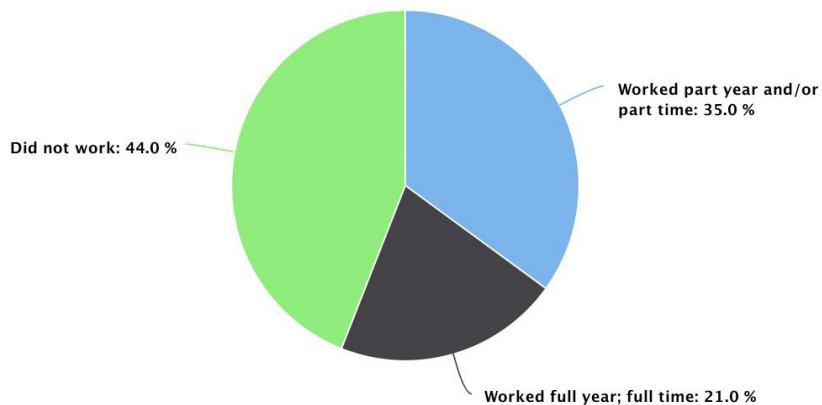


FIGURE 4: WORK PATTERNS (15 YEARS AND OLDER) - RICHMOND REGION



Source: Census 2016

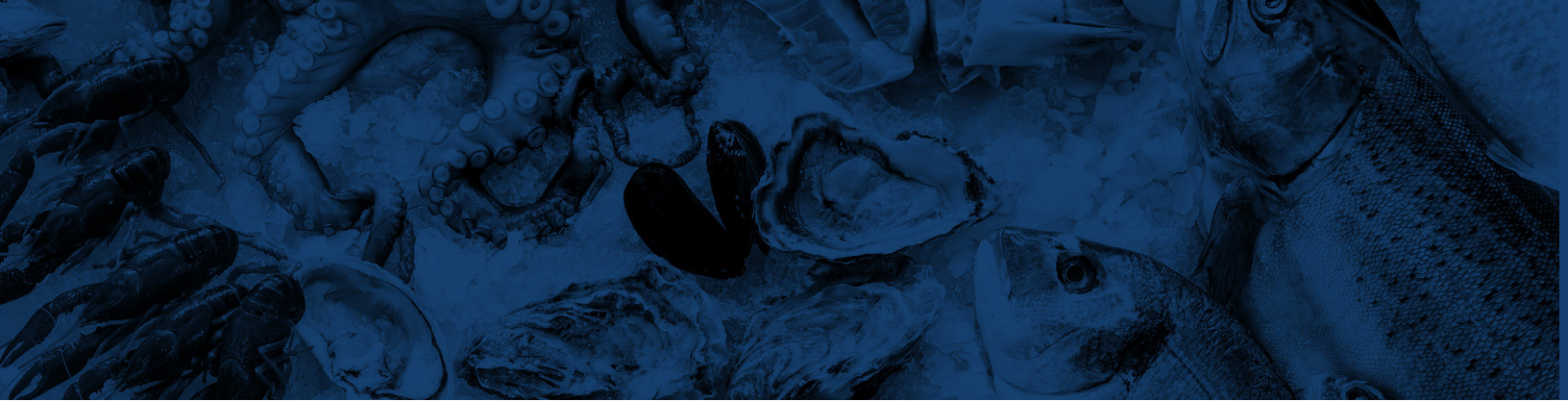


TABLE 5: AVERAGE MONTHLY EI CLAIMANTS FOR THE RICHMOND REGION – 2014 TO 2016<sup>7</sup>

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
<b>Total (All Occupations)</b>	<b>2,180</b>	<b>2,090</b>	<b>2,070</b>	<b>1,983</b>	<b>1,513</b>	<b>1,300</b>	<b>1,503</b>	<b>1,643</b>	<b>1,603</b>	<b>1,727</b>	<b>1,893</b>	<b>2,113</b>
Skill Level C & D*	1,367	1,333	1,310	1,267	937	787	913	1,013	1,020	1,110	1,230	1,337
Food Processing**	93	90	90	83	43	13	23	63	70	77	83	80

\*includes intermediate jobs that usually call for high school and/or job-specific training (Skill Level C) & labour jobs that usually give on-the-job training (Skill Level D)

\*\*includes the following occupations: manufacturing managers (NOC 0911); bakers (6,332); retail salespersons (6,421); material handlers (7,452); food and beverage processing supervisors (9,213); industrial butchers and meat cutters (9,462); fish and seafood plant workers (9,463); food and beverage processing labourers (9,617)

Source: Employment and Social Development Canada 2017

7 Monthly EI beneficiaries as reported in the table represent the average number of beneficiaries in the month between 2014 and 2016.

