Securing Canada's MEAT Work Force

REGIONAL SPOTLIGHT

A detailed look at the labour supply and demand in

Winnipeg Region

Manitoba

FPSC FOOD PROCESSING SKILLS CANADA COMPÉTENCES TRANSFORMATION ALIMENTAIRE CANADA

SECURING CANADA'S MEAT WORKFORCE

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Canada
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SUMMARY

REGIONAL OVERVIEW

The Winnipeg Region is located at the geographic centre of Canada and approximately 100km from the United States border. Meat processing in the Winnipeg, Manitoba region consists of facilities for processing hogs, cattle and poultry.

LABOUR MARKET OVERVIEW

Regional labour market analysis suggests that after accounting for labour requirements in other sectors, regional labour supply will remain well above projected meat processing employment demands during the forecast period. This is attributed to the inclusion of Winnipeg in the available supply. Sufficient labour supply of lower-skill workers is also expected to be available in the region. Despite high supply, the availability of workers for meat processing will depend on the competing employment demands from other sectors. Meat processors may experience difficulties attracting workers from urban areas, and face potential recruitment challenges stemming from wage differentials among competing sectors.

Regional meat employment is expected to grow from just over 2,000 to nearly 2,100 by 2020 and over 2,200 by 2030. Local processors will likely need to hire approximately 950 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 reach approximately 850,000 by 2020 and surpass 900,000 by 2030, with average annual growth of 1.2%. Additionally, net migration of 92,500 individuals is expected to be a source of population growth in the region but will be outpaced by births, sustaining natural population growth. The regional unemployment rate is expected to decline slightly in the near-term before increasing to 7.0% by 2030.

POPULATION

818,042

LABOUR FORCE

460,482

LABOUR MARKET TIGHTNESS

The labour market tightness, a measure calculated by estimating labour requirements in other sectors in Winnipeg 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	1	1	1	1	1	1
LOWER SKILL	1	1	1	1	1	1

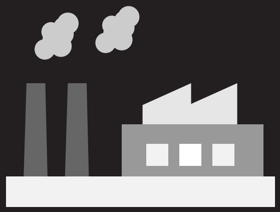
1 = Meat processing employment demand is less than 50% of regional labour force at annual average employment levels
2 = Meat processing employment demand is between 50 and 100% of regional labour force at annual average employment levels
3 = Meat processing employment demand is greater than 100% of regional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

1

HR CHALLENGES

As meat processors struggle to remain competitive and increase productivity, common challenges experienced by plants throughout the region include ongoing recruitment and retention issues, along with challenges with language barriers.

MEAT PROCESSING ESTABLISHMENTS



15[1]

MEAT PROCESSING EMPLOYMENT

2,020[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 Winnipeg 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. Winnipeg Region in Manitoba was selected as one of these regions for detailed focus.

The initial sections of this report provide overviews of the Winnipeg Region, meat processing overall in the province of Manitoba, and specifically in the Winnipeg 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 Winnipeg Region, the study team collected information from one large poultry processing plant (over 500 employees) and one smaller secondary processing plant producing beef and pork products (85 employees).

REAL CHALLENGES, PRACTICAL SOLUTIONS AND FRESH PERSPECTIVES

2.0 OVERVIEW OF THE WINNIPEG REGION

2.1 GEOGRAPHIC LOCATION

The Winnipeg Region, which includes the City of Winnipeg (pop. 818,014) is located at the geographic centre of Canada and approximately 100km from the United States border. In addition to the City of Winnipeg, the region includes a number of suburbs and outlying smaller towns.

2.2 POPULATION CHARACTERISTICS

The population of Winnipeg Region is expected to grow over the next decade primarily due to in-migration. Compared to the province overall, the population has higher levels of immigrants, non-Canadian citizens, and visible minorities, but lower proportions of people identifying as Aboriginal (according to Census definitions).

The overall population for the region in 2017 was 818,014. According to Census 2016 profiles, the proportions of immigrants (23.9%), non-Canadian citizens (10.8%), and visible minorities (25.6%) are higher to those overall for Manitoba, but there are lower proportions of the population in Winnipeg that identify as Aboriginal according to Census definitions (12.1%), compared to 18.0% for the rest of the province (see Table 1).

TABLE 1: WINNIPEG REGION POPULATION CHARACTERISTICS

CHARACTERISTIC	WINNIPEG REGION	MANITOBA
FEMALE	398,045	646,970
SHARE OF POPULATION	50.9%	50.6%
IMMIGRANTS	182,135	227,465
SHARE OF POPULATION	23.9%	18.3%
NOT CANADIAN CITIZENS	82,440	107,620
SHARE OF POPULATION	10.8%	8.7%
VISIBLE MINORITIES	195,465	216,850
SHARE OF POPULATION	25.6%	17.5%
ABORIGINAL IDENTITY	92,700	223,310
SHARE OF POPULATION	12.1%	18.0%

Source: Census 2016

According to projections, the population levels are expected to increase over the upcoming 13 years (818,042 in 2017 and then 921,729 by 2030). The population is somewhat younger than other regions in Canada with the Winnipeg Census Metropolitan Area having a median age of 39.0 years compared to the provincial median of 38.3 and a national median age of 41.2 (Census, 2016). Although the total population will increase, it will begin to be an aging population with the proportion of the age cohort 65 years or older rising from approximately 15.7% in 2017 to approximately 19.3% by 2030 (see Figure 1). While population growth will be negatively impacted by the continued aging of the population and increased number of deaths, this will be countered to a large extent by a predicted continuation of a pattern of net in-migration of approximately 92,500 people by 2030. Overall, the period under study will be impacted by the predicted in-migration in the region, which will result in a small rise in population (see Figure 2).

