

FOOD PROCESSING SKILLS CANADA

Labour Market Information



SECURING CANADA'S **DAIRY** WORKFORCE

Real Challenges. Practical Solutions.
Fresh Perspectives.

Edmonton, AB



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

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Food Processing Skills Canada

FPSC is your labour, skills and workforce development non-profit organization. Our job is to provide leadership in professionalizing the food and beverage manufacturing industry so that the most important resource - people - are the best in the world. We have developed a national skills strategy which is a proven long-term approach successfully utilized by other Canadian professional sectors. This strategy builds collaborations with industry, government, academia, unions, associations, community organizations and other stakeholders.

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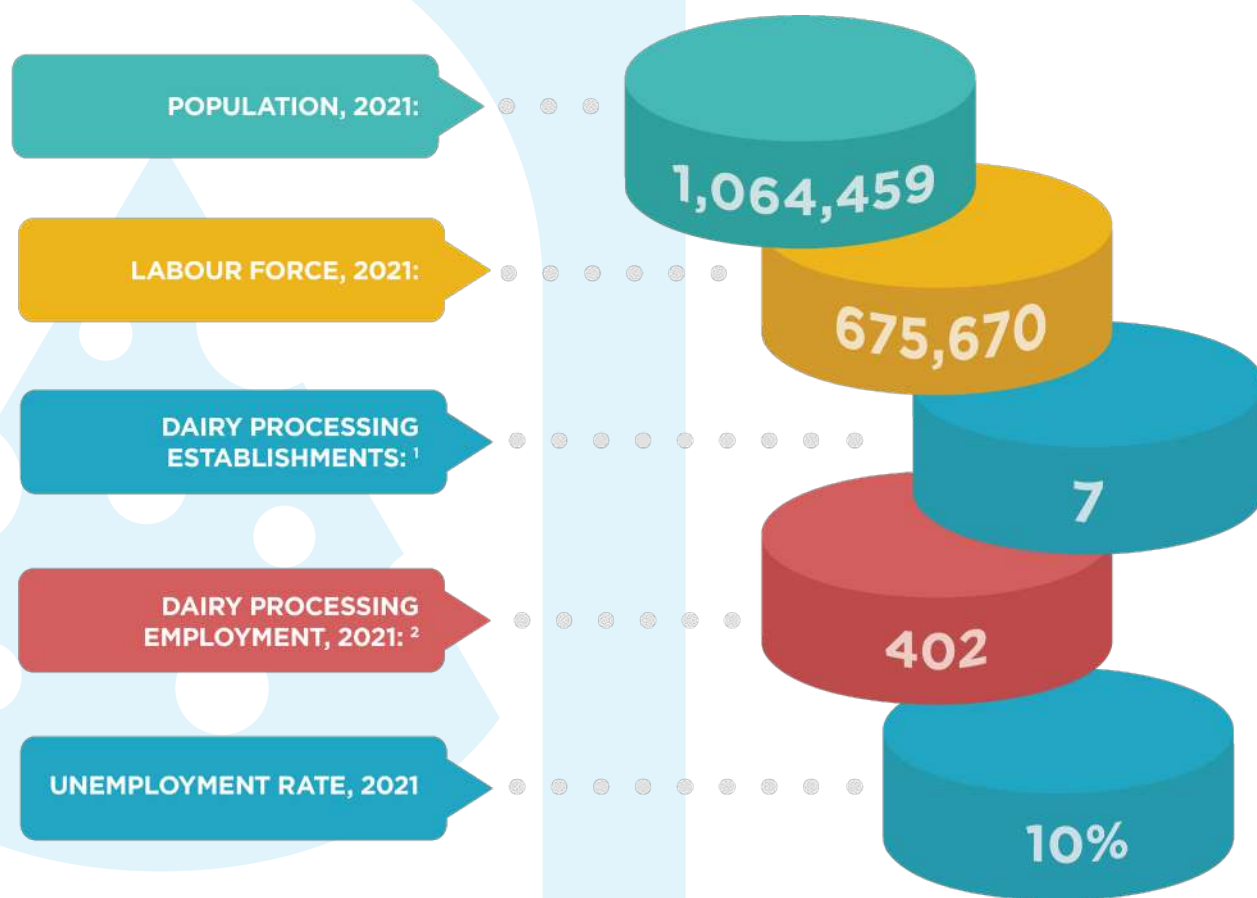
Key Summary

- Edmonton is located in Northern Alberta and is a hub for a region with a population of approximately 1,064,459.
- The region accounts for approximately 25% of dairy processing facilities in Alberta, with an equal emphasis on cheese and butter production, as well as ice cream and frozen dessert production.
- Dairy processing employment in the region is estimated at approximately 402

in 2021. Manufacturing overall accounts for approximately 5% of employment.

