MEAT OF THE MATTER

Labour challenges and HR best practices of
Canada's **REMOTE MEAT** processors

LABOUR MARKET INFORMATION
REPORT SERIES

CHRH
YOUR LEADER IN SKILLS DEVELOPMENT
FOOD PROCESSING HR COUNCIL
CONSEIL DES RH DU SECTEUR DE LA TRANSFORMATION DES ALIMENTS

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SECURING CANADA'S **MEAT** WORKFORCE

Real Challenges. Practical Solutions.
Fresh Perspectives.

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1. INTRODUCTION

1.1. RELEVANCE: LABOUR MARKET CHALLENGES, AN IMPEDIMENT TO CANADIAN MANUFACTURING GROWTH AND THE SUSTAINABILITY OF RURAL ECONOMIES

Meat processing is a large and integral part of the Canadian economy. As the biggest subsector of Canada's food and beverage processing industry (itself the second-largest manufacturing sector in the country by revenue), meat processing accounted for 25 per cent of the country's food and beverage exports and $26.3 billion in 2014.[1] Meat processing is also Canada's largest food and beverage manufacturing employer, with 64,500 workers in 2015.

Canada is a net exporter of meat products ($6.8 billion exported versus $3.8 billion imported in 2014). The United States remains the industry's largest export market. The majority of imports come from the United States followed by Australia, New Zealand, and Uruguay[2] – but demand for Canadian meat products in fast-growing international economies like China is increasing, thanks in part to Canada's reputation for producing safe, quality products.[3] In response to this increased demand, Canadian meat processors are exploring opportunities to expand operations and increase revenues, which could help Canada's stagnant economy grow.

However, many meat processors say they are unable to meet increased demand because of labour shortfalls and, as a result, have been forced to turn down orders, scale back production, and/or ship meat products abroad to receive value-added cuts elsewhere. In fact, just 50 per cent of Canada's agricultural production is processed here.[4] Meat processors located in rural or remote regions – the largest employers in the meat industry – are particularly struggling to fill critical vacancies. Some of the key factors behind these challenges include:

- Absolute lack of available labour;
- Lack of Canadians' willingness to work in food processing, and;
- Lack of younger, able-bodied workers.

Although they can only sell within provincial boundaries, provincially-regulated processors are also experiencing similar challenges. And, like their much larger counterpart, some have had to limit business expansion as the result of labour shortages.[5] This is one indication that the nature of the labour market challenges faced by some of Canada's largest and geographically remote processors may be quite consistent across the meat processing sector.

1 *Overview of the Food and Beverage Processing Industry*, Agriculture and Agri-food Canada. http://www.agr.gc.ca/eng/industry-markets-and-trade/statistics-and-market-information/by-product-sector/processed-food-and-beverages-sector/overview-of-the-food-and-beverage-processing-industry/?id=1174563085690.

2 *Canada's Meat Product Manufacturing Industry*, Agriculture and Agri-Food Canada. http://www.agr.gc.ca/eng/industry-markets-and-trade/statistics-and-market-information/by-product-sector/processed-food-and-beverages-sector/profiles-of-processed-food-and-beverages-industries/canada-s-meat-product-manufacturing-industry/?id=1449838074216.

3 Barton, Dominic and David McInnes. "How Canada can become a global food production powerhouse," The Globe and Mail. 12 Mar 2017.

4 Ibid.

5 "Introduction," *Labour Market Partnership Engagement Final Report*, BC Association of Abattoirs. December 2016.

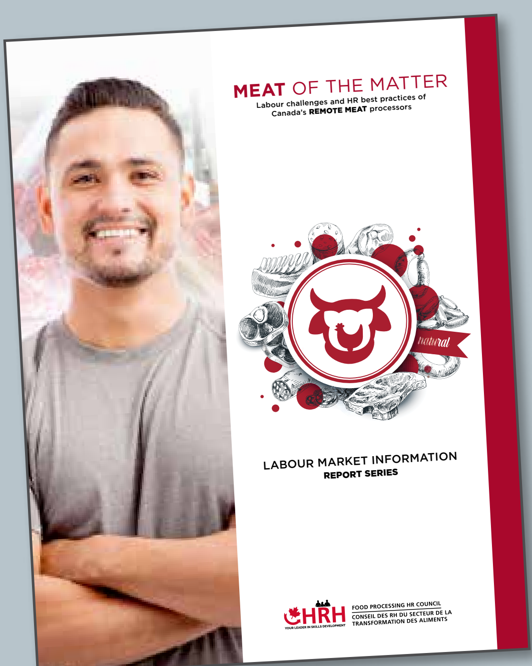
In addition to making efforts to recruit from underrepresented groups in the Canadian labour force (e.g., Indigenous workers, recent immigrants and refugees), much of the Canadian meat processing industry has relied on the work of foreign nationals via the Temporary Foreign Worker Program (TFWP) to fill critical gaps. The TFWP has undergone several stages of alteration since 2014, which have collectively had the effect of limiting meat processors' abilities to address labour shortfalls through the program. With the TFWP currently under review, the timing is optimal to provide documented evidence and information on the various approaches and efforts meat processors are currently using to recruit workers from underrepresented groups in the Canadian labour force.

1.2. SECURING CANADA'S MEAT WORKFORCE, REAL CHALLENGES – PRACTICAL SOLUTIONS – FRESH PERSPECTIVES

In response to these industry-wide HR challenges, the Food Processing Human Resources Council (FPHRC), with support from Employment and Social Development Canada (ESDC) and industry partners, is undertaking a comprehensive labour market information (LMI) study of the meat processing sector to help identify human resources best practices and assist employers with their workforce development efforts.

> DEMAND FOR CANADIAN MEAT PRODUCTS IN FAST-GROWING INTERNATIONAL ECONOMIES LIKE CHINA IS INCREASING, THANKS IN PART TO CANADA'S REPUTATION FOR PRODUCING SAFE, QUALITY PRODUCTS.

The *Securing Canada's Meat Workforce, Real Challenges – Practical Solutions – Fresh Perspectives* project will develop industry-validated labour market information pertaining to the meat processing industry across Canada (as well as the fish and seafood processing industry in Atlantic Canada through the simultaneous *Securing Canada's Fish + Seafood Workforce, Real Challenges – Practical Solutions – Fresh Perspectives* project). The project has been designed to produce regional, job-specific LMI designed to assist meat processing employers across Canada with identifying, forecasting, and addressing their labour and skills needs.



1.3. PURPOSE OF THIS REPORT

Meat of the Matter is the first stage of the *Securing Canada's Meat Workforce* project. The intent of this report is to analyze labour market employment information through the lens of meat processors located in remote regions of Canada. It assesses the information currently available, identifies gaps in data, and makes recommendations for upcoming phases of the *Securing Canada's Meat Workforce project*. Labour market information focused on demand for workers in remote regions has been documented in general – including the eight case studies analysed in this report – however, the *supply of workers* in these regions has not. Our project will provide a full picture – demand and details on supply.

> MANY MEAT PROCESSORS SAY THEY ARE UNABLE TO MEET INCREASED DEMAND BECAUSE OF LABOUR SHORTFALLS.

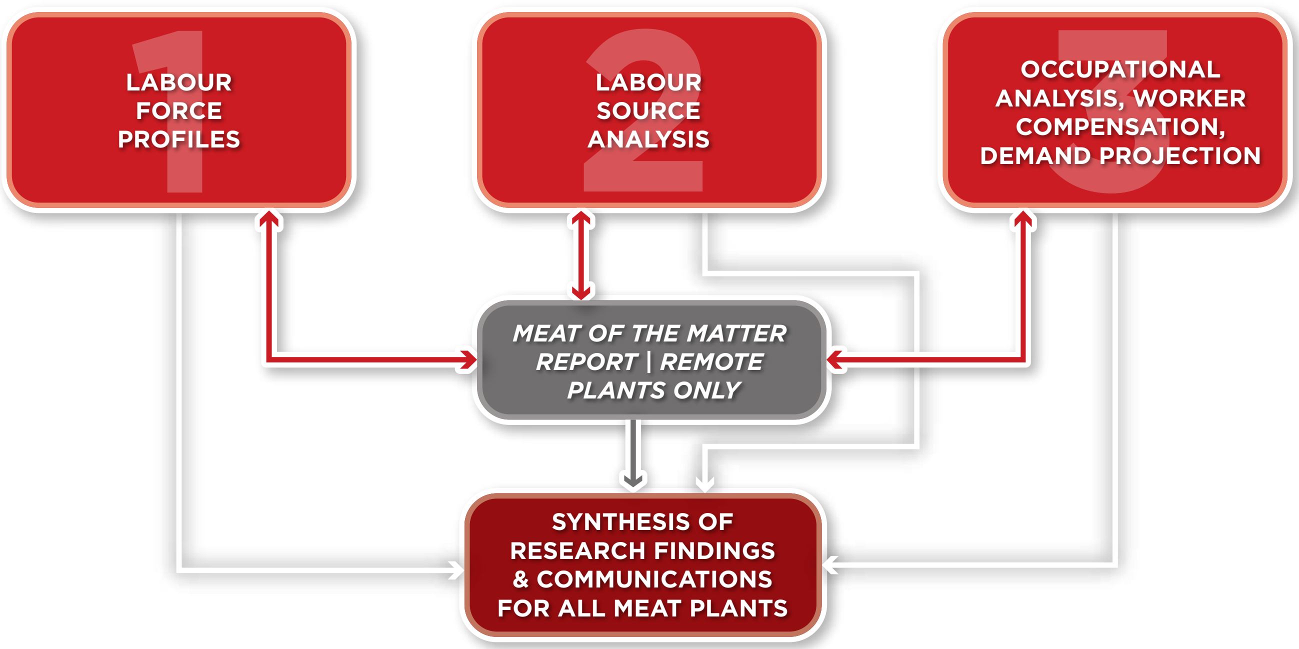
To date, the best LMI available for remote meat processors are found in case studies commissioned by the Canadian Meat Council. These eight cases covering 14 different plants contain quantitative and qualitative information on recruitment, retention and other HR challenges faced by companies, and describe how HR challenges impact business and, in some instances, the local economy. For the present report, the case study information was complemented by other sources of information, including an analysis of plant-level information on workforce, exports, linked census data, employment insurance data, and geographic data, contained in a Canadian meat processing sector database currently being developed by FPHRC. In addition, a gap analysis of the case study information was undertaken to assist in identifying potential next steps and to strengthen the collection and analysis of LMI for the sector.

We note that workforce and business statistics associated with each of the 14 case study plants are presented in this report in aggregate, and are herein referred to collectively as *The Plants*.

- *The Plants* are composed of 12 pork processing plants and two beef processing plants.
- With a total of 14,000 employees, *The Plants* represent approximately 22 per cent of the 64,500-employee Canadian meat processing industry.

The conclusion of this report presents recommendations on areas for further study and proposed next steps in the *Securing Canada's Meat Workforce, Real Challenges – Practical Solutions – Fresh Perspectives project*.