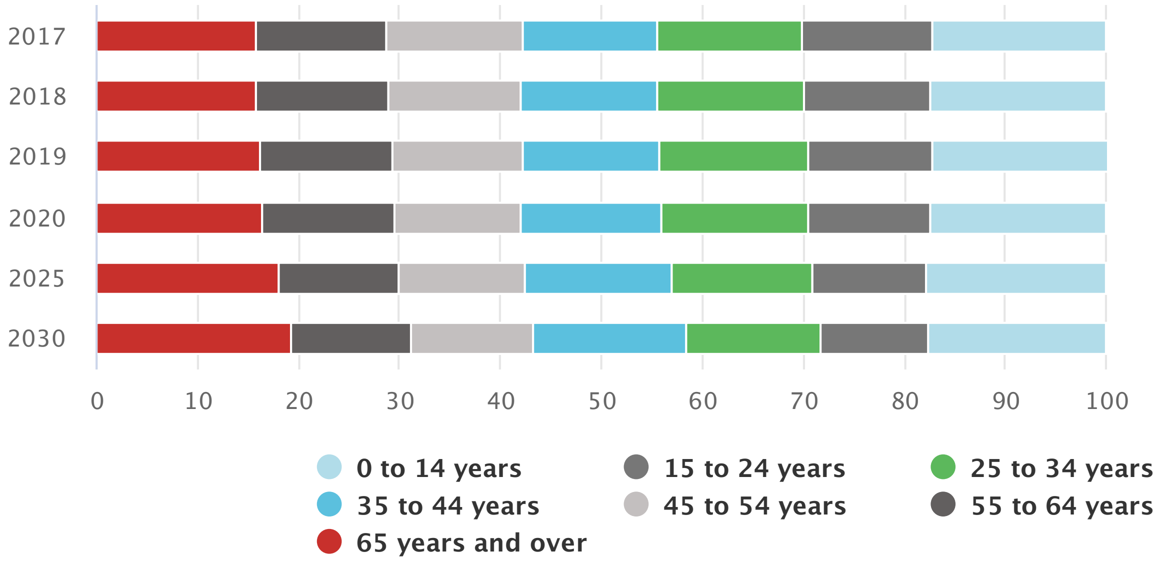


FIGURE 1: POPULATION BY AGE GROUP (%) (2017 TO 2030)

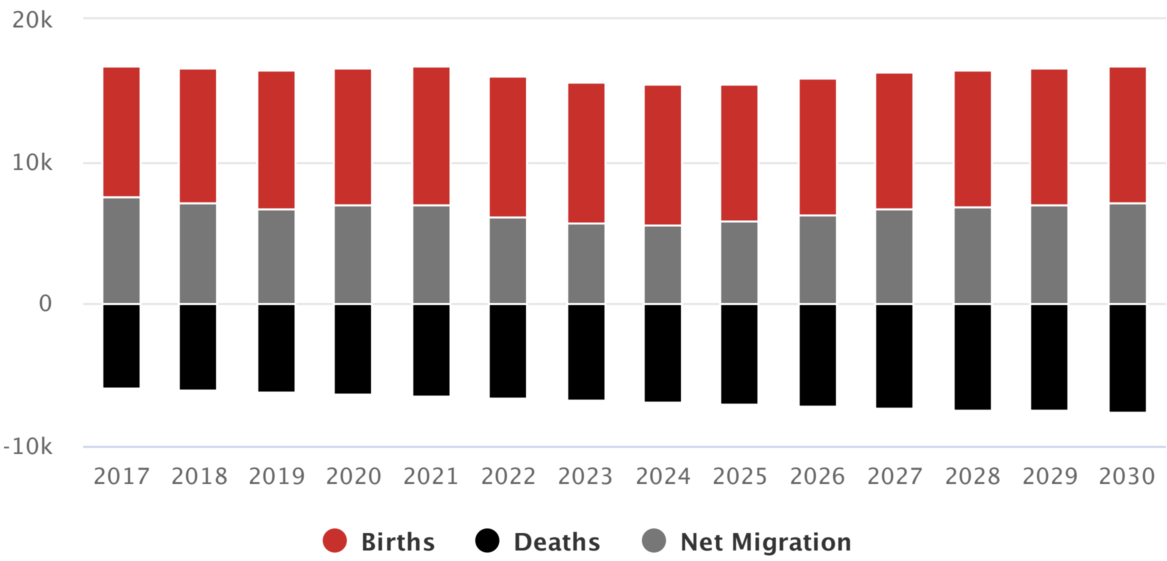


FIGURE 2: COMPONENTS OF POPULATION CHANGE (2017 TO 2030)