- By the end of this decade (2030), it is estimated that 120 new hires will be required for the regional dairy processing industry, with approximately one half of this requirement due to replacement of current workers (e.g., retirements).
- Recruitment and retention challenges within this time period are expected to increase as a result of increased labour market tightness.

key stats

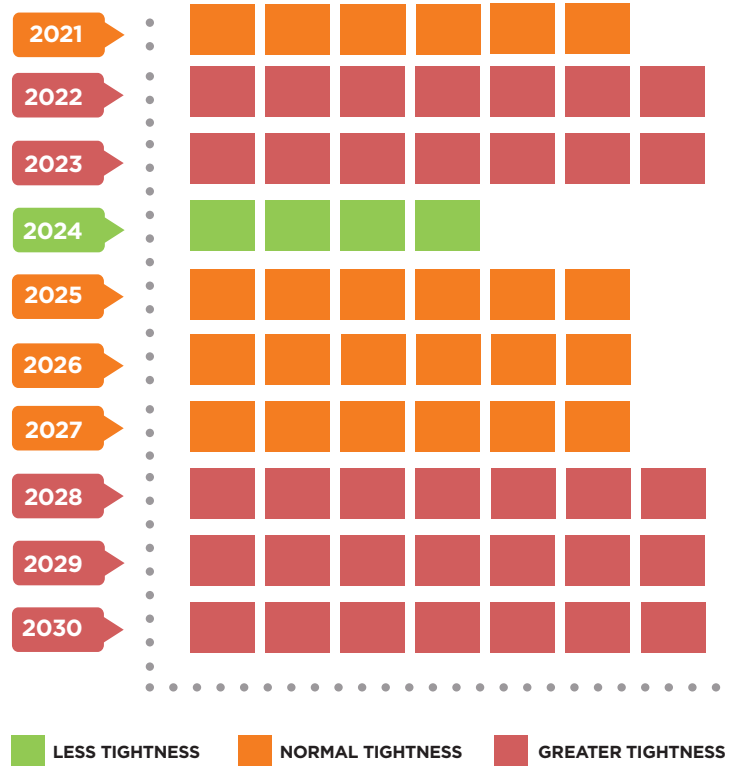


¹ The number of establishments is based on 2021 data from Statistics Canada's Business Register

² Prism Economics and Analysis, 2021



labour market tightness ratings

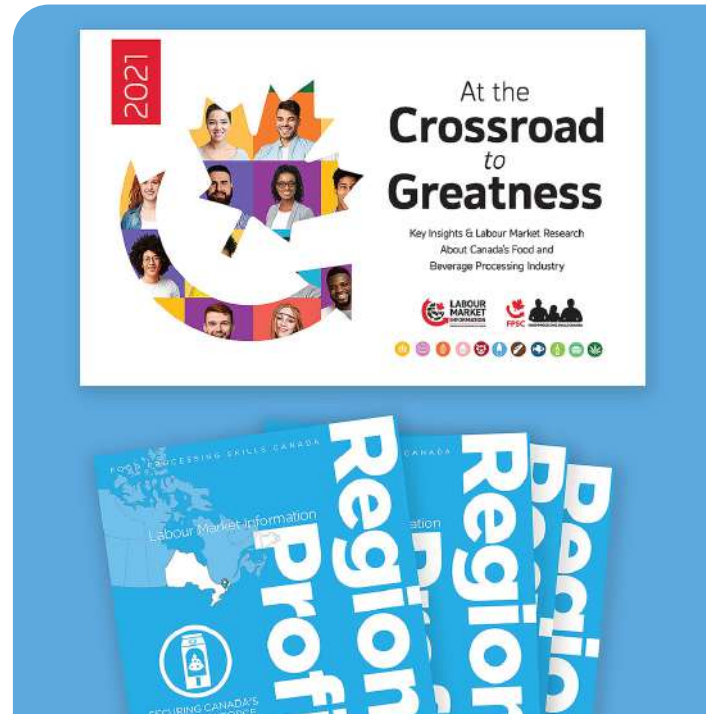


LMI report series

Food Processing Skills Canada (FPSC)

has developed this regional profile of the Edmonton, Alberta dairy processing as one within a series of 11 regional reports for the Canadian dairy processing industry. The regional report series is one component of a larger labour market information study of dairy processing within the context of an overall study of the Canadian food and beverage processing sector:

<https://fpsc-ctac.com/lmi-reports/>



objectives

Labour markets are often best understood at a local or regional level where various contributing factors are well understood, sources of labour supply can be characterized, and detailed knowledge of individual facilities exist. The purpose of this regional report is to provide information on the dairy processing industry in the greater Edmonton, Alberta area so that readers have detailed information and a better understanding of the local dairy processing industry. The profile outlines the demographic and socio-economic characteristics of the region, the regional labour force, the regional dairy processing industry, and an outlook for the specific dairy processing workforce in the Edmonton region.