## 5.1.2 UNEMPLOYMENT

The unemployment rate for the region in 2017 was 17.6% on average, but the monthly rate experiences considerable fluctuations from a low of 8.5% to a high of 59.5%. According to Census data, approximately one-fifth (21.6%) of the population 15 years or older who had income received regular Employment Insurance (EI) payments at some point in 2015.

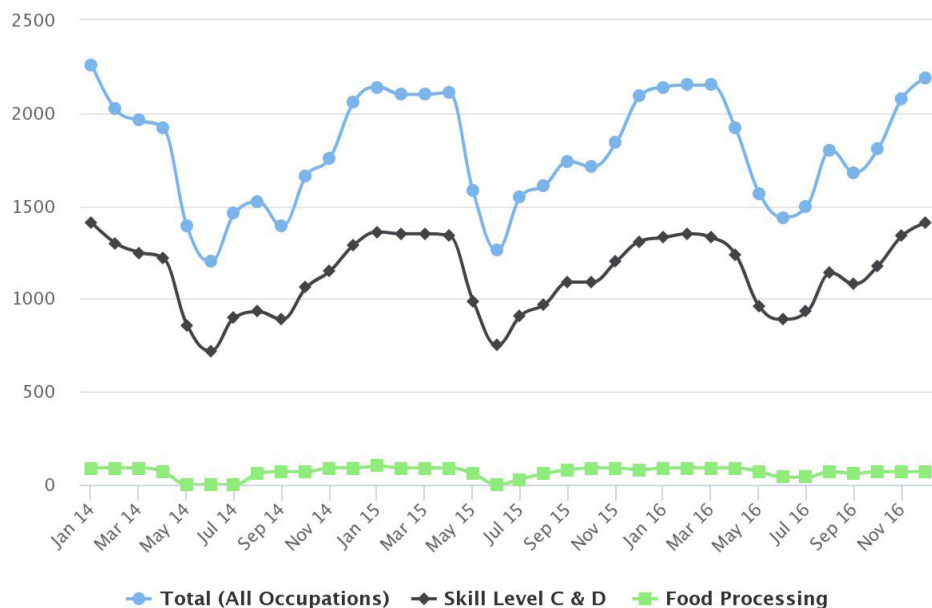
According to EI data provided by ESDC for the region, the average monthly number of EI claimants in food processing sectors across three years demonstrates the seasonality of the number of EI claimants ranging from an average low of 13 in the month of July to approximately 90 in the months of January, February and March (see Table 5). Figure 5 also demonstrates the seasonality of the number of EI claimants with the cyclical pattern illustrated to be similar across the three years of available data (2014-2016) with increasing numbers of claimants occurring each of the three years (+4.4% change for overall claims on an annual average for this period; 9% for food processing).



**THE AVERAGE UNEMPLOYMENT RATE FOR THE REGION IN 2017 WAS 17.6% WITH CONSIDERABLE MONTHLY FLUCTUATIONS GIVEN THE SEASONALITY OF MANY OF THE INDUSTRIES.**



FIGURE 5: MONTHLY EI CLAIMANTS FOR THE RICHMOND REGION - 2014 TO 2016



“

Indigenous communities in the region are becoming more involved with seafood and fish harvesting, but less so with processing.

## 5.2 OVERVIEW OF IMMIGRANT SOURCES OF LABOUR

The proportion of immigrants in the Richmond Region is slightly lower when compared with Nova Scotia overall (3.1% vs. 6.1%). In 2017, plants reported using the Temporary Foreign Workers Program (TFWP), although the number of workers under this program make up approximately 10-15% of their workforce. During the time of the site visit (Summer 2018), there had been less of a need for TFWs due to seemingly low availability of crab (low catches) and challenges in accessing adequate amounts of shrimp to open the plant. As a result, the company interviewed was attempting to make sure that all their staff would have adequate hours across the plants to qualify for EI in the offseason.