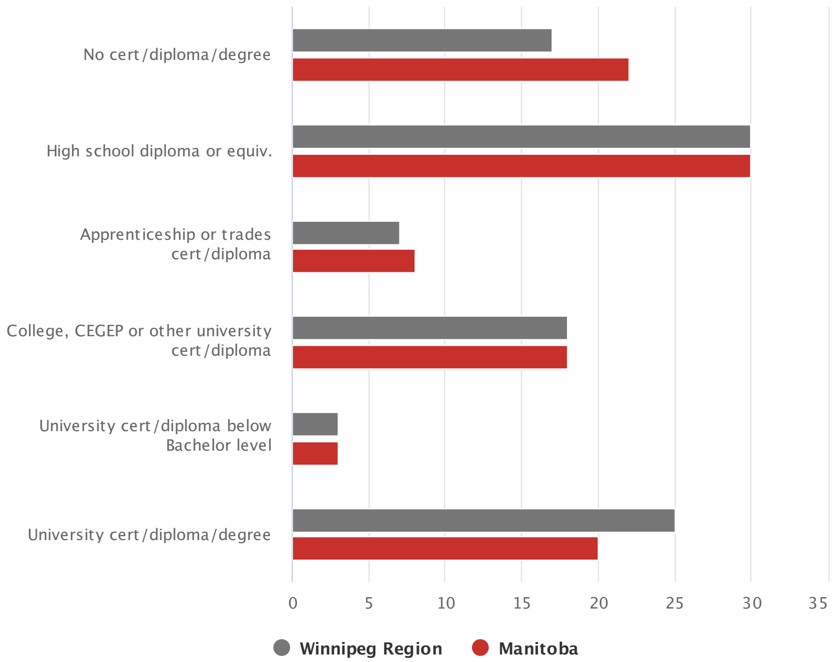


FIGURE 3: EDUCATIONAL ATTAINMENT – WINNIPEG REGION AND MANITOBA

The overall education level of the region's residents is slightly higher when compared with Manitoba overall (see Figure 3). Of the working age population, 17% do not have a high school diploma (vs. 22% for the province), and 25% (vs. 20% for the province) have a university certificate, diploma or degree.

3.0 OUTLOOK OF MANITOBA MEAT PROCESSING

3.1 MANITOBA MEAT PRODUCT OUTLOOKS

Total real gross output for meat processing (or total end market demand) is forecast to expand at a moderate pace of 1.6% on average over 2018-21, 1.5% over 2022-26 and then 1.4% over 2027-30. Growth will be helped by the increases in overall processed meat consumption that is forecast to average 1.0% over 2018-21 to 1.0% over 2022-26, and 1.1% over 2027-30 as poultry and lamb consumption boosts overall meat consumption.

International exports are forecast to expand at a moderately strong rate over the projection period, averaging 2.8% over 2018-21, and 2.1% over both 2022-26 and 2027-30. There are broad-based gains in beef, veal, pork and poultry product exports. Meat of all types will benefit the implementation of the CETA and TPP. Manitoba'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 by 1.2% over each of the sub-periods. Interindustry demand is reliant on the demand for meat products by other industries, particularly other food processing industries, it is forecast to average 4.7% over 2018-21, and 2.6% over 2022-25 and 2.7% over 2026-30.

TABLE 2: MANITOBA PREPARED MEAT END MARKET GROWTH (ANNUAL AVERAGE % CHANGE)

END MARKET	2013-2017	2018-2021	2022-2026	2027-2030
Consumption	0.1	1.0	1.0	1.1
International Exports	7.4	2.8	2.1	2.1
Interprovincial Exports	0.9	1.2	1.2	1.2
Interindustry Demand	-1.2	4.1	2.6	2.7
Imports	1.0	1.4	1.2	1.2
Total End Market Demand	1.5	1.6	1.5	1.4

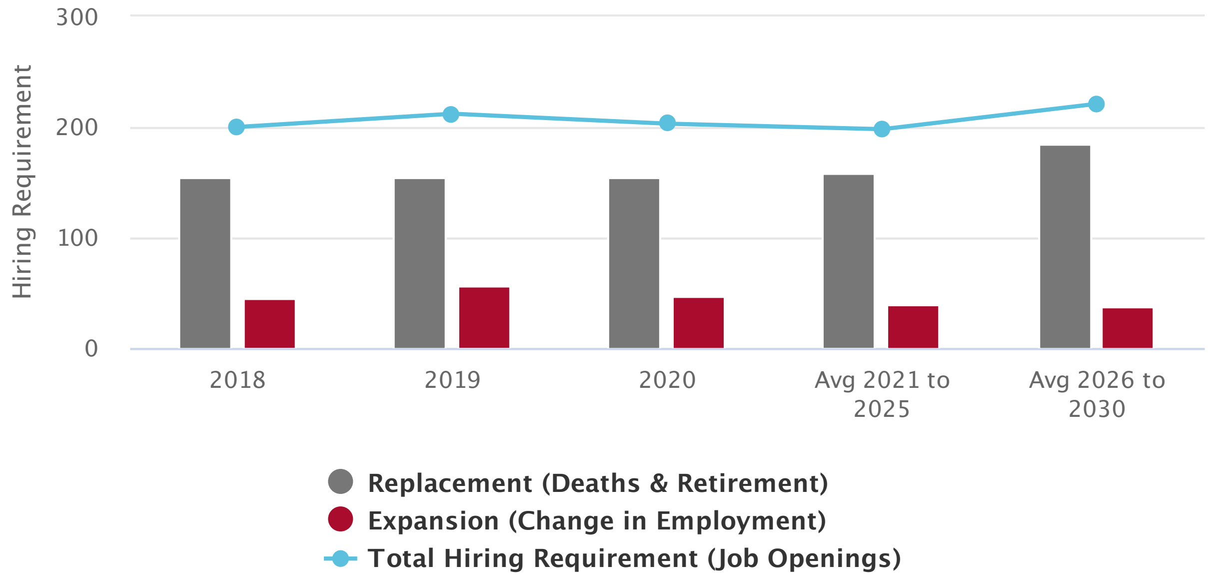
3.2 MEAT PROCESSING EMPLOYMENT OUTLOOK FOR MANITOBA