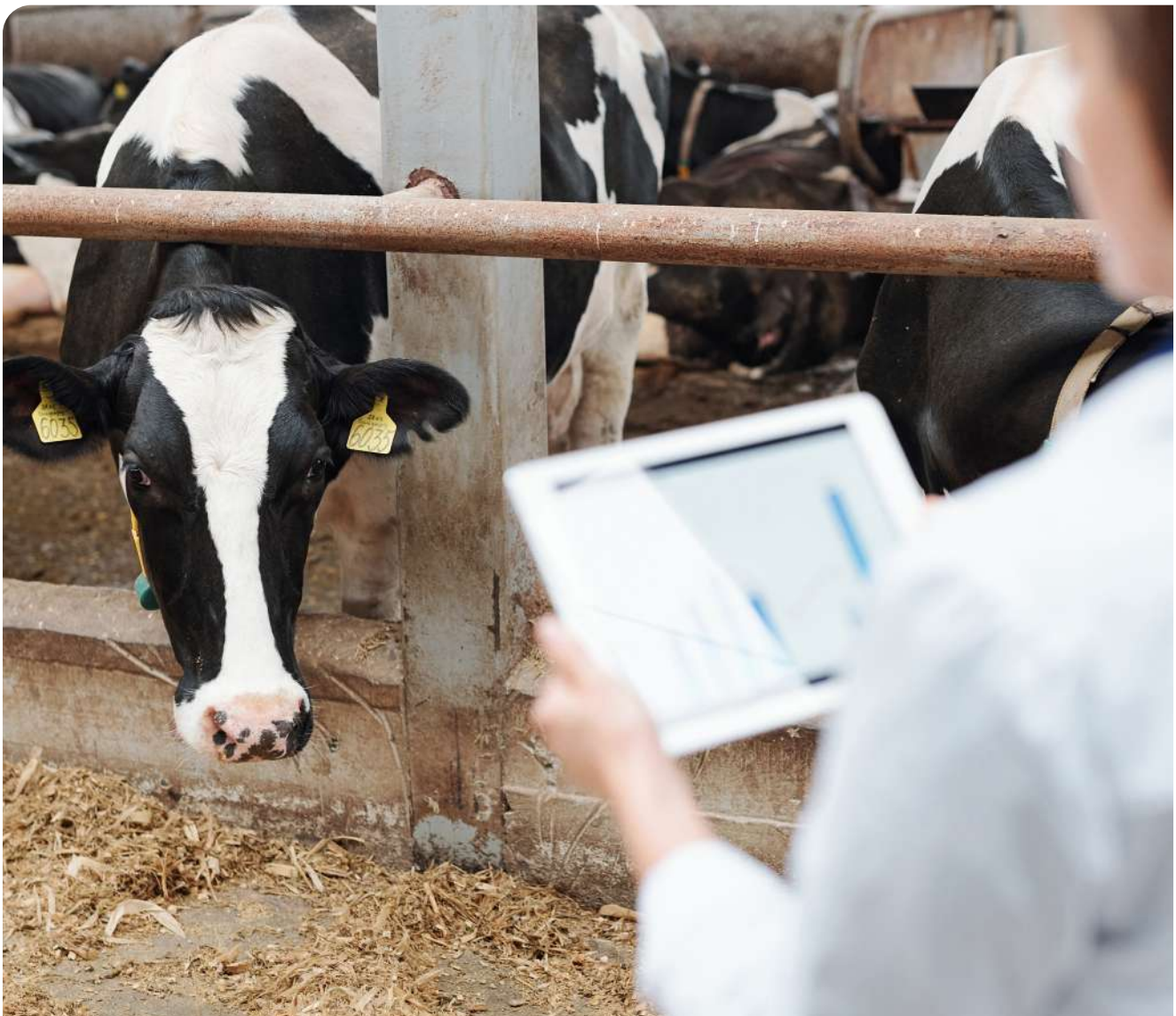


methods

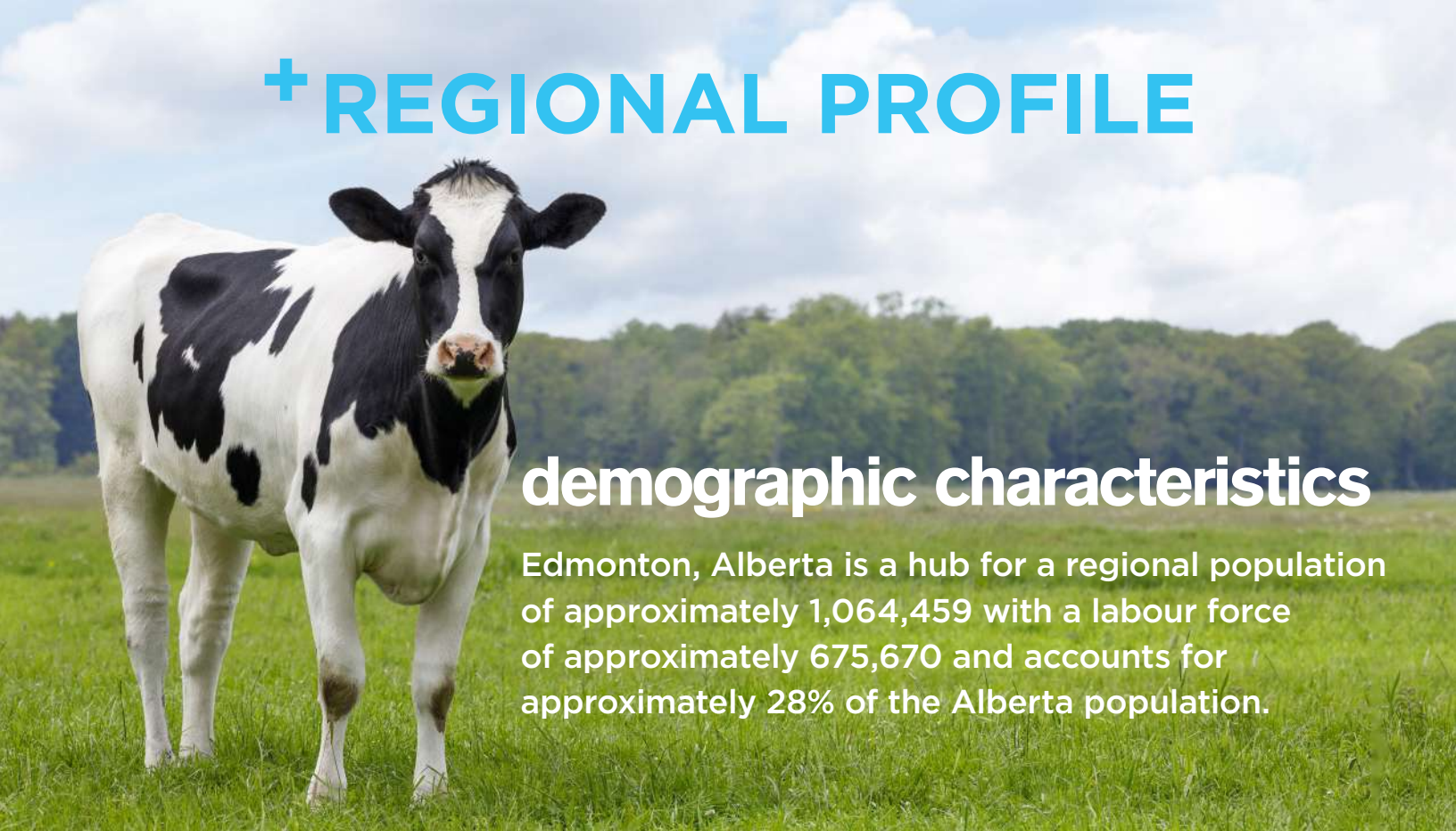
The methods used to develop the regional profiles included an extensive review of Statistics Canada reports and data that contributed to profile the industry, and project growth in production and employment at the regional level.