Figure 1: Phases of the *Securing Canada's Meat Workforce, Real Challenges – Practical Solutions – Fresh Perspectives* project



> **THE PLANTS ARE COMPOSED OF 12 PORK PROCESSING PLANTS AND TWO BEEF PROCESSING PLANTS.**

2. UNDERSTANDING THE CANADIAN MEAT PROCESSING LANDSCAPE

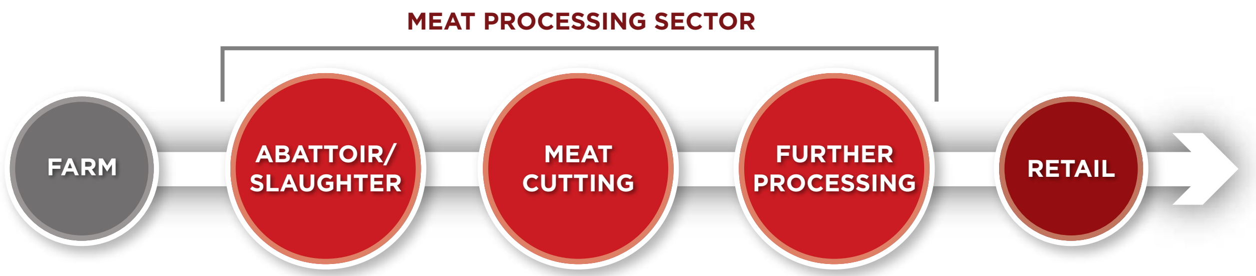
2.1. KEY DEFINITIONS

2.1.1. Meat Processing

The processing of many different types of meat falls under this definition, including beef, pork, poultry, veal, game, and foul. The meat processing sector begins when the animal leaves the farm.[6] The meat processing value chain comprises:

- Abattoir/slaughter;
- Meat cutting (quartering, initial cuts of meat, and retail cuts), and;
- Further processing (i.e. sausage).

Figure 2: Phases of the meat processing value chain



Many businesses in the meat processing industry focus on one segment of the value chain, while others perform more than one type of processing. While a few businesses may have some agricultural integration (i.e. as livestock feed lots), the meat processing sector is clearly distinct from the animal agriculture sector.

2.1.2. Industrial Meat Cutter

Industrial meat cutters have the knowledge and skills to safely operate equipment to process farm-raised animals into meat products, according to organizational, industry and regulatory standards. Industrial meat cutters work in fast-paced, combined labour intensive and automated environments. The scope of the Industrial Meat Cutter occupation includes the receiving of live animals through to the breakdown of the animal into primal, sub-primal and retail cuts and into food packaging.[7] Industrial meat cutters must continually adapt to changing quality, regulatory standards and workplace technologies. For example, the way that meat is cut and processed can vary significantly according to export market (e.g., pork that is being shipped to Japan is processed according to different specification than pork destined for Canadian supermarkets).

> “ TO AVOID CONFUSION & DISCREPANCIES… THIS REPORT… USES THE WORD *REMOTE* TO REFER TO REGIONS THAT ARE BOTH TECHNICALLY AND COMMONLY *RURAL*.

2.1.3. “Rural” vs “Remote”

The eight case studies sponsored by the Canadian Meat Council focus on relatively large plants operating in remote locations. As described later in this report, this, as a labour market dynamic, can produce some very complex and urgent HR challenges.

6 Sometimes, farms and processing facilities are in the same location.
7 *National Competency Standards for Industrial Meat Cutter,* Food Processing HR Council. 2015. iii.

The Statistics Canada definition of *rural* is an area with a population under 1,000 or a density of under 400 persons per square kilometre.[8] This definition is used in census classifications and often in labour market research. In the vernacular, however, *rural* also refers to remote geographic areas – even if they do not technically meet the Statistics Canada threshold of less than 400 people per square kilometer. In this sense, *rural* describes any area with a low population density or an area that is a long distance from a high population density location – or both.[9] To avoid confusion and discrepancies between both uses of *rural*, this report instead uses the word remote to refer to regions that are both technically and commonly *rural*. ***Meat of the Matter*** **sets the population density ceiling for** ***remote*** **at 1,000 people per square kilometre.**

> “MEAT OF THE MATTER SETS THE POPULATION DENSITY CEILING FOR REMOTE AT 1,000 PEOPLE PER KM^2.

2.2. INDUSTRY TRAINING: THE TREND AWAY FROM SCHOOL-BASED PROGRAMS TOWARDS IN-HOUSE TRAINING

Meat cutting/butchery is currently an unregulated occupation in Canada, meaning there is no standardized training. At one time, most Canadian colleges offered some kind of butcher certification or training program. However, the B.C. Association of Abattoirs notes that these kinds of programs have been in decline since the industrialization of meat processing in the 1990s.[10] There are currently six butcher/meat cutting programs offered across the country and one in development, however the majority of these are focused on retail butchering – often including seafood handling, customer service, and marketing/merchandizing training as well.[11] A Meat Processing Certificate program at Olds College in Alberta is the only meat cutting school in North America that still teaches animal processing (slaughter).[12]

8 “Canada goes urban,” *The Daily*, Statistics Canada. http://www.statcan.gc.ca/pub/11-630-x/11-630-x2015004-eng.htm. 2017.
9 “Definitions,” *Rural report fact sheets*, Federation of Canadian municipalities. http://www.fcm.ca/home/issues/rural/rural-report-fact-sheets/definitions.htm. 2016.
10 *Labour Market Partnership Engagement Final Report*, BC Association of Abattoirs. December 2016. 12.
11 *Development of a National Work-Based Certification of Skills Program for Industrial Meat Cutters in Canada*, Food Processing HR Council. 2017.12.
12 *Labour Market Partnership Engagement Final Report*, BC Association of Abattoirs. December 2016. 12.

With so few people in Canada able to train as meat cutters/butchers in school, companies are compelled to hire workers without any industry experience and to take on the bulk of skills training themselves. In-house training is time-consuming and expensive. Additionally, high rates of turnover at meat processing facilities necessitate constant and ongoing training for new hires to the detriment of plant productivity.

2.2.1. A Response to the Challenge: Raising the Skills Standard for Food and Beverage Manufacturers Project

In response to these difficulties, the Food Processing Human Resources Council (FPHRC) has launched the *Raising the Skills Standard for Food and Beverage Manufacturers* project, which has – in addition to developing new National Occupational Standards (NOS) – examined the feasibility of implementing certification and accreditation programs for Canada's meat processing industry. In early 2017, FPHRC released a report confirming that, "the Canadian meat industry should pursue a challenge model of certification to recognize competence of Industrial Meat Cutters."[13] This is intended to address labour shortage challenges faced by Canadian meat processors, in that:

- Certification, if fully embraced and incentivized by employers, will encourage individuals to pursue employment in the meat processing industry;
- A certification model will encourage educational institutions to seek accreditation or develop programs based on National Occupational Standards, opening doors to collaboration with meat processing employers, and;[14]
- Certification can be used as an immigration tool to confirm the skills of foreign workers.

This ongoing project is currently in its second stage of research and consultation. The Council is currently developing the assessment tools including a knowledge exam and performance exercises for a Level 1 Meat Cutter. The current model has 2 Levels. Once the program is established, a designation as "Certified Industrial Meat Cutter" will be available to the industry.

> "RURAL MAYORS HAVE VOICED SUPPORT FOR IMMIGRANTS, REFUGEES & TFWS SETTLING IN THEIR COMMUNITIES FOR WORK.

2.3. TODAY'S CANADIAN RURAL COMMUNITY: THE TWIN CHALLENGES OF OUT-MIGRATION AND AN AGING POPULATION

As of 2011, fewer than one in five (18.9 per cent) Canadians live in census rural areas. Compared to Canada's urban centres, whose populations have risen consistently over the past several decades, Canada's rural population remains relatively stagnant (though not necessarily in decline, as is a common perception). According to Statistics Canada, the proportion of Canadians living in rural areas is the third lowest among G8 countries, behind the United Kingdom and the United States.[15]

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13 *Development of a National Work-Based Certification of Skills Program for Industrial Meat Cutters in Canada*, Food Processing HR Council. 2017.32.
14 Ibid.
15 "Canada Goes Urban," *The Daily*, Statistics Canada. http://www.statcan.gc.ca/pub/11-630-x/11-630-x2015004-eng.htm.

The majority of Canada's meat processing facilities are located in rural or remote locations where labour is more difficult to recruit. This is due, in part, to two demographic factors:

- A resident population that is aging out of the workforce (since 2008 in non-metro Canada, the number of potential individuals entering the workforce has been less than the potential retirees),[16] and;
- The small proportion of young Canadians who live in these regions (in 2011, just 17 per cent of people living in rural areas were aged 15-29 years old – compared to the 20 per cent national average).[17]

Activity in the meat production sector produces three kinds of economic impacts: direct, indirect and induced. Direct impacts represent the contributions of the sector to the economy because of its operations. Indirect impacts result from the purchasing of inputs from other sectors to support meat processing operations. Induced impacts account for the economic activity generated by the labour force in the meat producing and supporting sectors, as these workers spend the income they earned. These economic impacts can be expressed in terms of job creation. According to a study by the University of Saskatchewan, for every worker employed in the meat production line in 2008, there were three additional jobs in the Canadian economy due to indirect economic impact effects. When induced economic impacts are also considered, the additional number of jobs created increases to approximately six per each worker in the meat production line. The aggregate employment in Canada resulting from a worker in this sector, considering direct, indirect and induced impacts, is seven full-time jobs.[18]

Like rural population growth, economic growth in rural communities lags behind urban centres.[19] Meat processing companies located in these regions tend to be large employers, and thus major economic engines. The success of these businesses and the prosperity of the surrounding communities are inextricably linked. In recognition of this symbiotic relationship, and of the labour market challenges meat processors are facing, a number of rural mayors and other officials have voiced their support for having immigrants, refugees, and Temporary Foreign Workers (TFWs) come to their communities to work and settle. In a recent letter campaign to three federal Canadian ministers (Immigration, Refugee, and Citizenship; Employment, Workforce Development and Labour, and; Agriculture and Agri-Food), rural mayors emphasized the importance of options for rural immigration to helping "our Canadian rural communities and business to grow and revitalize."[20] Among many recommendations made in similar letters, officials called for a "clear Pathway to Permanency" for international farm and food employees whose skills are "very valuable to our economy."[21] Some benefits of immigration to rural communities include:

- Increase in population growth and birth rates;
- Decrease in median age;
- New housing construction; and
- New immigrant-owned businesses established.

2.4. THE TEMPORARY FOREIGN WORKER PROGRAM: PART OF THE ANSWER FOR REMOTE MEAT PROCESSORS

Over the years, the TFW has been used by remote meat processors to help them fill labour shortages.

Canada's Temporary Foreign Worker Program (TFWP) was created in 1973 to allow employers to hire foreign nationals – primarily high-skilled workers – to fill gaps in their workforces on a temporary basis. In 2002, the federal government opened the program to "low-skilled" workers (supplementing existing low-skilled streams for seasonal workers and live-in caregivers).

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16 "Replacement of working age population," *Rural report fact sheets*, Federation of Canadian Municipalities. 2015. http://www.fcm.ca/home/issues/rural/rural-report-fact-sheets/replacement-of-working-age-population.htm.
17 "Canada Goes Urban," *The Daily*, Statistics Canada. http://www.statcan.gc.ca/pub/11-630-x/11-630-x2015004-eng.htm.
18 "Economic Impacts of Livestock Production in Canada – A Regional Multiplier Analysis. Canadian Cattlemen's Association. September 2012.
19 "Re: Rural Immigration: Maple Leaf Foods, Brandon, Manitoba Success Story." Sandy Trudel, Director of Economic Development, City of Brandon, to Ministers Hussen, Hajdu, and MacAulay. 18 January 2017. 1.
20 "Re: Rural Immigration: JBS Meat Processing Plant, Brooks, Alberta." Barry Morishita, Mayor, City of Brooks, to Ministers Hussen, Hajdu, and MacAulay. 2 February 2017. 1.
21 Re: Rural Immigration – Cargill, High River, Alberta." Craig Snodgrass, Mayor, High River, to Ministers Hussen, Hajdu, and MacAulay. 17 January 2017. 1.