Meat processing employment is expected to rise by 2.4% between 2017 and 2020, an increase of 150 jobs from 6,236. Total employment is expected to approach 6,800 by 2030.

Meat processing real GDP is forecast to expand on average by 1.7% over the 2018-21 period, 1.6% over 2022-26 and 1.5% over 2027-30. Labour productivity (GDP per hour worked) is forecast to increase by 0.9% on average over the projection period. This means that the needed total hours of work will rise at a modest pace of 0.8% on average over 2018-30, 0.6% over 2022-26 and 0.6% over 2027-30. Average hours worked per employee is forecast to increase slightly over the projection period, which leads to the total number of jobs rising by 0.8% over 2018-21, 0.6% over 2022-26 and 0.5% over 2027-30.

Taking account of both replacement and expansion demands, the industry will likely need to need to hire just over 2,700 new workers, or (44%) 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.

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



4.0 WINNIPEG REGION MEAT PROCESSORS

4.1 EMPLOYERS

The region hosts 15 processors ranging significantly in size.

Overall, there are fifteen meat processing establishments in the Winnipeg Region[3], with a focus on both slaughter and meat processing.

THE CURRENT INDUSTRY WORKFORCE IS APPROXIMATELY 2,000 WORKERS WITH APPROXIMATELY ONE-HALF (51%) WORKING IN FOUNDATIONAL OR INTERMEDIATE SKILL LEVEL POSITIONS.

4.2 WORKERS

4.2.1 WORKFORCE SIZE & OCCUPATIONS

The estimated total number of individuals employed by the sector in the Winnipeg Region in 2017 was 2,020 (see Table 3). Approximately one-third (31%) of all workers were in occupations classified at the foundation level (NOC 9617), with an additional one-fifth (20%) working in occupations categorized at an intermediate skill level (NOC 9461; 9462). Approximately 6% of the workforce is in the higher skill occupations of specialized meat cutters and master butchers.

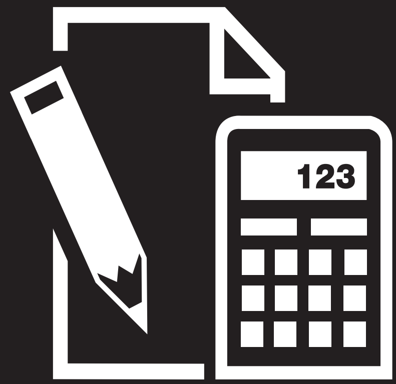
3 Number of establishments is based on the 2016 data from Statistic Canada's Business Registrar.

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

	AVG 2017 (#)	AVG 2017 (%)
Total Employment	2,020	100%
FOUNDATIONAL (NOC 9617)		
Production Labourer	151	7%
Poultry Production	476	24%
INTERMEDIATE (NOC 9462; 9461)		
General Meat Cutter/Knife Person	256	13%
Machine Operator	15	1%
Slaughter Person	117	6%
HIGH (NOC 9213)		
Master Butcher	20	1%
Specialized Cutter	97	5%
SUPERVISORY (NOC 9213)		
Supervisors	81	4%
MANAGEMENT (NOC 0911)		
Management	84	4%
OTHER CATEGORIES		
Maintenance	144	7%
Skilled Trades	141	7%
Quality Control Technician	7	0%
Office Staff	141	7%
Other Occupations*	289	14%

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

2,020 **AVERAGE NUMBER OF WORKERS EMPLOYED IN THE MEAT PROCESSING INDUSTRY IN 2017**



4.2.2 WAGES

Median hourly wages for labourers in food processing and industrial butchers and meat cutters are equal to or slightly above the provincial average, and higher than other C and D level occupations available in the region.

The median hourly wage for labourers in food processing (NOC 9617) in the Winnipeg Region of Manitoba in 2017-18 was $15.00/hour (see Table 4). The median wage for industrial butchers and meat cutters (NOC 9462) was slightly higher at 17.65/hour. These wage rates are equal to or slightly higher than the provincial median rates ($15.00/hour and $17.20/hour respectively) for these occupations, and equal or slightly higher than these occupations in the Southeast region in the province. To provide some context, the minimum wage in Manitoba in 2017 was $11.15/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 $3.00/hour. One exception is farm labourers (NOC 8431), occupation for which the median wage at $15.00/hour is equivalent to that of Labourers in food processing.