In addition, the regional profiles benefitted from a review of other primary and secondary data that enabled the research team to estimate potential labour demand for specific regions, and to identify key industry trends.

The “region” of Edmonton, Alberta focuses on a catchment radius of approximately a one-hour commute to dairy processing establishments to estimate the approximate distance of maximum commuting distance for potential labour force.



+ REGIONAL PROFILE



demographic characteristics

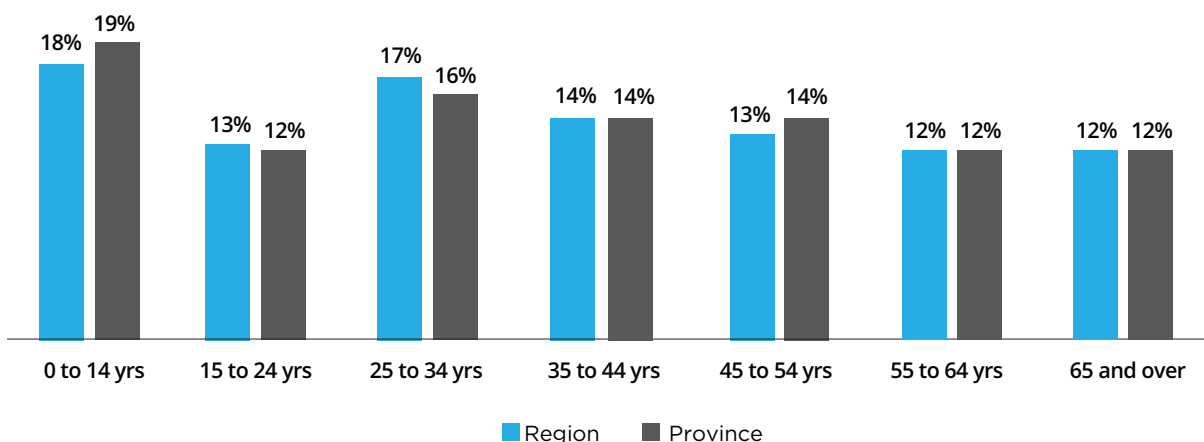
Edmonton, Alberta is a hub for a regional population of approximately 1,064,459 with a labour force of approximately 675,670 and accounts for approximately 28% of the Alberta population.

Population Summary

	Edmonton	Alberta
Total Population	1,064,459	4,456,000
Total Labour Force	675,670	2,456,400
Total Employment	608,160	2,241,500
Unemployment rate	10.0%	8.7%

Source: Alberta Population Projections, Government of Alberta; Prism Economics and Analysis, 2021

Population by Age Group



Source: Census 2016

Consistent with the overall Alberta population, the Edmonton region's population distribution skews younger, with 12% of the regional and provincial population being 65 years and older. The proportion of the classic core working age population (25-54) is 44% for both the Edmonton region and Alberta overall.

Population Diversity

	Edmonton	Alberta
Immigrants <i>Share of Population</i>	290,210 26%	845,220 21%
Not Canadian Citizens <i>Share of Population</i>	125,750 11%	355,410 9%
Visible Minority <i>Share of Population</i>	348,440 32%	933,165 23%
Aboriginal Identity <i>Share of Population</i>	59,495 5%	258,640 7%

Source: Census 2016

The diversity of population according to immigrant status and visible minorities is slightly higher for the Edmonton region compared with Alberta overall. The share of population who were immigrants in 2016 was 26% compared with 21% in Alberta, and self-identified visible minorities made up 32% of the Edmonton population compared with 23% of Alberta. Further, there were larger proportions of the region's population who were not Canadian citizens (11%) compared to Alberta overall (9%).