Between 2009 and 2014, media reports surfaced of TFWP exploitation by some employers, and the federal government responded with significant changes to the program. Changes included: limiting most TFWs to four years in Canada (after which they cannot return for four years); imposing caps on the number of TFWs most business can have, and; raising the cost of Labour Market Impact Assessments (LMIAs) from $275 to $1,000.[22]

In response to concerns raised about various aspects of these changes by employers and TFWs alike, the federal government announced in February 2016 that "a comprehensive review of the program was imminent." In the summer of 2016, the federal government took steps to temporarily freeze caps on how many TFWs a company can employ[23] and in December of the same year, the government announced several immediate changes to the program, including:

- Eliminating the four-year cumulative duration role, and;
- Committing to further developing pathways to permanence for foreign workers.

This decision applies only to companies that had more than 20% TFW's on June 20, 2014 – the cap remains at 10% for most companies.

2.4.1. The Role of the LMIA

As the legislation currently stands, the TFWP only allows TFWs to enter Canada on a work permit at the request of an employer who has successfully completed an LMIA. This requirement differentiates the TFWP from the International Mobility Program, which grants work permits to foreign nationals without an LMIA approval. The primary objective of the IMP is to "advance the economic and cultural interests of Canada," rather than to "fill specific gaps in the labour market" – the primary objective of the TFWP. While the objective may be "to fill a gap", Canada's rural mayors and officials say that TFWs actually have positive economic and cultural impacts on the small communities in which they settle, in essence contributing to "the economic and cultural interests of Canada!".

The TFWP and IMP are administered by two different federal departments – Employment and Social Development Canada (ESDC) and Immigration, Refugees, and Citizenship Canada (IRCC), respectively.[24] ESDC has stated that the TFWP is to be used by employers as a "last and limited resort to fill their acute labour shortages on a temporary basis."[25] Thus, employers are required to fill out LMIAs to demonstrate that there are no Canadians or permanent residents available to fill their vacancies. Specifically, the LMIA process requires employers demonstrate:

- The number of Canadians that applied and were interviewed for the available job(s);
- The reasons those Canadians were not hired;
- The employer's understanding that Canadians may not be laid off or have work hours reduced at a workplace that employs TFWs, and;
- The employer's adherence to specific advertising requirements, including:
  - Advertising vacancies in Canada for a minimum of four weeks;
  - Using recruitment methods that go beyond posting vacancies on job sites, and;
  - In the case of low-wage jobs: that efforts have been made to hire Canadians from underrepresented groups (e.g., Indigenous people).

The 2014 program reforms reduced low-wage TFW work permits in duration from two years to one year. This change was specifically introduced to "oblige employers to reapply for an LMIA annually so that changes in labour market conditions that may have occurred over the previous year can be taken into account."[26]

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22 Dharssi, Alia. "A timeline of Canada's temporary foreign worker program," *Desperate Canadian businesses seek changes to temporary foreign worker program*, Calgary Herald. 14 September 2016.
23 Ibid.
24 "Temporary Foreign Worker Program," *Report of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities*, House of Commons. September 2016. 3.
25 HUMA, *Evidence*, 1st Session, 42nd Parliament, 11 May 2016, 1615 (Paul Thompson, Senior Assistant Deputy Minister, Skills and Employment Branch, EDSC).
26 "Temporary Foreign Worker Program," *Report of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities*, House of Commons. September 2016. 6.

Meat processing does not currently meet the regulatory definition for work in the primary agriculture sector, which has a specific “stream” under the TFWP allowing employers to hire migrant workers from any country to work for on-farm primary agricultural positions for a maximum of two years.[27]

Meat processors have traditionally hired TFWs under the National Occupational Classification (NOC) 9462 (Industrial butchers and meat cutters) – a low-wage stream for “C-level skill” occupations. However, meat processors have argued that an increase in demand for retail-ready product requires they hire individuals with existing butchering/meat cutting skills for value-added cuts. To do so, they say some of their TFWs should be classified under the “B-level skill” NOC 6331 (Butchers, meat cutters and fishmongers – retail and wholesale).[28] This classification provides more opportunities for permanent residency and thus a permanent solution to labour shortages.

27 Ibid.

28 National Occupational Classification 2016, Employment and Social Development Canada. http://noc.esdc.gc.ca/English/noc/ProfileQuickSearch.aspx?val=6&val1=6331&ver=16&val65=fish. Please note that the NOC 6331 was NOC 6251 in the 2006 National Occupational Classification.

3. THE STORY

As noted in the introduction to this report, much of our analysis centres on the information found in the eight case studies focusing on 14 plants, as these provide the richest and most detailed information about the HR challenges faced by remote meat processors, as well as on strategies they have implemented and the results they have experienced.

3.1. EXPORTS AND EXPANSION: DRIVING INCREASED DEMAND FOR LABOUR AMONG REMOTE MEAT PROCESSORS

3.1.1. High growth opportunities

As federally inspected meat processors, *The Plants* export to a number of international markets. Nine of 14 Plants say they export internationally to anywhere from 20 to 65 countries. The most common export markets cited include Japan, China, the United States, Mexico, Singapore, and Europe. In at least three cases, *The Plants* identified a focus on specialized, value-added cuts and niche product development as a way to break into new markets and increase competitiveness. All of *The Plants* say they intend to expand into new markets, should processing capacity and access to labour allow for it. Overall, *The Plants* are motivated to increase exports to growing markets in Asia (where protein consumption is on the rise),[30] Europe, and beyond, but only if they can expand production capacity in their Canadian plants.

3.1.2. Investment, Innovation, and Expansion

Currently, *The Plants* have a combined processing capacity of 20.4 million hogs and 2.5 million cattle annually. To increase this capacity to meet growing international demand, *The Plants* are prioritizing investment, innovation, and expansion at their Canadian facilities.

At least 70 per cent of *The Plants* have made recent multi-million dollar investments in new, cutting-edge equipment to increase efficiency and expand plant capacity. At least two of *The Plants* have used this investment to specifically acquire waste-reducing and/or “green technology” systems. Investments have also been made in labour-saving technology. It should be noted, however, that while investments in technology and automation in meat processing plants can improve efficiency and output, the case studies point out that there are limits on its ability to reduce labour costs, partly because specialized cuts require human judgement – a quality not easily automated.

> “CURRENTLY, *THE PLANTS* HAVE A COMBINED PROCESSING CAPACITY OF 20.4 MILLION HOGS AND 2.5 MILLION CATTLE ANNUALLY.

Another frequently cited investment involves facility expansion and modernization; at least 56 per cent of *The Plants* highlighted recent or upcoming plans of this nature. Many of *The Plants* with plans to expand their facilities also noted that additional labour will be required once expansion is completed. For example, Olymel’s plant in Yamachiche, QC, says it will need to nearly double its workforce in the next year to accommodate expansion.

Other areas of investment mentioned by *The Plants* include animal welfare equipment, water treatment systems, and business strategy/marketing plans.

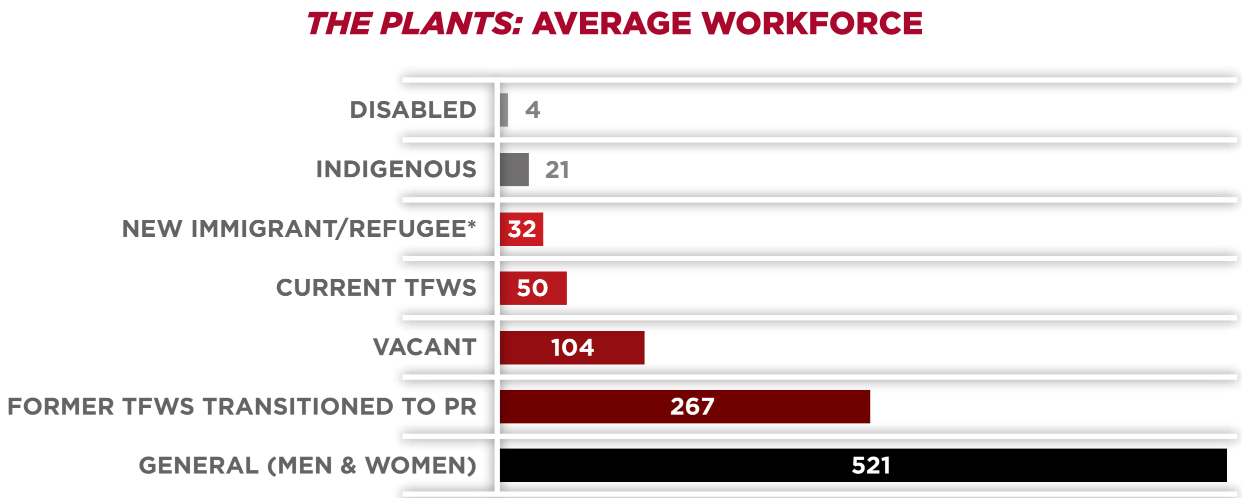
30 *Unleashing the Growth Potential of Key Sectors*, Advisory Council on Economic Grow. 6 February 2016.

3.2. LABOUR MARKET PROFILE: AN AVERAGE 10 PER CENT JOB VACANCY RATE AND 26 PER CENT TURNOVER RATE

3.2.1. Who works at remote meat plants?

On average, *The Plants* have a current workforce of 999 employees, but operate under capacity with an average of 104 job vacancies and an average annual turnover rate of 26 per cent. This high turnover is mainly driven by new hires. The average breakdown of *The Plants'* current workforce includes 286 female employees, 267 former TFWs who've transitioned to permanent residents (PR), 50 temporary foreign workers, 32 new immigrant/refugee employees*, 21 First Nations/Indigenous employees and four employees with disabilities. Note that even though a significant number of TFWs have technically transitioned to permanent residency – often with the help of their employers – the TFWP is *not* an immigration program. Rather, it is a labour program whose outputs sometimes result in permanent residency via the use of other provincial or federal immigration programs intended for that purpose.

Figure 3: *The Plants*: Average Workforce



*New immigrant/refugee = came to Canada via immigration channels other than the TFWP; have never had a TFWP work permit; recruited via immigrant/refugee settlement agencies or other advertising.

> THE FEDERAL STANDING COMMITTEE RECOMMENDED THAT ESDC "TAKE IMMEDIATE STEPS TO IMPROVE THE COLLECTION OF LABOUR MARKET DATA & REVIEW GEOGRAPHIC ZONES USED FOR DETERMINING UNEMPLOYMENT RATES, WITH A VIEW TO ALIGNING THE LABOUR MARKET CONDITIONS OF MORE LOCALIZED COMMUNITIES WITH THE REQUIREMENTS OF THE TFWP."

The Plants are spread across 12 Canadian economic regions and 14 Canadian census subdivisions, meaning labour market information is unique to each. Compared to Canada's urban centres, however, all of *The Plants* are located in we can refer to as "small" or "remote" communities.

It is important to note that in 2016, witnesses before a federal standing committee review of the Temporary Foreign Worker Program (TFWP) spoke about inaccuracies in the way unemployment rates are determined for particular regions. Specifically, they said that currently available labour market data is "very high-level and not suited to determining labour market conditions in smaller communities"[31] – like those in which *The Plants* are located. The standing committee went on to recommend that Employment and Social Development Canada (ESDC) "take immediate steps to improve the collection of labour market data and review the geographic zones used for determining unemployment rates, with a view to aligning the labour market conditions of more localized economies with the requirements of the TFWP."[32] That recommendation notwithstanding, the current state of available labour market information may provide some insight into the hiring challenges and/or opportunities faced by meat processors in smaller communities.