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)			
Winnipeg Region (MB)	12.00	15.00	18.20
Southeast Region (MB)	12.44	15.00	18.29
All Manitoba	12.44	15.00	18.29
Industrial butchers and meat cutters (NOC 9462)			
Winnipeg Region (MB)	14.00	17.65	19.00
Southeast Region (MB)	14.00	17.20	20.25
All Manitoba	14.00	17.20	20.25
Other C&D Level Occupations Winnipeg Region (MB)			
Farm Labourer (NOC 8431)	11.35	15.00	27.50
Retail Sales (NOC 6421)	11.35	12.00	19.00
Food Services (NOC 6711)	11.35	11.50	17.00

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

On a provincial level, the average hourly wage in food manufacturing ($18.24) is lower than other forms of manufacturing ($19.96) and slightly lower than the average hourly wage for all industries combined ($18.83) (see Table 5). The hourly wage in food manufacturing is higher than that found in retail ($13.09) and accommodation and food services ($12.01), but lower than other industries such as health care and social assistance ($23.90), educational services ($22.96) and public administration ($20.35).

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

	Avg. hourly wage
All industries	**$18.83**
Food Manufacturing	**$18.24**
Manufacturing (Total)	**$19.96**
Retail trade	**$13.09**
Health care and social assistance	**$23.90**
Construction	**$20.19**
Educational services	**$22.96**
Accommodation and Food Services	**$12.01**
Public Administration	**$20.35**

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

5.0 REGION'S LABOUR FORCE

THE REGION'S LABOUR FORCE IS APPROXIMATELY 460,000.

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 460,482 (out of a total population of 818,042). The largest proportions of the labour force for the Winnipeg Census Metropolitan Area work in manufacturing (9% of the labour force - includes meat processing), retail trade (11%) and health and social assistance (15%) (Census 2016).

5.1.2 UNEMPLOYMENT

The average unemployment rate for the region in 2017 was 6.0%.

The unemployment rate for the region in 2017 was 6.0% on average. According to Census data, approximately 4.9% of the population in the Winnipeg Region 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 Southern Manitoba economic region, there has been a growing trend in the number of workers in most occupations from the food and beverage processing sector (not just meat processing) making EI claims (see Table 6). The largest increase has occurred among manufacturing managers in the sector (118 EI beneficiaries in 2016 with an average annual 48% increase between 2014 and 2016). The largest number of EI beneficiaries are found among material handlers, which have increased by 4% on average between 2014 and 2016 (from 480 EI beneficiaries in 2014 to 517 in 2016). In 2016 the data indicates that there were 118 industrial butchers/ meat cutters collecting EI benefits with an average annual increase in numbers of approximately 21%. The number of labourers in food and beverage processing collecting EI benefits has decreased from 275 individuals in 2014 to 225 in 2016.

TABLE 6: EI BENEFICIARIES BY OCCUPATION – SOUTHERN MANITOBA REGION

Occupation	2014	2015	2016	Avg. Annual % Chg.
Manufacturing managers	60	88	118	48%
Material handlers	480	415	517	4%
Supervisors, food and beverage processing	30	*	49	4%
Process control and machine operators, food and beverage processing	66	57	90	18%
Industrial butchers and meat cutters, poultry preparers and related workers	83	79	118	21%
Labourers in food and beverage processing	275	259	225	-9%

Source: Employment and Social Development Canada 2017

5.2 OVERVIEW OF IMMIGRANT SOURCES OF LABOUR

According to the plants interviewed in the region, there has not been a need to access the TFWP, and while immigrants make up a proportion of their labour force, they already have their permanent residency by the time they apply and are hired by the plants.

The current proportion of immigrants in the Winnipeg Region is slightly higher when compared with Manitoba overall (23.9% vs. 18.3%). From the two plants in the region that were interviewed, they noted that while immigrants make up a portion of their workforce, at this point there has not been the need to undertake any recruitment using the TFWP. The immigrants that do apply and are hired have already been granted permanency by the time they approach the plants to apply for employment opportunities.

5.3 OVERVIEW OF INDIGENOUS SOURCES OF LABOUR

Among the plants interviewed, there had not been recent concerted efforts to engage directly with Indigenous communities to recruit workers.

The Winnipeg Region is in proximity to five Indigenous communities (Brokenhead Ojibway Nation; Fort Alexander; Dakota Tipi; Dakota Plain; Long Plain) Winnipeg Region has a total population living on-reserve of approximately 7,042. There is a large number of individuals (12.1% in Census 2016; 92,700 individuals) in the Winnipeg Region who identify as Aboriginal according to Census definitions. One plant indicated that the Indigenous population directly around their plant in South Eastern Manitoba was quite small. Another plant indicated that they do not at present have any recruitment challenges, so had not reached out directly to specific communities.

6.0 CURRENT AND FUTURE LABOUR DEMAND VS. SUPPLY

6.1 LABOUR MARKET TIGHTNESS

THERE IS CURRENTLY SUFFICIENT LOCAL LABOUR FORCE TO MEET THE REGION'S LABOUR REQUIREMENTS (FOR ALL INDUSTRIES). THIS TREND CONTINUES THROUGH TO 2030.