Population Mobility (5 years)

	Edmonton	Alberta
Non-migrants <i>Share of Population</i>	271,725 58%	899,165 54%
Migrants <i>Share of Population</i>	199,865 42%	762,890 46%
Internal migrants <i>Share of Population</i>	129,255 65%	559,860 73%
Intraprovincial <i>Share of Population</i>	68,660 53%	333,775 60%
Interprovincial <i>Share of Population</i>	60,610 47%	226,090 40%
External Migrants <i>Share of Population</i>	70,610 35%	203,025 27%

Source: Census 2016

According to the 2016 Census, there was similar mobility within the population of Edmonton region (42%) compared with Alberta overall (46%) meaning that there were similar proportions of people moving into the region within the previous 5 years. The majority of mobility was due to internal migrants (65%). External migrants from outside of Canada was higher for Edmonton region (35%) compared with Alberta (27%).

Indigenous Communities

First Nation	Reserve(s)	Location	Population
Enoch Cree Nation #440	Enoch Cree Nation 135	13 Km Sw/So Of/De Edmonton	1,855
	Enoch Cree Nation No. 135a	43 Km South of Barrhead	
Total			1,855

Source: Census 2021

In the surrounding areas, there is one First Nations with two communities with a total population of approximately 1,855 community members. Overall, approximately 5% of the region’s population self-identify as Aboriginal according to the 2016 Census which is similar to the overall rate of 7% for the province.

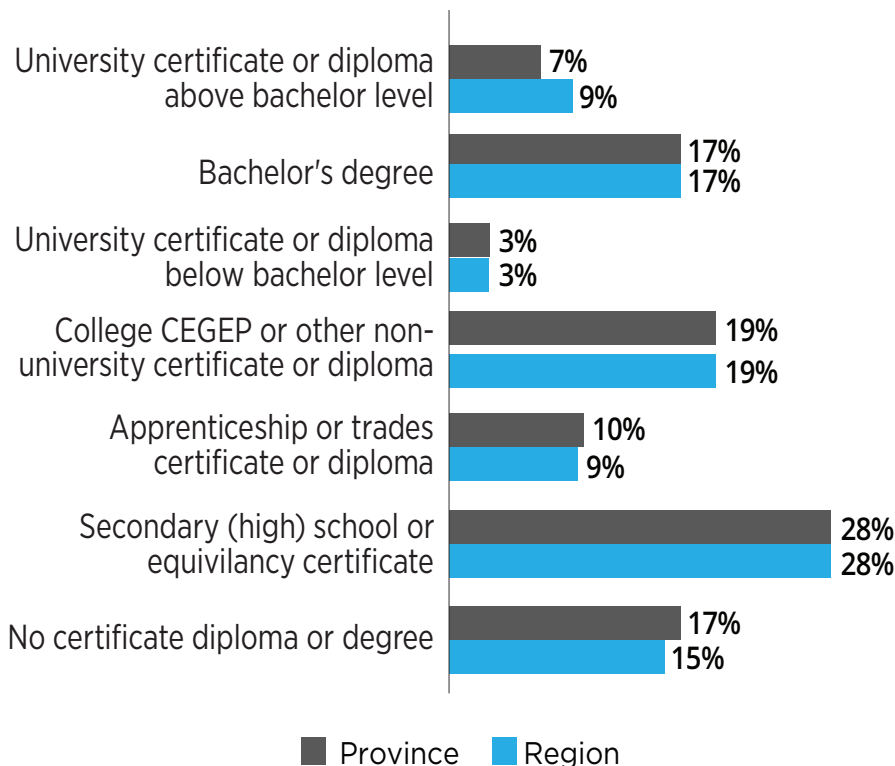
Overall,
approximately
5% of the
Edmonton
region’s
population
self-identify as
Aboriginal.*



* According to the 2016 Census which is similar to the overall rate of 7% for the province.

socio-economic characteristics

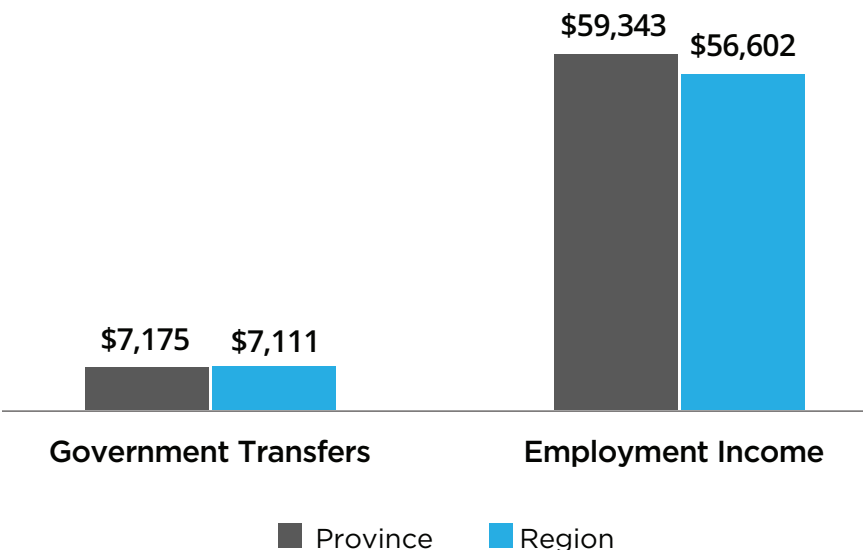
Educational Attainment



Source: Census 2016

The Edmonton regional population has similar rates of post-secondary participation compared with Alberta overall. Over one-half (57%) report having some form of post-secondary diploma, certificate or degree compared with 55% of Alberta overall.