3.2.2. Labour supply: economic region and labour force unemployment

According to Statistics Canada, an economic region "is a grouping of complete census divisions created as a standard geographic unit for analysis of regional economic activity."[33] A low labour force unemployment rate means that a meat processing plant in that economic region has a relatively small available labour pool from which to recruit workers and fill critical vacancies compared to regions with higher unemployment rates.

Based on Statistics Canada labour force information for November 6 to 12, 2016, the average labour force unemployment rate for the economic regions surrounding *The Plants* is 5.8 per cent – below the 6.8 per cent national average.[34] Thus, *The Plants* are located – on average – in areas of the country that have low labour force unemployment relative to the rest of Canada, which translates to a comparatively small pool of labour-ready Canadians from which to hire.

The 12 specific economic regions mentioned in Table 1 below are ones in which *The Plants* are located (in two cases, there are two Plants per one economic region). Data for "Labour force population unemployed" demonstrates the actual size of the unemployed labour pool per region. The unemployment rates in *The Plants'* economic regions range from a low of 3.4 per cent to a high of 9.9 per cent. *The Plants* in economic regions with lower labour force unemployment rates say they've experienced difficulties in filling critical vacancies when most of the nearby labour pool is already fully employed.

Please note: It is the goal of upcoming phases in the Securing Canada's Meat Workforce project to gather more comprehensive labour force information for the areas surrounding The Plants and all other remote meat processors in Canada.

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31 "Temporary Foreign Worker Program," *Report of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities*, House of Commons. September 2016. 16.

32 Ibid., 31.

33 Appendix A: Sub-provincial geography descriptions, *Guide to the Labour Force Survey*, Statistics Canada. http://www.statcan.gc.ca/pub/71-543-g/2016001/appendix-appendice1-eng.htm.

34 *Labour force characteristics by province and economic region, unadjusted for seasonality, 3 month moving average ending in November 2015 and November 2016*, Statistics Canada. http://www.statcan.gc.ca/pub/71-001-x/2016011/t021-eng.htm.

Table 1: Labour force unemployment information by economic region[35]

Economic region	Labour force pop.	Labour force pop. unemployed	Labour force unemployment rate (%)
Canada			**6.8**
The Plants	**380,725***	**23,767***	**5.8***
Bas-Saint-Laurent, QC	95,900	7,700	8.0
Calgary, AB	963,600	95,000	9.9
Centre-du-Québec, QC	135,000	5,200	3.9
Chaudière-Appalaches, QC	226,400	9,600	4.2
Kitchener-Waterloo-Barrie, ON	733,400	34,200	4.7
Lanaudière, QC	264,600	18,400	7.0
Lethbridge-Medicine Hat, AB	159,500	9,700	6.1
Lower Mainland-Southwest, BC	1,626,600	84,200	5.2
Mauricie, QC	126,500	7,100	5.6
Southwest, MB	57,600	2,800	4.9
Swift Current-Moose Jaw, SK	55,400	1,900	3.4
Red Deer, AB	124,200	9,400	7.6

*Average value

Population density around The Plants

A census subdivision is defined by Statistics Canada as "an area that is a municipality or an area that is deemed to be equivalent to a municipality for statistical reporting purposes."[36] Population density per square kilometre in a single census subdivision can be used as an indicator of how "small" or "remote" a community might be.

For a sense of scale, Canada's most dense census subdivision – Vancouver, BC – has 5,249 people per square kilometre. Comparatively, the average population density per square kilometer (per census subdivision) for all Canadian meat processors is 1,163 people. Further still, the average population density per square kilometre in *The Plants*' census subdivisions is 376 – far below that of Vancouver and the whole of the Canadian meat processing industry. Statistics Canada defines "rural" as an area with less than 400 people per square kilometer.[37] Thus, on average, *The Plants* are located in census rural areas.

> "THE AVERAGE POPULATION DENSITY PER KM^2 IN *THE PLANTS'* CENSUS SUBDIVISIONS IS FAR BELOW THAT OF THE CENSUS SUBDIVISIONS IN WHICH ALL CANADIAN MEAT PROCESSORS ARE LOCATED.

Please note: the average population density per square kilometer for all remote meat processors is 236 – less than that of The Plants.[38] This means that Canada's most remote meat processors are not necessarily represented by the 14 case study Plants. The hiring challenges of these ultra-remote plants are likely even further compounded by geographic and transportation restrictions.

35 Ibid.
36 Illustrated Glossary, Statistics Canada. http://www.statcan.gc.ca/pub/92-195-x/2011001/geo/csd-sdr/csd-sdr-eng.htm.
37 Data and Definitions, *Rural and Small Town Analysis Bulletin, Statistics Canada*. http://www.statcan.gc.ca/pub/21-006-x/2008008/section/s2-eng.htm.
38 Per 2011 Canadian Census Data.

Table 2: Population density and Employment Insurance statistics by census subdivision

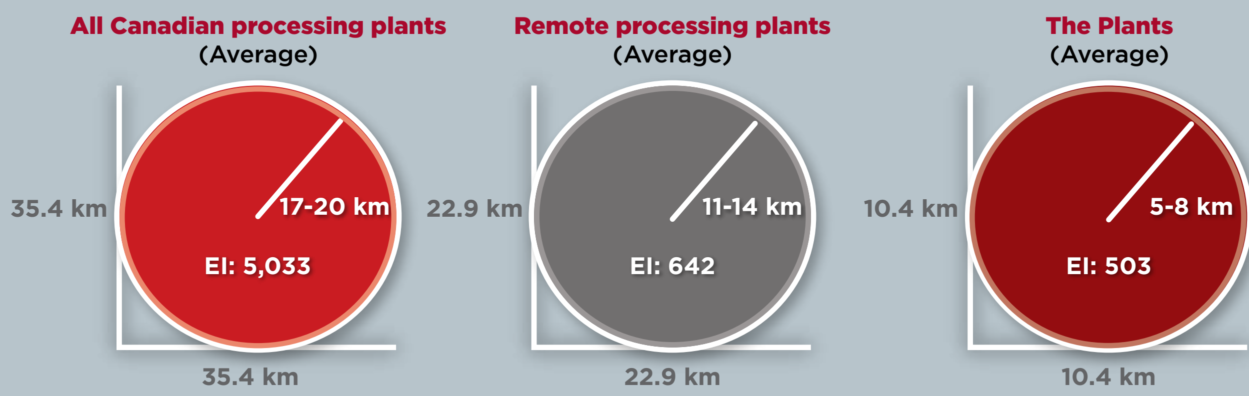
Census subdivision	No. of meat processors[39]	Land area (square km)	Pop. per square km[40]	Individuals on EI[41]
All meat processors	**1759**	**1,256***	**1,163***	**5,033***
Remote meat processors[42]	**1033**	**524***	**236***	**642***
The Plants	**14**	**109***	**376***	**503***
Brandon, MB	2	77	599	570
Brooks, AB	1	18	752	370
High River, AB	1	14	905	290
Langley, BC	15	308	338	770
Lethbridge, AB	6	122	683	1,330
Moose Jaw, SK	1	51	657	650
Neepawa, MB	5	18	206	60
Princeville, QC	3	194	29	90
Red Deer, AB	10	104	868	2,660
Saint-Alexandre-de-Kamouraska, QC	1	111	18	50
St-Esprit, QC	1	54	36	40
Vallée Jonction, QC	1	25	77	90
Woolwich, ON	8	326	71	100
Yamachiche, QC	3	107	56	50

*Average value

Available Employment Insurance (EI) information is also useful in mapping the labour market of a given census subdivision. The average number of individuals receiving EI benefits in all Canadian meat processing plant census subdivisions is 5,033, but that number drops significantly when narrowed to just "remote" meat processing plant census subdivisions (642) and *The Plants*' census subdivisions (503). If we plot a meat processing plant in the centre of its census subdivision, we can approximate how many individuals are receiving EI benefits within radial distance of the plant. The actual land area (per square kilometre) of Canadian census subdivisions is not standard, however, meaning the radial distance of each subdivision will vary. Nevertheless, plotting meat processing plants in this way helps illustrate the unemployed individuals located nearby. Figure 4 below demonstrates this – on average – for the census subdivisions of all Canadian meat processing plants, "remote" meat processing plants, and *The Plants* (case studies).

39 According to the Council's meat processing database. Currently under development.
40 Per 2011 Canadian Census data.
41 As of December 2016.
42 Canadian meat processors located in census subdivisions with a population density less than 1000/km^2.

Figure 4: Radial measure of individuals on Employment Insurance



Overall, and even when taking account larger radiuses, there are far fewer individuals on EI within the census subdivisions of remote meat processing plants and *The Plants*, compared to those of all Canadian meat processors, indicating that remote plants have a much smaller pool of labour from which to hire than their more urban counterparts.

3.2.3. Labour supply: Nearby First Nations

First Nation reserves close to The Plants (and all remote meat processing facilities) offer a labour force population that is currently underrepresented in Canada, as well as in the sector. Knowing how many Indigenous persons are available for work within a reasonable commuting distance would be valuable information for meat processing plants looking to fill critical vacancies. Figure 5 below shows the average distance, population, and labour force for the nearest First Nation to *The Plants*, based on postal codes.

Please note: much data pertaining to First Nations population and labour force availability has not yet been identified. This means the average values in Table 3 are based on small sample sizes of information (i.e. there are 1,033 "remote" meat processing plants in total, but labour force information for the closest First Nation reserve to each is only available for 703).

Table 3: Distance to nearest First Nation

	Distance to nearest First Nation[43] (average)	Total population of nearest First Nation (average)	Labour force population of nearest First Nation (average)
All meat processing plants	61 km	3,291	709
Remote meat processing plants	61 km	3,193	702
The Plants	79 km	3,335	1,019

The Plants have an average of 104 vacancies. A First Nation within an 80 kilometre distance (approximately 50 minutes) and with over 1,000 individuals in the labour force seems like a viable source of recruitment. More data is needed, however, as labour force unemployment rates of these nearby First Nations are not currently available. Other factors, like the availability of transportation and infrastructure conditions may also affect the potential of First Nations labour forces.

43 Based on postal code.

3.3. HR CHALLENGES: HIRING CANADIANS AND RETAINING EMPLOYEES

The Plants cite a number of reasons as to why they have consistent difficulty hiring Canadians to fill critical vacancies. The most common of these reasons include:

- Remote location/lack of transportation: Even when *The Plants* provide subsidised transportation options for employees, long commute times between their processing facilities and settlements are a deterrent to employee hiring and retention. In some cases new immigrants, Indigenous workers, and other groups do not own vehicles and rural transit options are limited.
- High labour force participation: Some of *The Plants* are located in economic regions with very low unemployment rates and very high labour force participation (i.e. Swift Current-Moose Jaw, SK, has an unemployment rate of 3.4 per cent, compared to a 6.8 per cent national average). *The Plants* in these regions have difficulty hiring from a labour pool that is basically already fully employed.
- Lack of absolute labour: *The Plants* are located in remote regions of the country where populations are aging faster than young Canadians entering the workforce. Additionally, Canada's smaller communities have witnessed significant youth "out migration" in recent years – a trend where young Canadians leave the rural communities of their birth for urban centres to pursue post-secondary opportunities and a broader labour market.
- Negative perceptions/impressions of meat processing work: Some of *The Plants* report that negative public perceptions about working conditions in a meat processing plant make it hard to attract workers.

Members of the Ontario Independent Meat Processors (OIMP) association also report similar challenges as those experienced by remote meat processors: too few applicants, lack of general skills, and lack of motivation/poor attitude as primary challenges to hiring skilled workers in their processing plants.[44]

44 *2016 Labour Market Survey Summary Report*, Ontario Independent Meat Processors. 2016.