TABLE 7: POPULATION AND LABOUR FORCE OUTLOOK SUMMARY – WINNIPEG REGION – 2017-2030

	2017	2018	2019	2020	AVG 2021-2025	AVG 2026-2030
Total Population	818,042	828,621	838,833	849,167	877,527	921,792
Avg. Annual Change (%)		1.3%	1.2%	1.2%	1.1%	1.0%
Total Labour Force	460,482	466,884	472,787	478,750	491,183	500,158
Avg. Annual Change (%)		1.4%	1.3%	1.3%	0.8%	0.2%
Total Employment	432,867	439,851	445,901	452,019	461,004	465,982
Avg. Annual Change (%)		1.6%	1.4%	1.4%	0.6%	0.1%
Unemployment Rate	6.0%	5.8%	5.7%	5.6%	6.1%	6.8%

The model projections indicate that taking into account the trends in migration and aging, the Winnipeg Region will experience an increase in population within the period under study (2017 to 2030) (see Table 7). These factors will also contribute to a growing labour force for the region, albeit at a slightly slower rate than population growth given the aging population and anticipated retirements. Given the model assumptions regarding employment requirements, the unemployment rate is projected to increase slightly from an average of 6.0% in 2017 to 6.8% by 2030, bouncing up after reaching low of 5.6% in 2020.

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).

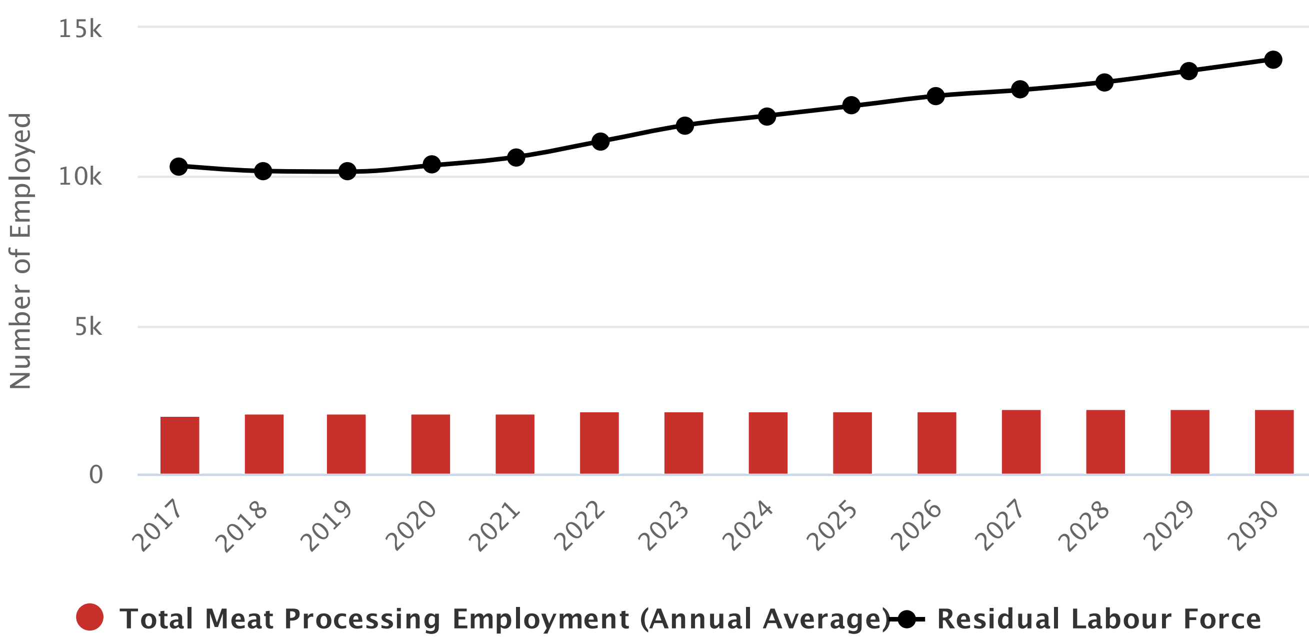
As illustrated in Table 8 and Figure 5, the Total Meat Processing Employment (Annual Average) is lower than the Residual Total Labour Force. This suggests that there is currently (2017) sufficient local labour force to meet all of the region's labour requirements (for all industries). This trend continues 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 Winnipeg Region are operating with respect to finding sufficient numbers of workers from the local labour supply. Within this labour market, the industry employers have had some success recruiting. For example, in 2017, the meat processing industry was able to recruit and employ 2,020 within a labour market that had a residual total labour force of 10,359.

TABLE 8: TOTAL LABOUR MARKET TIGHTNESS – WINNIPEG REGION – 2017-2030

	2017	2018	2019	2020	AVG 2021-2025	AVG 2026-2030
Total Labour Force [4]	460,482	466,884	472,787	478,750	491,183	500,158
Total Non-Meat Processing Labour Requirement [5]	450,123	456,701	462,623	468,624	479,583	487,313
Residual Total Labour Force[6]	10,359	10,183	10,164	10,375	11,600	13,265
Total Meat Processing Employment (Annual Average)	2,020	2,038	2,062	2,083	2,130	2,201

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



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.