## 5.3 OVERVIEW OF INDIGENOUS SOURCES OF LABOUR

The Richmond Region includes four Indigenous communities (Wagmatcook First Nation, We'koqma'q First Nation, Eskasoni First Nation, and Potloek First Nation) with a total population living on-reserve of approximately 5,977. The proportion of the population in the Richmond Region who identify as Aboriginal is much higher than provincial proportions, 10.8% (1,740 individuals) compared to 5.7% overall in Nova Scotia, according to Census definitions. This higher proportion of Indigenous populations is reflected in the plants' workforce with approximately 20% of the workforce consisting of Indigenous workers from these communities. The plant managers interviewed explained that they put considerable effort into partnerships and maintaining mutually beneficial relationships with the local Indigenous leaders. There is support from the Bands with transportation, and ongoing communication between the HR staff and employment supports in the communities to ensure that the community members have opportunities for employment at the plants and that they are performing at high levels.

“

Currently, temporary foreign workers play a role in addressing labour supply issues in the fish and seafood processing industry in the Richmond Region.

# 6.0 CURRENT AND FUTURE LABOUR DEMAND VS. SUPPLY

## 6.1 LABOUR MARKET TIGHTNESS

ACCORDING TO THE ANALYSES OF 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 WHICH INCREASES DURING PEAK PERIODS. THIS TREND CONTINUES THROUGH TO 2030. FOR THE FISH AND SHELLFISH PROCESSORS, THIS SHORTAGE IS MOST SEVERE DURING THE PROCESSING PEAK SEASON WHICH UNFORTUNATELY TENDS TO COINCIDE WITH MANY OTHER COMPETING SECTORS' PEAK SEASONS.

	2017	2018	2019	2020	AVG 2021-2025	AVG 2026-2030
Total Population	18,044	18,308	18,548	18,800	19,575	20,829
Avg. Annual Change (%)		1.5%	1.5%	1.3%	1.3%	1.2%
Total Labour Force	11,010	11,231	11,317	11,436	11,854	12,228
Avg. Annual Change (%)		2.0%	0.8%	1.1%	1.1%	0.3%
Total Employment	9,473	9,615	9,688	9,790	10,107	10,603
Avg. Annual Change (%)		1.5%	0.8%	1.1%	1.1%	0.6%
Unemployment Rate	14.0%	14.4%	14.4%	14.4%	14.7%	13.3%

TABLE 6: POPULATION AND LABOUR FORCE OUTLOOK SUMMARY: THE RICHMOND REGION – 2017-2030

The model projections indicate that taking into account the trends in out-migration and aging population, the Richmond Region will have little population growth within the period under study (2017 to 2030) (see Table 6). These factors will also contribute to a declining labour force from approximately 8,000 in 2017 to 7,600 in 2030. As a result, unemployment rates are expected to decline from an average of 17.6% to 12.5% based on increased opportunities but limited a reduction in the overall labour force.





## 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 seafood processing in the identified regions.

This was calculated by estimating labour requirements in other sectors in the region (non-seafood-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 seafood processing needs to draw. Not all of the seafood 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 seafood 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-seafood processing and seafood processing).

As illustrated in Table 7 and Figure 6, the Total Seafood Processing Employment (Annual Average and Peak) 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 which increases during peak periods. This trend continues all the way through to 2030, increasing towards the second half of this period.