A primary factor in HR Challenges faced by remote meat processors is attracting new employees. Another is retaining their workers. The average annual turnover rate for *The Plants* is 26 per cent. In order to try to reduce this rate, *The Plants* have implemented a variety of tactics, outlined in section 3.4 below. Each of *The Plants* acknowledges, for example, that wage is an important factor in employee retention, as are working conditions.

- Negative perceptions/impressions of meat processing work: Some of *The Plants* report that high turnover rates are due in part to an unwillingness of employees to work in the "unpleasant" conditions of meat processing. Exit interviews reveal these working conditions to include strong odours, hot or cold temperatures, the bloodiness of animal slaughter, and physical labour (i.e. standing for long periods). *The Plants* say these elements of meat processing are unavoidable.
- The average starting wage at *The Plants* is $14.05 per hour, while the average wage for an experienced worker is $19.95 per hour. These wage rates are often supplemented by comprehensive benefit packages.

> A PRIMARY FACTOR IN HR CHALLENGES FACED BY REMOTE MEAT PROCESSORS IS ATTRACTING NEW EMPLOYEES. ANOTHER IS RETAINING THEIR WORKERS. THE AVERAGE ANNUAL TURNOVER RATE FOR *THE PLANTS* IS 26 PER CENT.

The BC Association of Abattoirs notes that the average wage of a Canadian meat cutter/butcher has dramatically decreased since the 1990s, when the sector became heavily industrialized. Prior to this time, meat processing in Canada was dominated by small, independent abattoirs whose employees had completed four or so years of training to become "Master Butchers" – a well-paying skilled trade. As the industry transitioned toward an assembly-line model staffed by in-house trained meat cutters (as opposed to formal post-secondary education), wages fell below $8.00 per hour. This phenomenon occurred across Canada, in the United States, and in some parts of Europe.[45]

3.4. HR STRATEGIES: WAGES AND BENEFITS

The Plants' average annual wage increase is 1.81 per cent, and at least 20 per cent of *The Plants* guarantee a certain annual wage increase based on collective bargaining agreements. At least one of *The Plants* says it is actively considering increasing its starting wage in order to attract and retain employees. As noted in the gap analysis, a plant where there is a significant increase in starting wage with a pre/post indication of contribution of this factor to recruitment and retention rates would be important to assess taking into account other strategies and approaches.

Other than wage, *The Plants* offer a variety of employee benefits and other incentives to decrease turnover. At least 70 per cent of *The Plants* offer benefits packages including health, dental, and life insurance coverage, and Registered Retirement Savings Plan (RRSP) options are offered by most. Most of *The Plants* say they regularly host parties for staff/families to foster a sense of community among the workforce, while eight of 14 Plants say they recognize employees with awards and/or bonuses based on outstanding effort, record of attendance, etc. Two of *The Plants* also offer scholarship opportunities for the children of employees.

45 "Factors Affecting the Butcher and Abattoir Industries," *Labour Market Partnership Engagement Final Report*, BC Association of Abattoirs. December 2016. 9.

Due to the remote location of *The Plants*, some offer relocation packages to new employees. One of *The Plants*, for instance, indicates that over the past two years, it's provided more than 200 workers with relocation packages valued at $5,000 per person, but that "the majority have returned to their original residences." This underscores a fundamental challenge *The Plants* and other remote meat processors face in filling labour vacancies – geography.

Other methods of employee retention mentioned by *The Plants* include:

- Subsidised transportation to/from work (at least 50 per cent);
- Onsite cafeteria (at least 50 per cent);
- Guaranteed shifts (at least 36 per cent);
- Paid vacation and/or sick leave (at least 21 per cent);
- Ongoing training/professional development (at least 21 per cent);
- Gym/health facility onsite (at least seven per cent), and;
- Job rotation (at least seven per cent).

In general, *The Plants* prioritize employee quality of life as the primary means of retaining labour. Persistently high turnover rates and continued critical vacancies, however, suggest that retention efforts do not easily overcome deterrents like remote location, lack of transportation, and "unpleasant", or "undesirable" working conditions. As noted in the gap analysis for the case studies, while the information provided focused on the various activities undertaken, there was limited information on which of the activities and benefit areas being offered were more effective than others, where best practices from other sectors were being adapted, and ongoing information or data collected as to what activities/benefits the employees found most useful and attractive. While *The Plants* describe considerable effort in trying various recruiting strategies, the actual impact on recruitment and retention of those strategies is not well-documented through systematic data and evidence collection on the individual and collective impacts.

3.5. HR STRATEGIES: RECRUITMENT EFFORTS

3.5.1. Marketing/Advertising

To raise awareness about job opportunities at their processing facilities, all of *The Plants* have undertaken extensive advertising activities at both local and national levels. For example, online job boards like the national Job Bank, Kijiji and Craigslist, as well as paid job boards like Indeed and Workopolis, are frequently cited as platforms used for recruitment. At least one of *The Plants* has used email marketing as a tool to target potential recruits. Additionally, several of *The Plants* use social media platforms like Facebook and LinkedIn to further penetrate the labour force. All 14 of *The Plants* regularly pay to advertise vacancies via traditional media outlets, including in local newspapers, on television, and on the radio.

Participation in career fairs is another commonly cited means of recruitment by *The Plants*. JBS Foods Canada in Brooks, AB, for instance, participates in 35 to 40 job fairs in Alberta and across Canada annually. Several of *The Plants* have also reported hosting onsite career fairs where prospective employees visit the plant location, are given employment information and tour the facilities.

Other means of vacancy advertising cited by *The Plants* include:

- Mobile signage (branded cars, trucks);
- Advertisements in local churches and community centres;
- Billboard ads, and;
- Direct mail campaigns.

Recruitment advertising methods described by *The Plants* are very similar to those contained in a 2016 labour market report by the Ontario Independent Meat Processors (OIMP). In a survey of 20 per cent of OIMP members (both urban and rural), job sites like Indeed and Workopolis, social media platforms including Facebook, local print advertising, signage, and employment agencies were all reported as common recruitment strategies. Despite these efforts, the OIMP members report a continuing issue with finding skilled workers to fill vacancies.[46]

3.5.2. Outreach to First Nations/Indigenous Peoples

Canada's Advisory Council on Economic Growth recently noted in a report commissioned by Canada's Finance Minister that, "Canada still has significant untapped labour force potential given the underrepresentation of a number of demographic groups," and identifies Indigenous Peoples as one of those key groups. It goes on to state that increasing the workforce participation rates of Indigenous Peoples to match that of non-Indigenous Canadians could boost Canada's gross domestic product (GDP) by $7 billion. The council suggests public-private partnerships between businesses and Indigenous communities as a meaningful and practical way to increase Indigenous employment and skills development.[47]

For their part, several of *The Plants* have developed relationships and programs with nearby First Nations communities in order to increase Indigenous employment at their facilities.

In Neepawa, MB, for example, a pork processing plant is partnering with nearby Sandy Bay First Nation Reserve to open an on-reserve Meat Cutting Training School. The school, which has received approval from Sandy Bay First Nation and the government as of January 2016, intends to enroll 16 students quarterly beginning in June 2017. *The plant* has committed to hiring graduates and will sit on the school's board.

Another plant, conducted a special outreach program for Indigenous persons in conjunction with the Province of Alberta. The company led information sessions at two nearby First Nations Reserves, as well as on-site interviews and plant tours to encourage applications. This program initially resulted in more than 20 new hires, but all have since ended their employment at *the plant*. Despite these challenges, they continue to work with First Nations in Alberta and Saskatchewan to promote job and training opportunities. As noted in the gap analysis, it would be important information to understand what were the main challenges encountered with the program, what were some potential areas for improvement, and how is the program being realigned to provide greater impact for participants, including the company.

A number of other Plants also conduct Indigenous-specific recruitment, providing specialized tours of the facilities, conducting on-site interviews, and engaging Indigenous employment agencies. Most frequently, *The Plants* cite transportation issues as the number one deterrent to Indigenous employee retention. Even with company- and/or government-subsidised transportation (i.e. buses, carpools), Indigenous employees must commute long distances to get to and from work in many cases. In addition to distance, one of *The Plants* notes that access to and from a nearby First Nation reserve is hindered by poor road conditions. Another says lack of available childcare prevents Indigenous parents from accepting jobs at its plant.

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46 *2016 Labour Market Survey Summary Report*, Ontario Independent Meat Processors. 2016.

47 *Tapping Economic Potential Through Broader Workforce Participation,* Advisory Council on Economic Growth. 6 February 2017.

3.5.3. Educational Programs/Partnerships

In many cases, *The Plants* have developed partnerships with nearby high schools and colleges to promote employment among the youth population. These efforts include offering practicum opportunities to students, offering part-time and seasonal student work, conducting in-school presentations and roundtable discussions for students and guidance counselors, and – one case – creating certification program specific to meat cutting and industrial butchering.

For example, Cargill's High River, AB, plant supported and developed a meat cutting school with Olds College, an agricultural secondary institution in Alberta. Developed over two years, the project – which offers a Butcher Certificate to students – received some provincial funding. Cargill set an initial target of enrolling 50 students in the program, with the hope of retaining 80 per cent of graduates for employment. Despite an extensive advertising campaign to promote the program, only one student expressed interest, and, ultimately, chose not to enroll. Cargill continues to work with employment agencies and Service Canada to promote the certification program at Olds College and across Canada, but has so far been unsuccessful in enrolling any students. A more thorough analysis of the challenges and barriers that have been encountered with this example may provide particular insight and guidance for the sector to understand various aspects of recruitment among particular groups such as youth.

In Quebec, both Olymel and Aliments ASTA have partnered with Carrefour jeunesse emploi to incorporate job training into school programming for technical positions.

3.5.4. Outreach to recent immigrants and refugees

On average, *The Plants* have 32 immigrants or new Canadians in their 999-person workforce. It is important to note that these are people who are already in Canada, and not TFWs. To raise awareness about job opportunities among immigrant populations who may not consume English- or French-language media, several plants place job ads in ethnic media outlets. Maple Leaf's Brandon, MB, plant, for instance, places vacancy ads in the *Pilipino Express News Magazine*, *Pardesi Punjabi*, the *Manitoba China Times*, and the *Manitoba Indochina Chinese News*, among others.

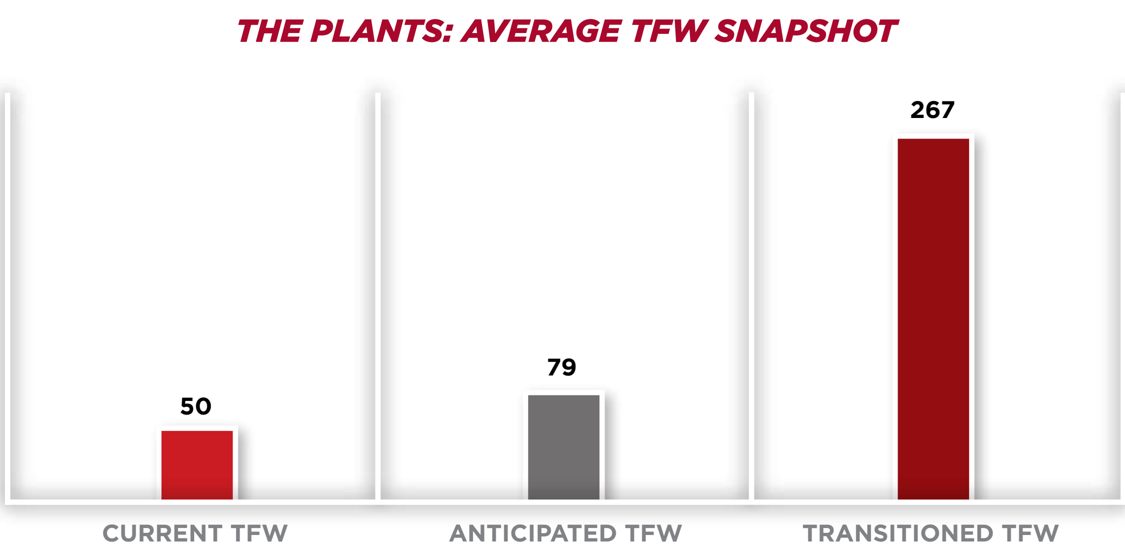
Most of *The Plants* actively engage with employment agencies to promote employment opportunities at their meat processing plants. In addition to traditional employment agencies, many also engage specifically with immigrant employment and settlement agencies to market opportunities to this underrepresented group.