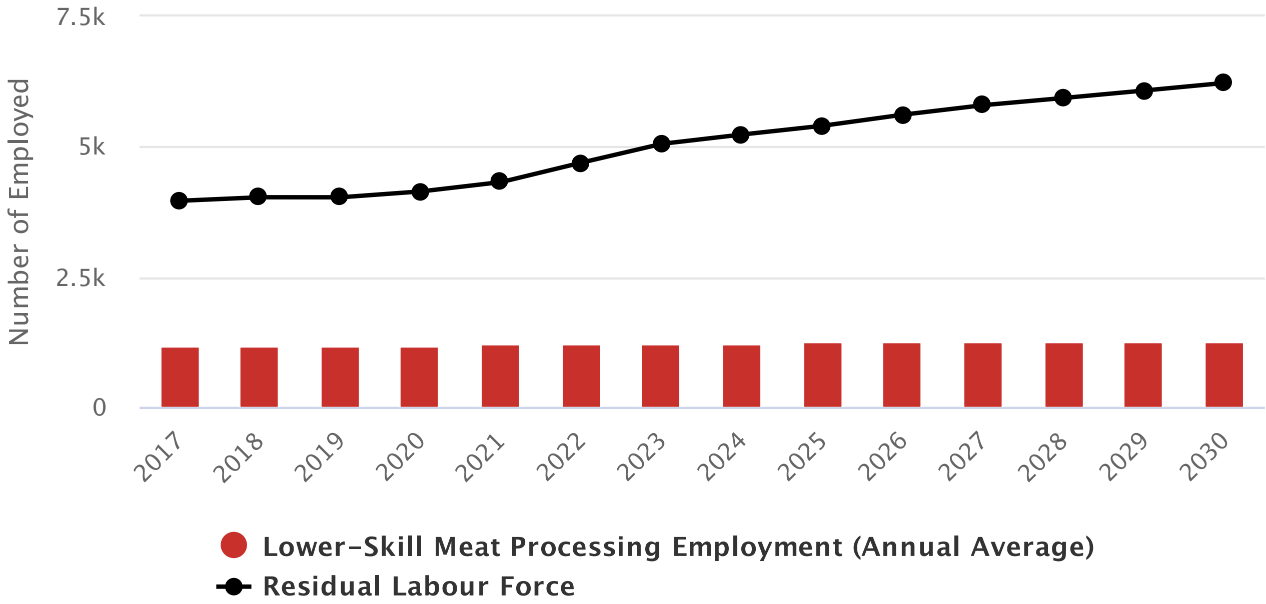
As noted in the description of the occupations, approximately 51% of the workers in the meat processing industry in this region are in the "C" and "D" levels which are often referred to as "lower-skill level" occupations, not requiring post-secondary education. Given much of the focus is on the lower-skill level labour force, the study also analyzed the "tightness" of the lower-skill level labour market (see Table 10 and Figure 6). The tightness of lower-skill level labour market is also low. For example, in 2017, the meat processing industry was able to recruit and employ 1,164 workers within a labour market that had a residual total labour force of 3,959.

TABLE 9: LOWER-SKILL LEVEL LABOUR MARKET TIGHTNESS – WINNIPEG REGION – 2017-2030

	2017	2018	2019	2020	AVG 2021-2025	AVG 2026-2030
Lower-Skill Labour Force[7]	194,954	197,664	200,163	202,688	207,952	211,752
Lower-Skill Non-Meat Processing Labour Requirement	190,995	193,637	196,137	198,649	203,012	206,702
Residual Lower-Skill Labour Force	3,959	4,027	4,026	4,139	4,940	5,930
Lower-Skill Meat Processing Employment (Annual Average)	1,164	1,174	1,188	1,200	1,227	1,268

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 - WINNIPEG REGION – 2017-2030



The overall summary of the labour market tightness as modelled for the Winnipeg Region (Table 10) demonstrates that the local labour force is able to meet the employment requirements of employers in the area at average levels. This 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. This assessment of the labour market situation in the region is similar to the perspectives of the two plants interviewed.

1

TABLE 10: SUMMARY OF LABOUR MARKET TIGHTNESS – WINNIPEG REGION – 2017-2030

	2017	2018	2019	2020	AVERAGE 2021 TO 2025	AVERAGE 2026 TO 2030
TOTAL	1	1	1	1	1	1
LOWER SKILL	1	1	1	1	1	1

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

6.2 NUMBER OF WORKERS REQUIRED

The projections indicate that the Winnipeg Region employers will need to attract approximately 870 new workers to the meat processing industry by 2030. This is equivalent to approximately 43% of their current annual average workforce. This requirement is due to both anticipated industry growth and replacement of anticipated retirements over this period. The tightness in the labour market is contributing to the high number of current vacancies experienced by employers in meat processing (estimated at 5% in Western 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 30% in Manitoba in meat processing industry). All of these factors contribute to some of the challenges facing the Winnipeg 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 11). Overall, this results in the need to attract 870 new workers to the industry between 2018 and 2030. This equates to replacing approximately 43% of the current average meat processing workforce in the region.