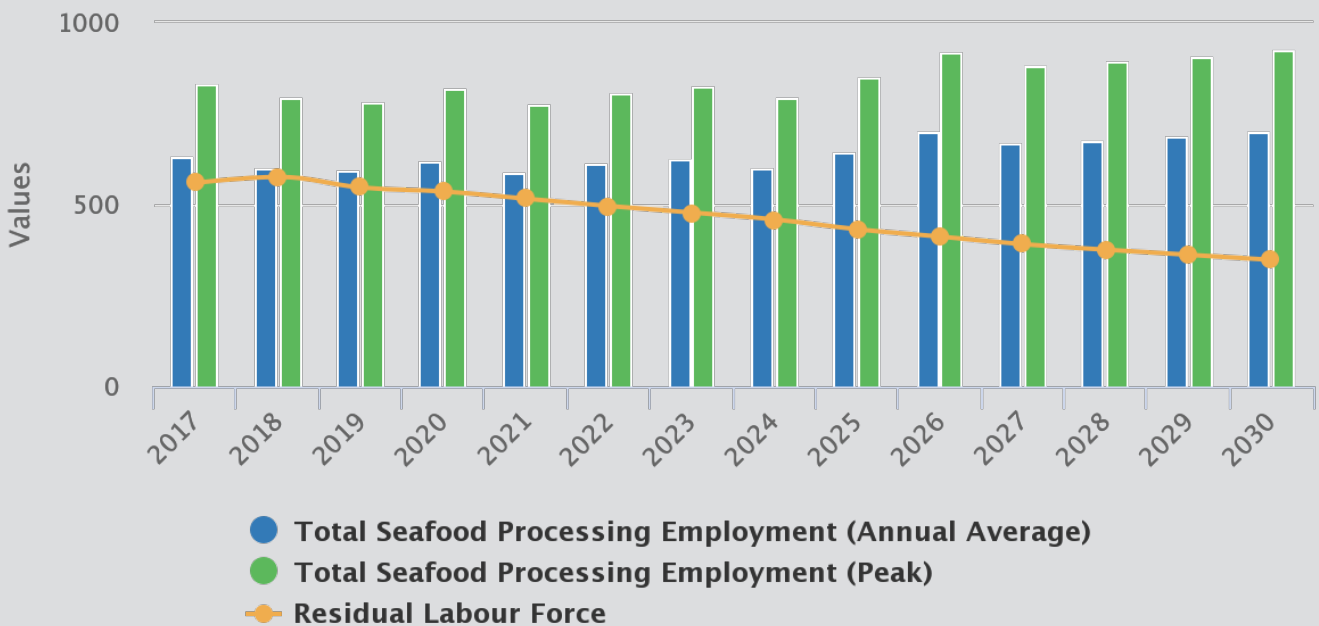
The analysis outlined in Table 7 and Figure 6 describes the labour market context within which the fish and seafood processors are operating with respect to finding sufficient numbers of workers from the local labour supply. Within this very tight, competitive labour market, the industry employers have had some success recruiting. For example, in peak season in 2017, the seafood processing industry was able to recruit and employ 829 within a labour market that had a residual total labour force of only 560. This means that the seafood processing industry was likely recruiting workers from other industries, and potentially recruiting workers 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.



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

	2017	2018	2019	2020	AVG 2021-2025	AVG 2026-2030
Total Labour Force <sup>8</sup>	8,061	8,089	8,002	7,903	7,635	7,613
Total Non-Seafood Processing Labour Requirement <sup>9</sup>	7,501	7,513	7,455	7,367	7,159	7,235
Residual Total Labour Force <sup>10</sup>	560	576	547	536	476	378
Total Seafood Processing Employment (Annual Average)	630	600	594	620	615	687
Total Seafood Processing Employment (Peak)	829	791	782	817	810	905

FIGURE 6: TOTAL SEAFOOD PROCESSING EMPLOYMENT AND RESIDUAL LABOUR FORCE – RICHMOND REGION – 2017-2030



8 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.

9 Non-seafood processing labour requirement consists of employment demand from other sectors with an allowance for typical levels of sector-specific unemployment.

10 The residual labour force is the difference between the labour force and the non-seafood processing labour requirement.

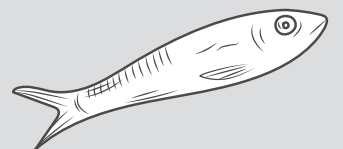
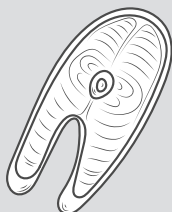