3.6. HR STRATEGIES: THE TEMPORARY FOREIGN WORKER PROGRAM (TFWP)

All of *The Plants* have used the TFWP in the recent past. On average, *The Plants* have 50 TFWs currently employed in their facilities. They also have an average of 267 former TFWs (those who have transitioned to Canadian workers/permanent residents) who average seven years' employment at *The Plants*. It is worth recalling the contention of rural mayors that TFWs have a positive economic and cultural impact on the small communities they settle in. While not an intended goal of the TFWP, this is an important contribution that the program is making to many Canadian rural communities with aging populations and continued challenges in attracting new businesses and increased economic activity.

As of now, *The Plants* anticipate they will need an average of 79 additional TFWs in 2017 to operate at full capacity. At least one of *The Plants*, however, indicates that it will not request any TFWs for 2017 because of what they consider to be a prohibitively complex and costly LMIA application process.

Figure 5: *The Plants*: Average TFW Snapshot



According to a 2016 labour market survey report by the Ontario Independent Meat Processors association, 32 per cent of its members say they are currently using foreign workers as "alternative labour" to fill critical vacancies in their meat processing plants.[48]

48 *2016 Labour Market Survey Summary Report*, Ontario Independent Meat Processors. 2016.

3.6.1. Why the TFWP?

All of *The Plants* say that TFWs are critical to filling persistent job vacancies and allowing their meat processing facilities to operate closer to capacity. One of *The Plants*, for instance, notes that prior to using the TFWP it was regularly short hundreds of workers and had an annual turnover rate of up to 40 per cent. In the nine years since it began employing TFWs, *The Plant* has seen a dramatic decrease in turnover rate (now under 18 per cent), resulting in hundreds of fewer employees needing to be hired and trained each year. In addition, fewer occupational injuries now occur, since inexperienced new hires are more likely to be injured as they learn. This also has implications form increased productivity.

> “ IN THE NINE YEARS SINCE IT BEGAN EMPLOYING TFWS, *THE PLANT* HAS SEEN A DRAMATIC DECREASE IN TURNOVER RATE (NOW UNDER 18 PER CENT), RESULTING IN HUNDREDS OF FEWER EMPLOYEES NEEDING TO BE HIRED AND TRAINED EACH YEAR.

At least 57 per cent of *The Plants* note that retention rates for TFWs are significantly higher at their meat processing facilities compared to that of Canadians. One of *The Plants* says it has “no problem with the retention of foreign workers,” primarily because they specifically hire TFWs for retail and/or industrial butcher positions. They seek out TFWs with existing meat cutting skills, meaning they are more likely to be “interested” in the job than the average Canadian – a likely cause of its 90 per cent TFW retention rate. At least one other Plant says it specifically recruits TFWs with existing meat cutting skills as well.

Bhutan, Nepal, and the Philippines are the most commonly cited countries in which *The Plants* actively recruit TFWs with specific skills. Other countries *The Plants* have recruited from in the past include Taiwan, Indonesia, Eretria, Ethiopia, Belize, China, Colombia, El Salvador, Mexico, Brazil, and Ireland.

At least 79 per cent of *The Plants* say they are focused on family reunification and paths to permanent residency for their TFWs. Although the TFWP is not an immigration program, TFWs can use actual immigration programs via provincial and/or federal governments to obtain permanent residency. To this end, several of *The Plants* actively employ spouses who arrive on open work permits. At least 70 per cent of *The Plants* offer language training and housing assistance for TFWs/new immigrants and their families, in addition to subsidised and/or arranged transportation to and from work (50 per cent), specialized training and support on how to adapt to Canadian life (70 per cent), and coordination with local settlement agencies (29 per cent).

Additionally, many report helping TFWs apply for permanent residency through their respective provincial nominee programs (PNP). While some of *The Plants* have found it relatively effective to transition TFWs to permanent residents via their PNP, others (at least 13 per cent) say the PNP in their particular provinces are restrictive to TFWs and leave them with few immigration options. In one example, a Plant notes that TFWs must demonstrate certain English language competencies in order to qualify its PNP, but that a one-year LMIA work permit does not allow enough time for TWFs to sufficiently improve their English language skills. The BC Association of Abattoirs has flagged Alberta and Saskatchewan as two provinces that support the immigration of “low-skilled” foreign nationals for employment in the meat processing industry and who make it a priority to transition these TFWs to permanent residency.[49]

49 “Factors Affecting the Butcher and Abattoir Industries,” *Labour Market Partnership Engagement Final Report*, BC Association of Abattoirs. December 2016.

Challenges with Labour Market Impact Assessments (LMIAs)

Many of *The Plants* have identified the new LMIA process, introduced in 2014, as particularly prohibitive to filling critical labour gaps at their meat processing facilities. They say that the increased cost of LMIA applications (from $275 to $1,000) is not only burdensome, but non-refundable should an application be denied. If an LMIA application is refused, there is no appeals process currently available for *The Plants* to pursue.

A 2016 labour market survey conducted by the Ontario Independent Meat Processors (OIMP) association also identifies the LMIA process as a “challenge” to using the TFWP. Specifically, OIMP members surveyed say that LMIA application fees are high and that wait times for the LMIA process are too long.[50]

Testifying before the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities in 2016, various witnesses pointed out that the high LMIA fee makes it “difficult [for businesses] to remain competitive and viable,” and that rejected LMIAs result in both the loss of the application fee and a continued inability to fill critical vacancies.[51]

50 *2016 Labour Market Survey Summary Report*, Ontario Independent Meat Processors. 2016.
51 “Temporary Foreign Worker Program,” *Report of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities*, House of Commons. September 2016. 9.

Table 4 below demonstrates the number of LMIA applications made by *The Plants* and all meat processing employers under three different NOC classifications in 2016.

Table 4: 2016 LMIA applications for NOC 9462, NOC 6331 and NOC 9617

NOC	Employer	Positive		Negative		Pending		File Closed		Total LMIA	Total Positions
		LMIA	Positions	LMIA	Positions	LMIA	Positions	LMIA	Positions		
9462 – Industrial Butchers and Meat Cutters, Poultry Preparers and Related Workers	All meat processing employers	9	243	5	44	1	1	4	9	19	297
	***The Plants* (3)**	**3**	**230**	**1**	**40**	**0**	**0**	**0**	**0**	**4**	**270**
6331* – Butchers, Meat Cutters and Fishmongers – Retail and Wholesale	All meat processing employers	75	227	30	37	9	17	30	34	144	315
	***The Plants* (2)**	**4**	**126**	**0**	**0**	**1**	**6**	**0**	**0**	**5**	**132**
9617 – Labourers in Food, Beverage and Tobacco Processing	All meat processing employers	31	327	5	22	6	74	8	93	50	516
	***The Plants* (1)**	**4**	**49**	**0**	**0**	**4**	**12**	**0**	**0**	**8**	**61**

* The NOC 6331 (NOC list from 2016) was previously NOC 6251 (2006 NOC list)

Please note: "All meat processing employers" is inclusive of grocery stores, butcher shops, and other establishments outside the scope of this report.

- Six of *The Plants* (43 per cent) made 17 LMIA applications in 2016, for a total of 463 TFW positions.
  - Four of those applications were under NOC 9462 (Industrial Butchers and Meat Cutters, Poultry Preparers and Related Workers) – the "C-level skill" occupation[52] traditionally used by meat processors.
  - While 230 of those TFW positions were approved, another 40 were denied. Details on the rationale behind these negative applications are not publicly available, but we do know that the employer would have paid a nonrefundable LMIA fee of $1,000.
- One of *The Plants* had four LMIAs approved under D-level skill NOC 9617 – Labourers in Food, Beverage and Tobacco processing.
  - An additional four LMIAs submitted by that same Plant under this NOC are still pending.
- Two of *The Plants* made four successful LMIA applications under NOC 6331 – Butchers, Meat Cutters and Fishmongers (Retail and Wholesale), a "B-level skill" classification.
  - One other application of this nature is still pending.
  - In total, 126 TFWs were approved to work at 14 per cent of *The Plants* in 2016.

Overall, *The Plants* view TFWs as integral members of their companies and of their rural communities, and believe that certain changes to the TFWP could better address the rural labour market landscape and the needs of foreign workers themselves. Some suggested changes to the TFWP include:

- Extension of the LMIA work permit from one to two years in duration;
- Treating skilled, semi-skilled, and low-skilled workers as equal under NOC classifications;
- Creating a federal path to permanency for both industrial and retail butchers, and;
- Limiting the LMIA application fee.

A 2016 TFWP report by the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities made several similar recommendations after listening to the testimony of various stakeholders:

- That ESDC review the LMIA application process with a view to increasing speed and efficiency;[53]
- That ESDC implement a "Trusted Employer Program" with the objective of reducing LMIA processing timelines for employers who have demonstrated trustworthiness;[54]
- That ESDC restructure the TFWP into more specific program areas and streams [similar to the Seasonal Agricultural Worker Program] that adequately reflect the realities of labour market needs in Canada; and [55]
- That ESDC ensure the cap on the percentage of TFWs a business can employ at a given time be set at a minimum of 20 per cent, and further review sector and geographic considerations.[56]

> *THE PLANTS* VIEW TFWS AS INTEGRAL MEMBERS OF THEIR COMPANIES AND OF THEIR RURAL COMMUNITIES, AND BELIEVE THAT CERTAIN CHANGES TO THE TFWP COULD BETTER ADDRESS THE RURAL LABOUR MARKET LANDSCAPE AND THE NEEDS OF FOREIGN WORKERS THEMSELVES.

52 National Occupational Classification Matrix 2016, Employment and Social Development Canada. http://noc.esdc.gc.ca/English/NOC/Matrix2016.aspx?ver=16.
53 Ibid., 26.
54 Ibid.
55 Ibid.
56 Ibid.

3.7. CASE STUDY GAP ANALYSIS

As noted, a component undertaken in the development of this report is the examination of strengths and gaps in the information provided from *The Plants*. Information collected via the case studies and enhanced with some publicly available information on the meat processing sector is, to date, the most comprehensive LMI we have on the Canada's remote meat processors – particularly when looking at potential supply of much needed workers. However, given that we have the opportunity to improve the quantity, quality, and relevancy of LMI for decision-makers and the sector within the context of the *Securing Canada's Meat Workforce, Real Challenges – Practical Solutions – Fresh Perspectives* project, the systematic gap analysis revealed some areas that will be important to address further within the overall context of the larger project.