Average Employment Income

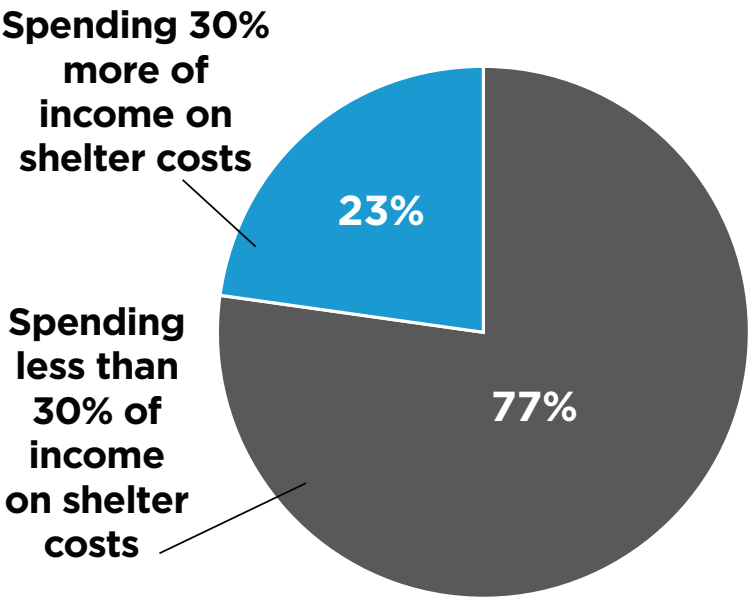


Source: Census 2016

Average employment income among Edmonton regional residents was approximately 5% lower in 2015 compared with Alberta overall according to Census 2016. The average employment income for Edmonton regional residents was approximately \$56,602 compared with \$59,343 for Alberta overall. The average government transfers was very similar for Edmonton region residents at \$7,111 compared with \$7,175 for Alberta overall in 2015.

Approximately two thirds of Edmonton region population (68%) are home owners, with a higher proportion (77%) of the region reporting spending less than 30% of their income on shelter costs in 2016. The average monthly housing costs for home owners was \$1,539, compared with the average monthly housing costs for renters at \$1,270.

Housing Costs

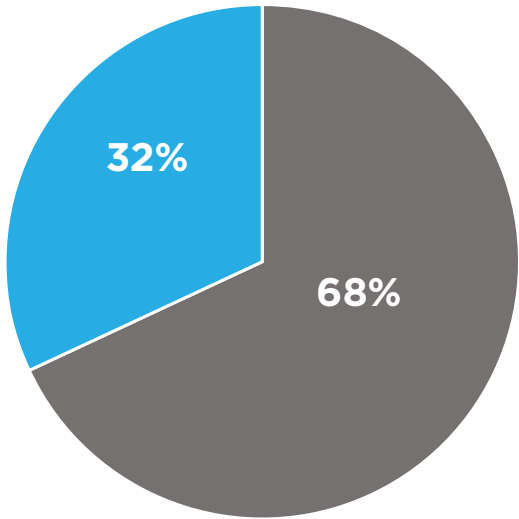


Source: Census 2016



Housing Composition

68% of the Edmonton region population are home owners.



- Owner households - Average Monthly Cost of Housing for Owners \$1,539
- Renter households - Average Monthly Cost of Housing for Renters \$1,270

Source: Census 2016

regional labour force

The size of the regional labour force in 2021 was 675,000 which is 28% of Alberta's overall labour force. The participation rate in the region is very similar (67.9%) compared to Alberta (67.7%). Among those in the labour force, the unemployment rates were similar (10.0% vs. 8.7% in Alberta overall).