TABLE 8: LOWER-SKILL LABOUR MARKET TIGHTNESS – RICHMOND REGION – 2017-2030

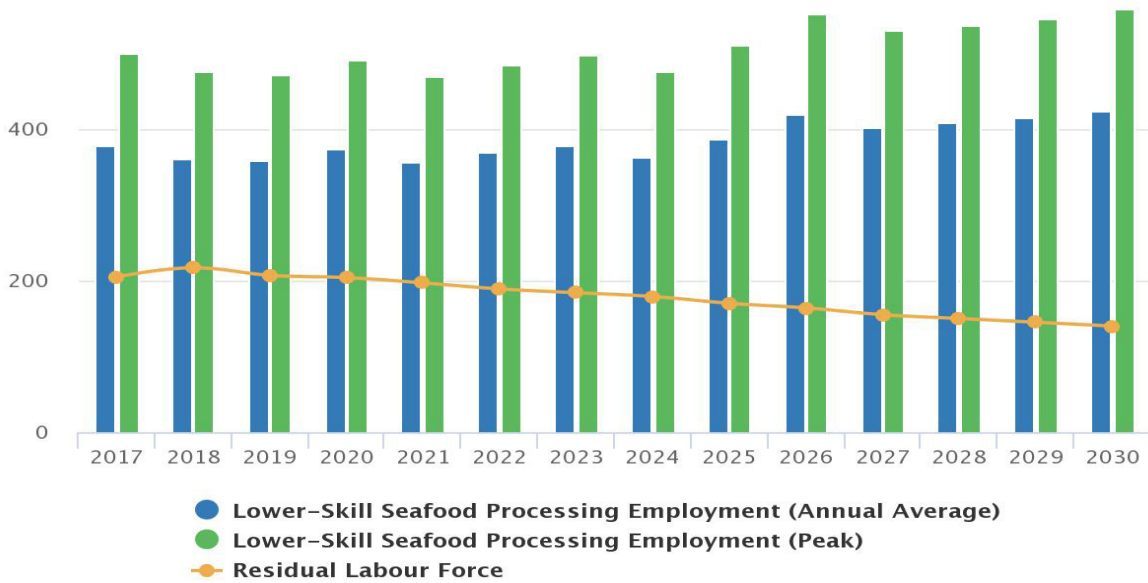
	2017	2018	2019	2020	AVG 2021-2025	AVG 2026-2030
<b>Lower-Skill Labour Force <sup>11</sup></b>	<b>3,233</b>	<b>3,244</b>	<b>3,209</b>	<b>3,170</b>	<b>3,062</b>	<b>3,053</b>
Lower-Skill Non-Seafood Processing Labour Requirement	3,027	3,027	3,022	2,966	2,878	2,914
<b>Residual Lower-Skill Labour Force</b>	<b>205</b>	<b>217</b>	<b>207</b>	<b>204</b>	<b>184</b>	<b>151</b>
Lower-Skill Seafood Processing Employment (Annual Average)	379	361	358	374	370	414
<b>Lower-Skill Seafood Processing Employment (Peak)</b>	<b>499</b>	<b>476</b>	<b>471</b>	<b>492</b>	<b>488</b>	<b>545</b>

<sup>11</sup> The lower-skill labour force is the portion of the total labour force with no education beyond a high school diploma.



As noted in the description of the occupations, over one-half 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. As well, these occupations are noted among plant managers as the most challenging with respect to recruitment and retention. 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 8 and Figure 7). The tightness of lower-skill level labour market is also high. For example, in peak season in 2017, the seafood processing industry was able to recruit and employ 499 workers within a labour market that had a residual total labour force of only 205. This means that the seafood processing industry was likely recruiting workers from other industries, and potentially recruiting workers 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.

FIGURE 7: LOWER-SKILL SEAFOOD PROCESSING EMPLOYMENT AND RESIDUAL LABOUR FORCE - RICHMOND REGION (2017-2030)



The overall summary of the labour market tightness as modelled for the Richmond Region (Table 9) demonstrates that the local labour force is unable to meet the employment requirements of employers in the area at average or peak 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
<b>TOTAL</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>LOWER SKILL</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>

1 = Regional labour force meets seafood processing employment demand at annual average and peak employment levels

2 = Regional labour force meets seafood processing employment demand at annual average levels only

3 = Regional labour force does not meet seafood processing employment at annual average or peak levels

## 6.2 NUMBER OF WORKERS REQUIRED

Within a very tight labour market, projections indicate that the Richmond Region employers will need to attract approximately 348 new workers to the fish and seafood processing industry by 2030. This is equivalent to approximately 55% of their current annual average workforce. This requirement is due to the replacement of anticipated retirements over this period while considering projected industry growth and labour productivity gains. Unfortunately, this recruitment will be occurring within the context of a very tight regional labour market that is currently experiencing severe 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 seafood processing (estimated at 12% 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 turnover rate of 40% for Atlantic Canada in seafood processing industry). All of these factors contribute to the substantial challenges facing Richmond Region seafood 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.