TABLE 11: HIRING REQUIREMENT OUTLOOK – WINNIPEG REGION – 2017-2030

	2017	2018	2019	2020	SUM 2021-2025	SUM 2026-2030
Net Hiring Requirement[8]	69	67	73	71	328	330
Industry Growth	20	18	24	22	76	68
Retirements and Mortality	49	49	49	49	252	262

The employment outlook according to occupation is detailed in Table 12 (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 Manitoba meat processors is estimated at 30%.

TABLE 12: EMPLOYMENT OUTLOOK (ANNUAL AVERAGE) – WINNIPEG REGION – 2017-2030

	2017	2018	2019	2020	AVG 2021-2025	AVG 2026-2030
Total Employment	**2,020**	**2,038**	**2,062**	**2,083**	**2,130**	**2,201**
FOUNDATIONAL (NOC 9617)						
Production Labourer (including Processor, Packer, Barn Worker)	**151**	**153**	**154**	**156**	**159**	**165**
Poultry Production Labourer (including Plant Production Worker, Poultry Worker, General Labourer)	**476**	**480**	**485**	**491**	**502**	**518**
INTERMEDIATE (NOC 9462; 9461)						
General Meat Cutter or Knife Person/Poultry Cutter	**256**	**259**	**262**	**264**	**270**	**279**
Machine Operator (including Saw Operator)	**15**	**15**	**16**	**16**	**16**	**17**
Slaughter Person	**117**	**118**	**120**	**121**	**124**	**128**
HIGH (NOC 9213)						
Master Butcher, expertise in multiple cuts (includes Butcher or Lead Hand of a shift)	**20**	**20**	**20**	**21**	**21**	**22**
Specialized Cutter, expertise in one cut (including Pull tenderloin, Drop (seam) Inside Round, Lead Hand, Specialized Meat Cutter)	**97**	**97**	**99**	**100**	**102**	**105**
SUPERVISORY (NOC 9213)						
Supervisors (including Kill Floor Supervisor, Abattoir Supervisor, Production Supervisor, Raw Room Supervisor)	**81**	**82**	**83**	**84**	**86**	**89**
MANAGEMENT (NOC 0911)						
Management (including Plant Manager, Director of Operations, Sales, Kill Floor Manager, Food Safety Managers)	**84**	**85**	**86**	**87**	**89**	**91**
OTHER CATEGORIES						
Maintenance (including Janitors, Sanitation Workers, Cleaners)	**144**	**145**	**147**	**148**	**151**	**156**
Skilled Trades (including Millwright, Industrial Electrician, Truck Driver)	**141**	**142**	**144**	**146**	**149**	**154**
Quality Control	**7**	**7**	**8**	**8**	**8**	**8**
Office Staff (including Administrator or HR Manager)	**141**	**142**	**144**	**146**	**149**	**154**
Other Occupations*	**289**	**292**	**295**	**298**	**305**	**315**

* 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:

Retention issues

Retention issues were also noted by both plants interviewed as not be particularly challenging for them more recently. While one plant noted they had a turnover rate of over 50% before 2012, they had brought that down to approximately 17%. Another plant noted that its challenges with turnover were not consistent. For example, at one point it had a particularly high turnover rate, but this was due to having hired a large volume of workers to fulfill a large contract, but when the contract ended, employees were not able to get the number of hours they wanted, so they left for other jobs. This boosted the turnover rate, but the company perceived it as a correction in the staffing levels given the work available.

Recruitment

The two plants interviewed did not indicate large challenges with recruitment. One area of challenge for one plant was to successfully recruit supervisors. The challenges were attributed primarily to the supply of workers able to take on this level of position, and possibly wage levels offered at competing plants in the area (pharmaceuticals, construction). Most of the recruitment for foundational and intermediate positions in one plant was achieved through an employee referral program, while the other plant interviewed indicated it had sufficient applicants to meet its demands.

Language Barriers

The manager at one plant noted the challenge with workers' level of English. There are workers that they would like to hire, but their level of English is not sufficient which can be a challenge for health and safety considerations and lower likelihood of being able to cross-train for higher positions.

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:

WORK WITH COMMUNITY ORGANIZATIONS

Both plants reported working with various community organizations to undertake recruitment and job placement/work experience. One organization was an immigration centre that would post the plant's job ads and accompany potential applicants to the interview to help with translation and support. Another organization is a group that focuses on providing opportunities for people with intellectual disabilities to fully participate in the employment and the community. A third organization mentioned is a group that works with employers to support workers with physical disabilities.

WILLINGNESS TO TRAIN

Both plants indicate that their willingness to give most applicants a try and be willing to provide training goes a long way in ensuring that they have sufficient numbers of applicants to fill positions. If they had a number of requirements or skill sets needed, this would be a big barrier for many of the new entrants.

HIRE STUDENTS FOR THE SUMMER SEASON

One plant interviewed indicated that they hire rely on students to hire for the summer season to supplement workers on vacation leave. Their source of students is often the children of long-term employees.

EMPLOYEE REFERRAL PROGRAM

Both plants interviewed credited much of their success in recruiting to working with the referrals from current employees. They indicated that this in some ways pre-screens the applicants for knowledge about the working conditions, work ethic (employees want to refer someone who will be a good worker), and contribution to a team environment (many of the people referred are friends, former co-workers, same language/ethnicity, or family members).

FOOD PROCESSING SKILLS CANADA

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