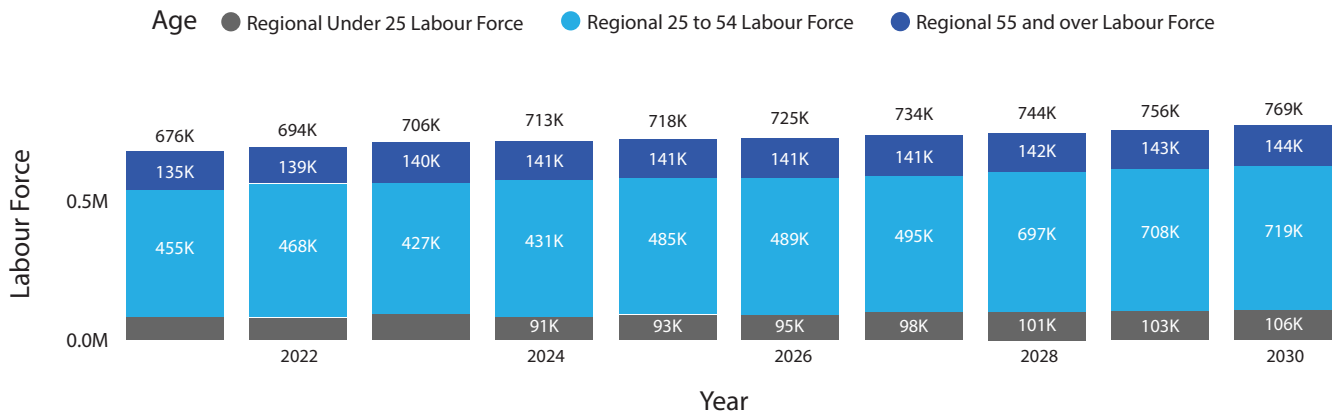
Labour Force Characteristics

	Edmonton	Alberta
In Labour Force	675,670	2,456,400
Employed	608,160	2,241,500
Unemployed	67,509	214,800
Participation Rate	67.9%	67.7%
Employment Rate	61.1%	61.8%
Unemployment Rate	10.0%	8.7%

Source: Statistics Canada, Labour Force Survey;
Prism Economics and Analysis, 2021

Labour force projections indicate an approximate 14% overall growth in the next decade rising from approximately 676,000 in 2021 to 769,000 by 2030. The anticipated largest increases are expected to occur in the core group of workers aged 25 to 54 years old.

Labour Force Characteristics



Source: Prism Economics and Analysis, 2021

Labour Force by Industry

Industry	Regional Labour Force	% of Labour Force
Health care and social assistance	85,348	13%
Retail trade	79,284	12%
Construction	75,479	11%
Professional, scientific and technical services	52,242	8%
Educational services	48,077	7%
Manufacturing	31,344	5%
Accommodation and food services	31,288	5%

Source: Statistics Canada, Labour Force Survey; Prism Economics and Analysis, 2021

The largest proportions of the Edmonton regional labour force are working in health care and social assistance (13%) and the retail trade (12%), with a similar proportion working in construction (11%). The manufacturing industry accounts for 5% of the regional labour force and is the sector within which the dairy processing sector would be categorized.

Job Characteristics by Industry (Alberta overall)

Alberta	Job Vacancy Rate	Average Hourly Wage
All Industries	3.0%	\$23.38
Food manufacturing	3.2%	\$18.55
Accommodation and food services	5.5%	\$15.67
Administrative and support, waste management and remediation services	3.6%	\$21.17
Professional, scientific, and technical services	3.2%	\$32.55
Health care and social assistance	2.2%	\$24.32
Arts, entertainment, and recreation	4.1%	\$19.08
Transportation and warehousing	3.7%	\$24.25

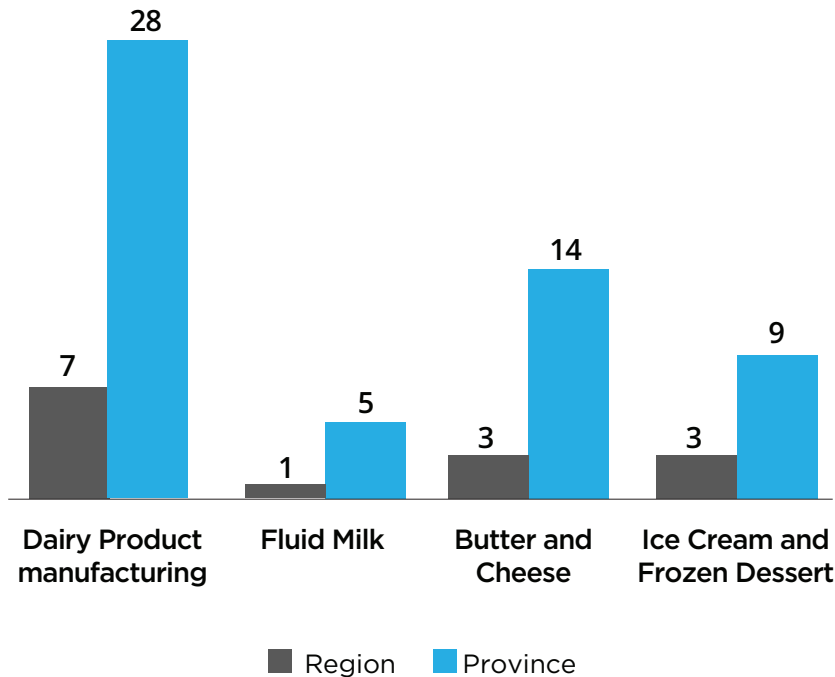
Source: Job Vacancy and Wage Survey Q3 2020 - Q2 2021, Alberta

Although not available at the regional level, an examination of the Alberta vacancy rate and average hourly wage data by industry gives some indication for the region as to the potential opportunities and challenges in recruiting and retaining sufficient labour for the dairy processing industry. The job vacancy rate for food manufacturing is slightly higher at 3.2% when compared to all industries at 3.0%. The average hourly wage (\$18.55) is notably lower than that for all industries (\$23.38), but higher than the minimum wage in Alberta of \$15.00 (as of April 2022).

dairy processing sector regional profile

Within the greater Edmonton region, there are seven dairy processing establishments, with an equal emphasis on butter and cheese production, as well as ice cream/frozen dessert production. The region accounts for approximately 25% of the dairy processing facilities in Alberta. Regional employment in the dairy processing sector is estimated in 2021 at 402, with the largest proportions of the workforce in entry-level labourers (171; 43%) and skilled/semi-skilled occupations (116; 29%).