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Overall, it is anticipated that while there will be some shedding of jobs in the short term (2017-2018) due to negative industry growth, but as of 2019, there will be a need for increased numbers of new hires, due to the need for replacements due to anticipated retirements and deaths among the workforce (see Table 10). Overall, this results in the need to attract 348 new workers to the industry between 2018 and 2030. This equates to replacing approximately 55% of the 2017 average seafood processing workforce in the region.



TABLE 10: HIRING REQUIREMENT OUTLOOK - RICHMOND REGION (2017-2030)

	2017	2018	2019	2020	SUM 2021-2025	SUM 2026-2030
<b>Net Hiring Requirement<sup>12</sup></b>	<b>2</b>	<b>-8</b>	<b>14</b>	<b>47</b>	<b>125</b>	<b>171</b>
Industry Growth	-20	-29	-6	26	23	60
Retirements and Mortality	22	21	20	21	102	111

The employment outlook according to occupation is detailed in Table 11 (Annual Average) and Table 12 (Peak).

TABLE 11: EMPLOYMENT OUTLOOK (ANNUAL AVERAGE) - RICHMOND REGION (2017-2030)

	2017	2018	2019	2020	AVG 2021-2025	AVG 2026-2030
<b>Total Employment</b>	<b>630</b>	<b>599</b>	<b>594</b>	<b>620</b>	<b>615</b>	<b>687</b>
Shellfish Processing Labourer	116	110	109	114	113	126
Fish Processing Labourer	65	62	62	64	64	71
Shellfish Plant Worker	72	68	68	70	70	78
Fish Plant Worker	41	39	38	40	40	45
Supervisors	22	21	20	21	21	24
Maintenance	20	19	19	20	19	22
Skilled Trades	46	44	44	46	45	51
Quality Control Technician	11	10	10	11	11	12
Management	25	24	24	25	25	28
Office Staff	46	44	44	46	45	51
Other Occupations	166	158	157	164	162	181

12 Net hiring requirement does not include hiring required because 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 hired as a share of the total number of workers) for Atlantic seafood processors is 40%.

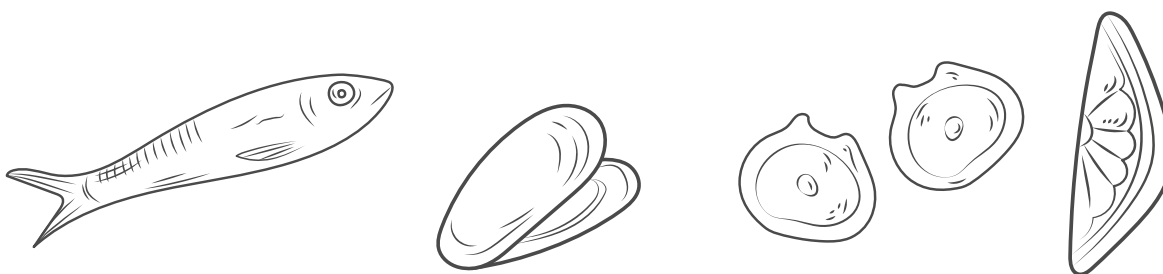




TABLE 12: EMPLOYMENT OUTLOOK (PEAK) - RICHMOND REGION (2017-2030)

	2017	2018	2019	2020	AVG 2021-2025	AVG 2026-2030
<b>Total Employment</b>	<b>829</b>	<b>791</b>	<b>782</b>	<b>817</b>	<b>810</b>	<b>905</b>
Shellfish Processing Labourer	173	165	163	171	169	189
Fish Processing Labourer	98	94	93	97	96	107
Shellfish Plant Worker	107	102	101	106	105	117
Fish Plant Worker	61	58	58	60	60	67
Supervisors	22	21	20	21	21	24
Maintenance	23	22	22	22	22	25
Skilled Trades	56	53	52	55	54	61
Quality Control Technician	12	11	11	12	12	13
Management	25	24	24	25	25	28
Office Staff	46	44	44	46	45	51
Other Occupations	206	196	194	203	201	225