In reviewing the case study information content and taking into consideration best practices in conducting situational analyses related to labour markets (e.g., use of trends and multiple point measures; evaluating contributing factors), the gap analysis resulted in two main observations:

- ***Emphasis on "current point in time"*** – Much of the evidence presented in the case studies clearly outlined the "current" position or point in time. We know from labour market analysis that a series of points is more informative than simply one specific point. Much of the information collected in the case studies would have benefitted from the inclusion of trends, growth estimates, and projections made with quantitative data. Strong situational analyses which are useful for demonstrating the "story" behind cases often have a past, present and future component. By largely focusing on the present, the case studies missed an opportunity to recount a strong, contextualized path of achievement through understanding growth, challenges, and solutions.
- ***Emphasis on "activities" rather than "outcomes"*** – While it is important to understand what attempts have been made to overcome challenges with recruitment and retention (activities), it is even more important is to understand the outcomes (impacts) of those efforts. Even if there were minimal or negative impacts, it is crucial to understand why things did not work as anticipated. The case studies outlined a number of activities that *The Plants* undertook to recruit workers from underrepresented groups; however, they typically do not describe why many of these might not have been successful. A more systematic analysis of why certain initiatives did or did not work would be particularly useful in understanding how to address particular challenges.

The details of the gap analysis undertaken by case and dimension of analysis is presented in Appendix 1.

THE SYSTEMATIC GAP ANALYSIS REVEALED SOME AREAS THAT WILL BE IMPORTANT TO ADDRESS FURTHER WITHIN THE OVERALL CONTEXT OF THE LARGER PROJECT.

4. CONCLUSIONS AND RECOMMENDATIONS FOR GAINING A BETTER UNDERSTANDING OF THE HR SITUATION OF CANADA'S REMOTE MEAT PROCESSORS

Our analysis of available data paints a picture of meat processors operating in remote parts of Canada as struggling, and, in some cases failing, to meet their labour needs. In an effort to address some of the inherent hiring and retention challenges they face, including geographic isolation/lack of public transit, lack post-secondary education training opportunities, relatively small regional labour pools, and physical working conditions for line employees, plants have implemented a range of strategies. The success of these strategies appears to vary greatly, however. It is also important to understand that the success of remote meat producers has implications for the sustainability and prosperity of surrounding communities, as well as for Canada's economic growth, per the Advisory Council on Economic Growth's thinking.

The most effective HR strategies to date have involved TFWs; first, as way of filling urgent labour needs, and subsequently as a longer-term solution, as employers have helped their TWFs become permanent residents of Canada. Some of the changes that have been made to TFWP, however, have made it more difficult and expensive for meat processors to use the program.

Our analysis also suggests that the labour market situation faced by the 14 plants for which the most data exists, may prevail across the sector, albeit to varying degrees. This indication comes from a small-scale BC study and a limited Ontario study of meat processors, as well as from census, employment and other data compiled by the Council. However, much more information is required.

“IT IS ALSO IMPORTANT TO UNDERSTAND THAT THE SUCCESS OF REMOTE MEAT PRODUCERS HAS IMPLICATIONS FOR THE SUSTAINABILITY AND PROSPERITY OF SURROUNDING COMMUNITIES, AS WELL AS FOR CANADA'S ECONOMIC GROWTH.

4.1. RECOMMENDATIONS

Going forward, we recommend that the following information and data gaps be filled in order to provide policy-makers, industry and labour with an evidence-based understanding of the HR situation faced by meat processors in remote parts of Canada.

Generally, the information collected to date constitutes as one of the better sources of information about the beef and pork sector, however, a number of important gaps still exist. Additional data collection should include a critical mass of information regarding poultry, lamb, game, and other meat products to accurately reflect the entire scope of the meat industry.

RECOMMENDATIONS

Capacity/Expansion

- Complete, consistent, accurate data about the current number of employees and the demographic breakdown of employees is needed for a representative sample of remote meat processors, including youth employees, women employees, First Nations Employees, disabled employees, immigrant/refugee employees, and TFW employees.
- Complete, consistent and accurate trends and projections for plant capacity from a representative sample of remote meat processors is needed to help understand how plant capacity evolves over time, the impact of expansion/modernization plans, and the impact of labour shortages on expansion.
- Complete and consistent measurement of employee retention efforts by a representative sample of remote meat processors would be useful in determining retention best practices and identifying new methods/opportunities.
- Qualitative and/or quantitative information on the state and availability of transportation (e.g., public transit, transportation from First Nations) in areas where all remote meat processors operate would be useful.
- Complete and consistent information on turnover and retention rates, as well as retention strategies and evaluation/evidence of the latter's effectiveness.

Labour Market Conditions

- The labour market supply for remote meat processors would be better understood if labour market unemployment rates were available based on census subdivision.
- Complete labour force population and unemployment data for First Nations reserves nearby remote meat processors is needed to adequately assess the available labour market supply for these businesses.
- Information on average wage rates of new workers and experienced workers in the census subdivision of remote meat processors for B- to D-level classified occupations is needed to evaluate the competitiveness of wages offered at remote meat processing plants.
- Recent data on the number of new immigrants and refugees who've settled in the census subdivisions where remote meat processors are located will help determine nearby availability of labour.
- Information on the number of individuals currently receiving social assistance in the census subdivisions of remote meat processors will help identify potential employee pools.
- Detailed information on other businesses in the census subdivisions of remote meat processors, including number of employees, wages, expansion plans, etc., will provide insight into the level of competition faced by remote meat processors in hiring and retaining labour.
- An assessment, perhaps through surveys and employer interviews, of the extent to which the pool of "available" labour surrounding plants is 1) employable, and 2) willing to work in meat processing.

Recruitment Efforts

- It would be beneficial to gauge perceptions of the meat processing industry through surveys of youth (e.g., under 25 years of age), new Canadians, individuals receiving EI benefits and social assistance benefits, and other relevant demographic groups, in order to understand public misconceptions, stereotypes, etc.
- Some qualitative reporting on past and current recruitment efforts was included in the *The Plants'* case studies, however, further reporting from a more representative sample of remote meat processors, as well as a quantification of these efforts (i.e. number of positions advertised, number of hires made, etc.), would paint a clearer picture of the recruitment/HR challenges remote meat processors face. Participating processors should explain in detail which efforts have worked well in the past and which have not.
- A detailed description of which government career programs (i.e. Career Focus Program) are being used to recruit employees and quantification of success or failure would help determine the usefulness of these programs to remote meat processing plants.

> “THERE IS A NEED FOR AN ASSESSMENT OF THE EXTENT TO WHICH THE POOL OF “AVAILABLE” LABOUR SURROUNDING PLANTS IS 1) EMPLOYABLE, AND 2) WILLING TO WORK IN MEAT PROCESSING.

Training Opportunities

- Up-to-date reporting on enrollment in and graduation from the Sandy Bay First Nation Meat Cutting Training School in Neepawa, MB, will help gauge the potential success of similar programs across the country, if implemented.
- A more detailed breakdown of in-house training regimens – including length, skills taught and cost – from a representative sample of remote meat processing plants is necessary to evaluate the effectiveness and value of these programs compared to those offered by external parties (i.e. at community colleges).

Immigration and Work Programs

- An analysis of the Atlantic Immigration Pilot Project, including its successes and failures thus far, would help determine the extent to which the Project could serve as a model for the development of new or updated immigration programs across the country.[57]
- Detailed descriptions of which government immigration programs are currently being used by a representative sample of remote meat processors (i.e. Provincial Nominee Programs) to transition their TFWPs to permanent residency and the benefits and/or barriers to using those programs.

57 The Pilot Project very likely includes a requirement for both formative and summative evaluations to take place.

- Complete, consistent, and accurate qualitative and quantitative reporting on the justification and expected benefits of TFWs from a representative sample of remote meat processors will help outline the specific need for greater access to this labour going forward and the benefits to Canadian communities at large.

Recommendations to assist with improving the evidence for the case studies

While the case studies provide evidence and interesting considerations regarding the HR challenges encountered by the participating firms, there were some gaps identified that could be further addressed to improve their usefulness and relevance for the meat processing sector. Specifically, the recommendations for improving the case studies overall include:

1. Collect and present data on previous five years along with any growth projections to go beyond "one point in time" evidence. Ideally, there should be <u>evidence of trends</u> if possible for the following areas:
    a. Number of employees overall and by types (youth, women, Indigenous people, people with disabilities, immigrants/refugees, temporary foreign workers) and by occupations;
    b. Turnover/retention rates by type of employee (see above) and by occupations;
    c. Average time that workers are retained by type of employee and by occupations;
    d. Local labour market conditions such as EI rates, unemployment rates, social assistance rates, labour force participation rates, average wage ranges, competing employers/sectors

2. Provide systematic information on the various <u>recruiting, retention and training efforts</u> that have been undertaken by each Plant. This information could include:
    a. Target of efforts (e.g., youth, recent immigrants, etc.)
    b. Description of initiative/program including level of investments/efforts
    c. Anticipated vs. actual number of participants
    d. Anticipated vs. actual outcomes (change in retention rate, number of new applicants, etc.)
    e. Challenges and lessons learned in developing and implementing initiatives/programs
    f. Successes and best practices in developing and implementing initiatives/programs

3. Systematic, clear analysis of current and potential impact of TFWs by Plant using a combination of both quantitative and qualitative data on:
    a. Retention/Turnover rates
    b. Maintenance/Growth/Expansion/Innovation
    c. Training
    d. Community impacts (economic, cultural, social, educational, etc.)

Recommendation to assist in improving the evidence for the meat processing sector overall

4. Build on the themes and issues identified in the current case studies to conduct a more comprehensive labour market information study for the Canadian meat processing sector that is also more representative of the sector according to region, community size, plant size, products, stage of processing, and occupations. The results of this larger LMI study should include the following:
    a. Statistically reliable estimates of current demand and supply of workers in the meat processing sector according to key occupations at a national, provincial and selected regional level;
    b. Statistical modeling of future projections of demand and supply of workers in the meat processing sector according to key occupations at a national, provincial and selected regional level;

An integrated labour market analysis of specific regions that provides both quantitative and qualitative analyses of various HR issues and themes for the meat processing sector related to demand and supply of workers.

> "THERE WERE SOME GAPS IDENTIFIED THAT COULD BE FURTHER ADDRESSED TO IMPROVE THEIR USEFULNESS AND RELEVANCE FOR THE MEAT PROCESSING SECTOR.

5. APPENDIX 1: DIMENSIONS FOR GAP ASSESSMENT & CASE STUDY INFORMATION

Dimensions/ Measures	Case Studies								Summary Observations
	CASE A	CASE B	CASE C	CASE D	CASE E	CASE F	CASE G	CASE H	
A. Capacity/Expansion									
A1. Number of employees	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	The current number of employees is presented in all the case studies, however, there is no information regarding trends, growth or projections.
A1.1 By gender	Partial – no trends	Partial – no trends	Partial – no trends	Partial – no trends	Partial – no trends	Partial – no trends	Partial – no trends	Partial – no trends or projections	Several breakdowns are included for the number of employees. All of the case studies indicate the number of women in their workforce; however, no information is provided regarding trends.
A1.2 By immigration status	Partial – no trends	Partial – no trends	Partial – no trends	Absent	Partial – no trends	Absent	Absent	Partial – no trends, one plant	Although understanding the composition of a plant's workforce according to immigration status is key to understanding the impact of hiring more TFW, the information is not available in all case studies.
A1.3 By vulnerable populations	Partial – no trends, no data on youth	Partial – no trends, no data on youth	Partial – no trends, no data on youth	Absent	Absent	Absent	Partial – no trends, some info on youth	Partial – no trends, one plant	In five case studies, the number of employees from FN or with a disability is included. Only one of the case studies presents information on the number of youth.
A1.4 By commute distance to work	Absent	Absent	Absent	Absent	Partial – description of transportation issues for FN	Absent	Absent	Absent	Most case studies indicate the distance from the plan to the major town/city nearby. Further analysis regarding commuting distances and their impact may be of interest. For instance, one case study describes how a long commuting distance is a barrier to the participation of some population groups (e.g., First Nations).