Dairy Processing Establishments (2021)



The Edmonton region accounts for approximately 25% of the dairy processing facilities in Alberta

Source: Canadian Business Counts, establishment and location counts, June 2021

Dairy Processing Employment (2021)

Occupation Group	# Employed
Management, Finance, Sales, Admin	33
Skilled/Semi-Skilled	116
Trades	59
Entry-level Labourers	171
Product Development and QC	17
Other	6
Total	402

Source: Prism Economics and Analysis, 2021

dairy processing workforce outlook

Dairy processing employment in the Edmonton region is expected to grow by approximately 16% over the upcoming decade rising from 402 in 2021 to 465 by 2030 a change of approximately 63. However, the overall hiring requirements will be substantially larger due to the need to replace workers as they retire or leave the industry for various reasons. The actual hiring requirement is expected to be in the range of 120 workers. Anticipated growth will account for 64 new hires (52%) while the remaining 59 new hires (42%) will be needed due to replacement requirements. The largest hiring requirements will occur in the second half of the decade in 2026-2030. From the demographic analysis, new youth entrants are expected to moderate, averaging one new entrant per year over the remainder of the forecast. This suggests that hiring requirements will need to consider other labour supply sources in order to meet the demand, largely attributable to labour replacement requirements (retirements).

Total Dairy Processing Workforce Outlook

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Labour Force	407	432	453	452	456	460	466	476	485	493
Employment	402	403	416	424	430	436	443	450	457	465
Net Hiring Requirement	6	5	18	13	8	11	14	15	15	15
<i>Employment Growth</i>	0	1	13	9	6	6	7	7	7	8
<i>Replacement</i>	6	5	4	5	3	6	7	8	8	7
Youth New Entrants	4	1	1	1	1	1	1	1	1	1

Source: Census 2016

Dairy processing employment in the Edmonton region is expected to grow by approximately 16% over the upcoming decade.



dairy processing workforce outlook

Dairy Processing Employment Outlook

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Management, Finance, Sales, and Administration	33	32	33	34	35	35	36	36	37	37
Entry-level Labourers	171	163	169	172	174	177	180	183	186	189
Other	6	8	8	8	8	8	8	8	8	9
Product Development and Quality Control	17	19	19	20	20	20	20	21	21	21
Skilled/Semi-Skilled	116	124	128	131	133	134	136	139	141	143
Trades	59	57	59	60	61	61	62	63	64	65
Total	402	403	416	424	430	436	443	450	457	456

Dairy Processing Hiring Requirement Outlook

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Management, Finance, Sales, and Administration	3	5	8	6	4	5	6	7	7	7
Entry-level Labourers	0	0	1	1	1	1	1	1	1	1
Other	0	1	1	1	0	1	1	1	1	1
Product Development and Quality Control	1	3	1	1	1	1	1	2	2	2
Skilled/Semi-Skilled	0	8	4	3	2	2	2	3	3	3
Trades	1	2	3	2	1	2	2	2	2	2
Total	6	5	18	13	8	11	14	15	15	15

The types of workers that will be needed for the Edmonton region dairy processing industry vary slightly year to year according to estimates, yet across the decade, the largest proportion of new hires will be within the occupations aligned with management, finance, sales and administration with a total of 58 new workers needed accounting for approximately 42% of the total hiring requirements between 2021 and 2030. As well, a total of 30 skilled/semi-skilled workers will be needed (21%).

labour market tightness

Labour market tightness is a measure of the share of the annual supply change that occurs after accounting for available new entrants. Recruitment challenges increase as the proportion of workers need to be recruited from other industries, occupations and geographic regions rises. Recruitment challenges are exacerbated when tightness in other industries exceeds that of the dairy sector.

Reading the Rankings

Labour markets have tightened significantly in recent years and what were previously periodic recruitment challenges have now become permanent challenges faced by employers in all sectors of the economy. Given this reality, the ranks are intended to be interpreted in relation to recruitment and retention conditions experienced over the previous five years. The analysis of labour market tightness uses a relative ranking system:

- Rank of 1 - recruitment/retention less challenging than previous years
- Rank of 2 - recruitment/retention present comparable challenges to previous years
- Rank of 3 - recruitment/retention more challenging than previous years

For the Edmonton region’s dairy processing sector, the labour market tightness rating increase as of 2022 which will likely result in the industry experiencing more challenges in recruitment and retention than previous years. As of 2024, the tightness will decrease but then increase again towards the end of the decade.

Labour Market Tightness Ratings 2021-2030: Edmonton Region

2021	2 - Normal Tightness
2022	3 - Greater Tightness
2023	3 - Greater Tightness
2024	1 - Less Tightness
2025	2 - Normal Tightness
2026	2 - Normal Tightness
2027	2 - Normal Tightness
2028	3 - Greater Tightness
2029	3 - Greater Tightness
2030	3 - Greater Tightness



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