# 7.0 OVERVIEW OF HR ISSUES ENCOUNTERED

Interviews with plant managers in the region outlined various HR issues that they have experienced in an 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 the various plants in this region. Main themes include:

## » Recruitment and retention to supplement and replace the “core” local workers

According to interviews with plant managers, there is an ongoing attempt at recruiting sufficient numbers of people during their processing seasons. Ads are placed on radios, newspapers and online job boards. A large proportion of the workforce returns each season, having worked many years for the same employer on a seasonal basis. For new workers, many of the referrals are from existing employees.

## » Retention Issues

Among the plants interviewed, there appears to be a core group of employees who have been with the plants for over ten years, and they make up over 50% of the current workforce. There are no issues with retention with this group. However, the younger cohort is less likely to move into this longer-term employment group and tend to be more mobile looking for employment outside of the region (often going out West to work in labour/construction in Alberta). Plant managers have noticed a few workers have recently returned to work in the plants given the recent changes in the Alberta economy.

## » Competition for seasonal lower-skill labour

Plant managers noted that the competition for seasonal lower-skill labour is increasing. Main competitors noted were tourism, fish/seafood harvesting (often more lucrative) and other processing plants in the area. Another area noted as challenging was fish harvesting (particularly the lobster fishing industry) where many of the young men can make considerably more money working in the harvesting sector compared with the processing sector. This presents some challenges for filling positions in processing that require heavier lifting and strong physical capacity.

## » Changing catch levels and meeting EI requirements

One of the largest concerns of the managers interviewed was that they would be able to provide enough hours and weeks to their staff to qualify for EI. At the point of the interview, there had been challenges encountered with receiving sufficient raw product (crab and shrimp) to keep the plants running with long enough hours to ensure that workers received sufficient hours to qualify for EI. By not being able to provide steady seasonal employment with potentials for lots of overtime, there were the predicted challenges that their workforce would start looking for alternate opportunities.



## 7.0 OVERVIEW OF HR ISSUES ENCOUNTERED CONT'D

### » Technology and automation

Investments in technology and automation has occurred in both plants. One plant (closed at the time of the visit due to unavailability of raw product – shrimp) had been completely updated with state-of-the-art processing technology. The crab processing plant had invested in some technology which had directly contributed to the need for fewer workers on specific lines, but who could then be moved to other areas where there were shortages.



# 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:

## PARTNERING WITH INDIGENOUS COMMUNITIES

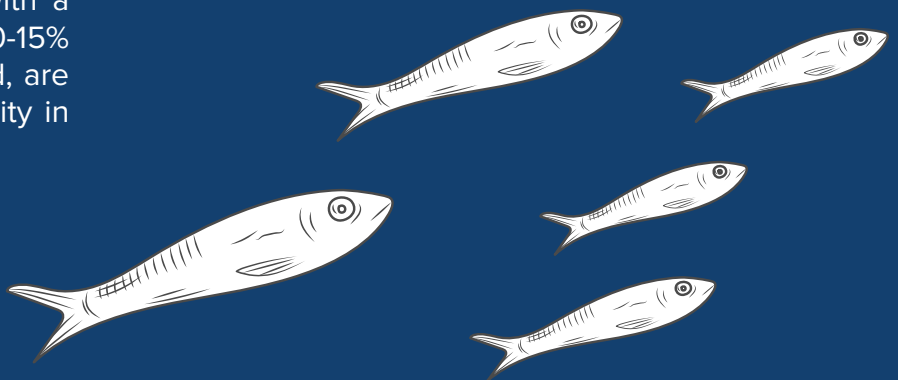
The managers interviewed indicated that given their proximity to Indigenous communities in the area, it has been particularly beneficial for both to work together to solve employment issues for community members, and labour requirements for the plants. This partnering has resulted in approximately 20% of the plants' seasonal workforces consisting of workers from these communities. Bands supply transportation for members to and from the plants, and the HR managers work closely with the employment supports in the community.