Potential Next Steps:

It may be possible to extract historical information/trends from existing business records (e.g., number of employees). In cases where reconstructing past information may prove too onerous, information could be tracked from 2017 onwards.

Dimensions/ Measures	Case Studies								Summary Observations
	CASE A	CASE B	CASE C	CASE D	CASE E	CASE F	CASE G	CASE H	
A. Capacity/Expansion									
A2. Total capacity	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	In general, the argument is made that plants are not working at capacity, which results in losses and is a barrier to expansion/modernization. It would be of interest to present trends and projections to understand how capacity evolves over time, what is the impact of expansion/modernization plans and changes in labour shortages.
A2.1 Labour shortages	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Partial – no trends or projections	Information on labour shortages is presented in all case studies, however, trends and projections are missing.
A2.2 Expansion plans/ projections & impact on planned growth on labour shortages	Partial – no impact analysis	Partial – no impact analysis	Partial – no impact analysis	Absent	Complete	Absent	Partial – no impact analysis, limited information	Partial – no impact analysis	A brief description of investments in expansion/modernization is presented in all case studies, however, large variations in the number of details presented in each study are observed (e.g., investments per year, areas of investment, expected new markets and product demand). In general, the linkages to and impacts on labour shortages are not clearly outlined.
A2.3 Losses as a result of labour shortages (in $ per year)	Partial – no trends or projections	Absent	Partial – no trends or projections	Absent	Absent	Absent	Absent	Partial – no trends or projections	One exception are those cases where the losses resulting from labour shortages are quantified. Presenting this information over time and linked to capacity/expansion would create a stronger case.
A2.4 Qualitative description of labour shortage impacts, with quantifications if available.	Partial – brief description, no quantification	Partial – brief description, no quantification	Partial – no trends or projections	Partial – no trends or projections	Absent	Complete	Partial – no trends or projections	Complete	Qualitative descriptions of the impact of labour short impacts are presented in some of the case studies (e.g., decline in purchase orders, unused capacity, inability to produce value-added). The cases would benefit from a more complete description, and ideally quantification, of these impacts.

Potential Next Steps:

Track information on capacity, labour shortages and impacts in a consistent fashion across sites. When possible, develop methodologies to assess impacts using the same approach.

Dimensions/ Measures	Case Studies								Summary Observations
	CASE A	CASE B	CASE C	CASE D	CASE E	CASE F	CASE G	CASE H	
A. Capacity/Expansion									
A3. Retention and turn-over rates	Partial (CMC Tables) – no trends	Partial – no trends	Partial – no trends	Partial – no trends	Partial – no trends	Partial – no trends, no retention	Partial – no trends	Partial – no trends, no retention	Retention and turnover rates are presented in all case studies, with varying degrees of detail.
A3.1 By immigration status	Partial (CMC Tables) – no trends	Partial – including some info on changes over time	Partial – no trends or projections	Absent	Absent	Absent	Absent	Partial – no trends, info for one plant	For instance, one argument to support TFW offered by several case studies is that employees using this program have higher retention rates, often due to a better fit between the job and their skills. This may be the case for all plants, but the point is not confirmed in all cases
A3.2 Average time for a worker to be retained in the busi-ness	Absent	Absent	Partial – no trends	Absent	Absent	Absent	Absent	Absent	The average time that a worker is retained in the business is presented by only one case study.
A3.4 Impact of low retention/high turnover rates (e.g. pressure on hiring)	Absent	Complete	Absent	Absent	Absent	Absent	Absent	Absent	The impact of low retention rates on the businesses, in terms of pressures for hiring and training, is not described in all of the case studies.
A3.5 Qualitative description of reasons explaining retention and turnover rates (e.g., wages, type of work – conditions, difficulty, transportation to work).	Absent	Partial – brief description	Partial – brief description	Absent	Partial – brief description	Partial – brief description	Absent	Absent	Understanding the reasons behind retention and turnover rates would allow for better planning of retention strategies, and would also indicate whether there are areas where improvements can be made. However, the information is not presented for all case studies, and when presented, it is only a brief description.
A3.6 Qualitative description of retention strategies and evaluation of their impact	Absent	Partial – brief description, no evaluation	Partial – brief description, no evaluation	Absent	Partial – brief description, no evaluation	Partial – brief description, no evaluation	Partial – brief description, no evaluation	Partial – brief description, no evaluation	Retention strategies are presented in the majority of case studies. The argument would be stronger if the impact of these strategies and their effectiveness were evaluated.

Dimensions/ Measures	Case Studies								Summary Observations
	CASE A	CASE B	CASE C	CASE D	CASE E	CASE F	CASE G	CASE H	
B. Labour Market Conditions									
B1. Population in the region/community	Partial – no trends	Partial – no trends	Partial – no trends	Partial – no trends	Absent	Absent	Partial – no trends	Partial – no trends or projections	It would be of interest to understand population growth in the communities or region, however, in those cases where population figures are presented, only the most recent data is presented.
B2. Labour force in the region/community	Absent	Absent	Absent	Absent	Complete – labour force participation	Absent	Absent	Absent	Total population gives a sense of the availability of potential employees, but a better measure would be the labour force in the community. However, such data is only presented in one case.
B3. Unemployment rate in the catchment area, including unemployment rate in the specific occupation if possible	Complete (CMC Tables)	Complete (CMC Tables)	Complete (CMC Tables)	Complete (CMC Tables)	Complete	Complete (CMC Tables)	Complete (CMC Tables)	Complete (CMC Tables)	Unemployment rates are another indicator of the availability of employees. The data is presented in the Excel tables, but most case studies do not integrate this useful information in their gap analysis.
B4. List of competing businesses/ industries in community/region	Complete	Complete	Complete	Complete	Complete	Absent	Complete	Complete	Most case studies indicate what are the industries or businesses that compete for employees, however, it would be useful to have a sense of how much of the labour force is captured by the other industries by immigration status, as it would shed light on the preferred industries of workers.
B4.1 Employment associated with competing businesses	Absent	Absent	Absent	Absent	Absent	Absent	Absent	Absent	
B5. Wage Analysis – offered vs average in the sector	Absent	Absent	Absent	Absent	Absent	Absent	Absent	Absent	All cases describe the wages offered but none provides a wage analysis. However, one point of the TFW program is the need to ensure that wages for these employees are consistent with their occupation/ region/level of skill. Providing such an analysis would help demonstrate that challenges in recruitment may n ot be driven by lower compensation in this industry.

Dimensions/ Measures	Case Studies								Summary Observations
	CASE A	CASE B	CASE C	CASE D	CASE E	CASE F	CASE G	CASE H	
C. Recruitment Efforts									
C1. Qualitative description of recruitment efforts (Canadian, permanent residents, vulnerable groups) to fulfill labour shortage	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete	All case studies provide a qualitative description of their recruitment efforts. However, the studies do not convey the extent of these efforts (e.g., number of positions advertised, number of fairs attended) or of their impact (e.g., number of qualified applicants, number of hires as a result of recruitment efforts). The quantification of impacts would provide a greater sense of how succesful are these efforts and the limitations that may be faced regarding hiring Canadians or permanent residents (e.g., few applications, lack of qualifications).
C2. Quantification of recruitment efforts (no. of positions advertised, where, participation in fairs, etc.)	Absent	Absent	Absent	Absent	Absent	Partial – # job fairs	Absent	Absent	
C3. Quantification and evaluation of the impact of recruitment efforts (e.g., number of applicants, qualified applications, new hires – total, by vulnerable population, by region)	Absent	Absent	Absent	Absent	Absent	Partial – hiring of FN as a result of recruitment strategies	Absent	Absent	

Dimensions/ Measures	Case Studies								Summary Observations
	CASE A	CASE B	CASE C	CASE D	CASE E	CASE F	CASE G	CASE H	
D. Training Opportunities									
D1. Efforts regarding training (e.g., training offered, partnerships with education institutions) and evaluation of their impact	Absent	Partial – no evaluation	Partial – no evaluation	Absent	Absent	Partial – no evaluation	Partial – no evaluation	Absent	Training opportunities may range from an initial orientation to more formal training in collaboration with an educational institution. Orientation is often portrayed as training and included in the description of retention strategies. For the gap analysis, it would be of interest to highlight the training opportunities offered to Canadians and permanent residents, and their participation.
D2. Participation in training opportunities (e.g., enrolment) and evaluation of initiatives	Absent	Complete	Absent	Absent	Absent	Absent	Absent	Absent	

Dimensions/ Measures	Case Studies								Summary Observations
	CASE A	CASE B	CASE C	CASE D	CASE E	CASE F	CASE G	CASE H	
E. Expected contribution of TFW									
E1. Description of skill set required/ sought after with TFW	Absent	Complete	Complete	Complete	Complete	Complete	Absent	Absent	Many case studies highlight the skills that TFW have and how this makes them competitive compared to Canadian/permanent residents who do not have such skills
E2. LMIA applications expiring and pending (new and renewals)	Absent	Complete (CMC Tables)	Complete (CMC Tables)	Complete (CMC Tables)	Complete (CMC Tables)	Complete (CMC Tables)	Complete (CMC Tables)	Complete (CMC Tables)	
E3. Number and/or percentage of vacancies expected to be fulfilled with TFWs	Complete (CMC Tables)	Complete (CMC Tables)	Complete (CMC Tables)	Complete (CMC Tables)	Complete (CMC Tables)	Complete (CMC Tables)	Complete	Complete (CMC Tables)	All case studies present the number of TFW sought, however, the justification is often weak. The expected impact of TFW on some of the issues highlighted under the other dimensions, such as on retention/turnover rates, on expansion plans, or on revenues, is only highlighted in one or two studies. The barriers created by the 10-20% cap are highlighted by one case study, which may be the only one impacted, but in general, presenting the share of TFW (current and expected) over total employees would contribute to a better understanding of composition of the labour force in the industry.
E4. Impact of fulfulling vacancies with TFWs on the 10%–20% cap for low-wage stream.	Absent	Absent	Absent	Absent	Absent	Absent	Complete – cannot seek TWF as their number would exceed cap	Absent	
E5. Expected impact of TFW hiring on retention/ turnover rates	Absent	Partial – past impact	Absent	Absent	Absent	Absent	Absent	Absent	
E6. Expected impact of TFW availability on expansion plans	Absent	Partial – qualitative description	Absent	Absent	Absent	Absent	Absent	Absent	

Dimensions/ Measures	Case Studies								Summary Observations
	CASE A	CASE B	CASE C	CASE D	CASE E	CASE F	CASE G	CASE H	
F. Transition to permanent residency									
F1. Number and percentage of TFW who have transitioned/are transitioning to permanent residence	Partial – no trends	Partial – no trends	Partial – no trends	Partial – one plant	Partial – no trends	Partial – no trends	Partial – no trends	Partial – no trends	In most cases, the information regarding the number of TFW who have transitioned or have transitioned to permanent residency is presented, however, annual trends are not available and it is difficult to get a clear sense of the share of TFW who have transitioned given the way the information is presented.
F2. Qualitative description of support offered to TFW to integrate to Canadian society and evaluation of their effectiveness	Complete	Partial – no evaluation	Absent	Absent	Partial – no evaluation	Partial – no evaluation	Partial – no evaluation	Partial – no evaluation	Supports offered to facilitate this transition range from integration services to validate job offers.
F3. Qualitative description of existing barriers to transition to permanent residency	Complete	Absent	Absent	Absent	Absent	Absent	Partial – brief description of potential improvements	Absent	To inform the understanding of existing barriers to transition to permanent residency, all case studies could elaborate on this point, whereas just two case studies provide such info.

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