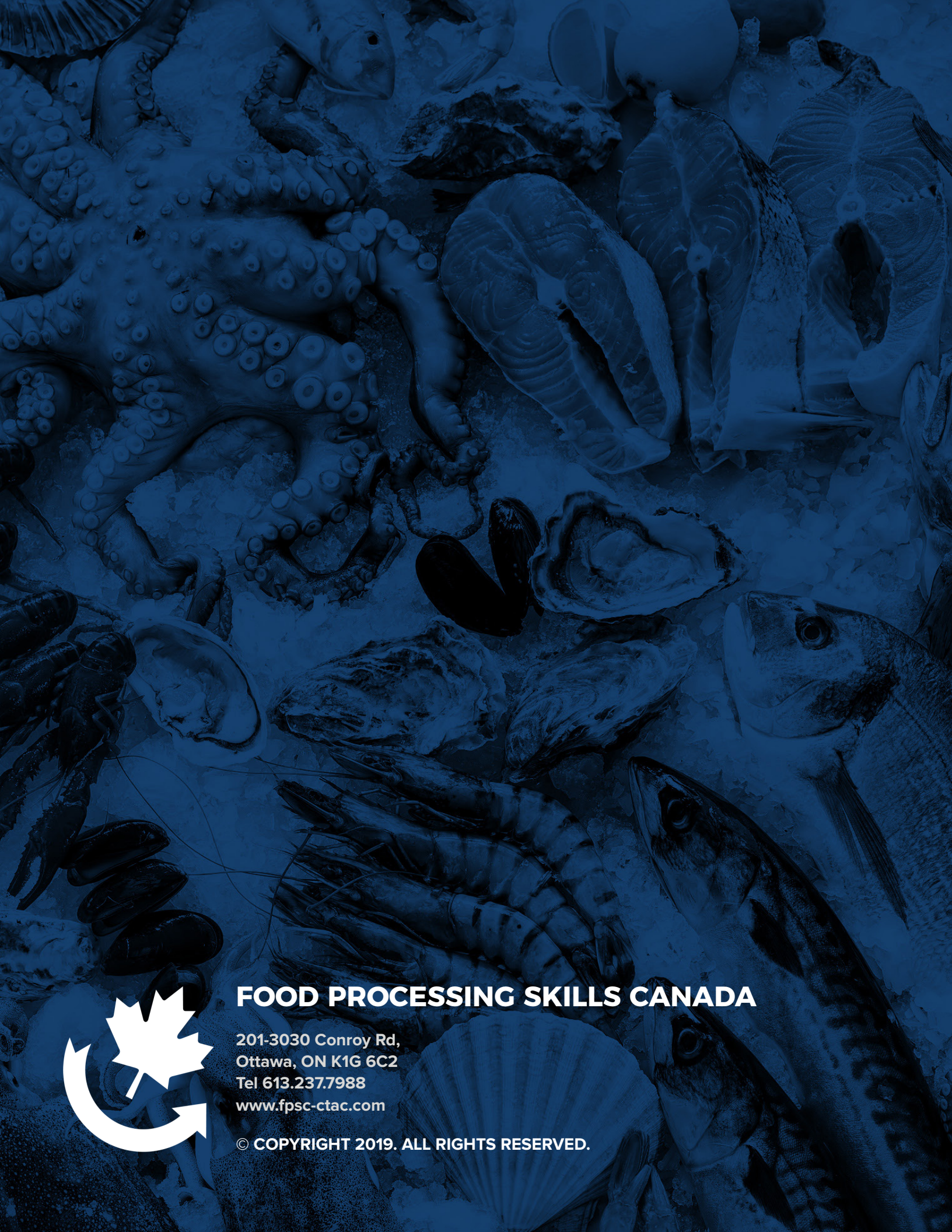
## PROVIDING SUFFICIENT HOURS/ WEEKS FOR QUALIFYING FOR EI

One major component of the strategy to retain workers and to have them return for subsequent seasons is to ensure that all local workers are able to qualify for EI at the end of the season. Most of the seasonal workers rely on EI and will return to work at the plants if they are relatively certain that they will receive enough hours and weeks to re-qualify, and there is the potential for overtime work during the season to increase their income levels.

## TEMPORARY FOREIGN WORKERS

The plants have had success working with a small core group of TFWs (approximately 10-15% of the workforce), who are well integrated, are high performers and ensure certain stability in the labour available during peak seasons.





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