

FOOD PROCESSING SKILLS CANADA

Labour Market Information



SECURING CANADA'S **DAIRY** WORKFORCE

Real Challenges. Practical Solutions.
Fresh Perspectives.

Quebec-Levis, QC



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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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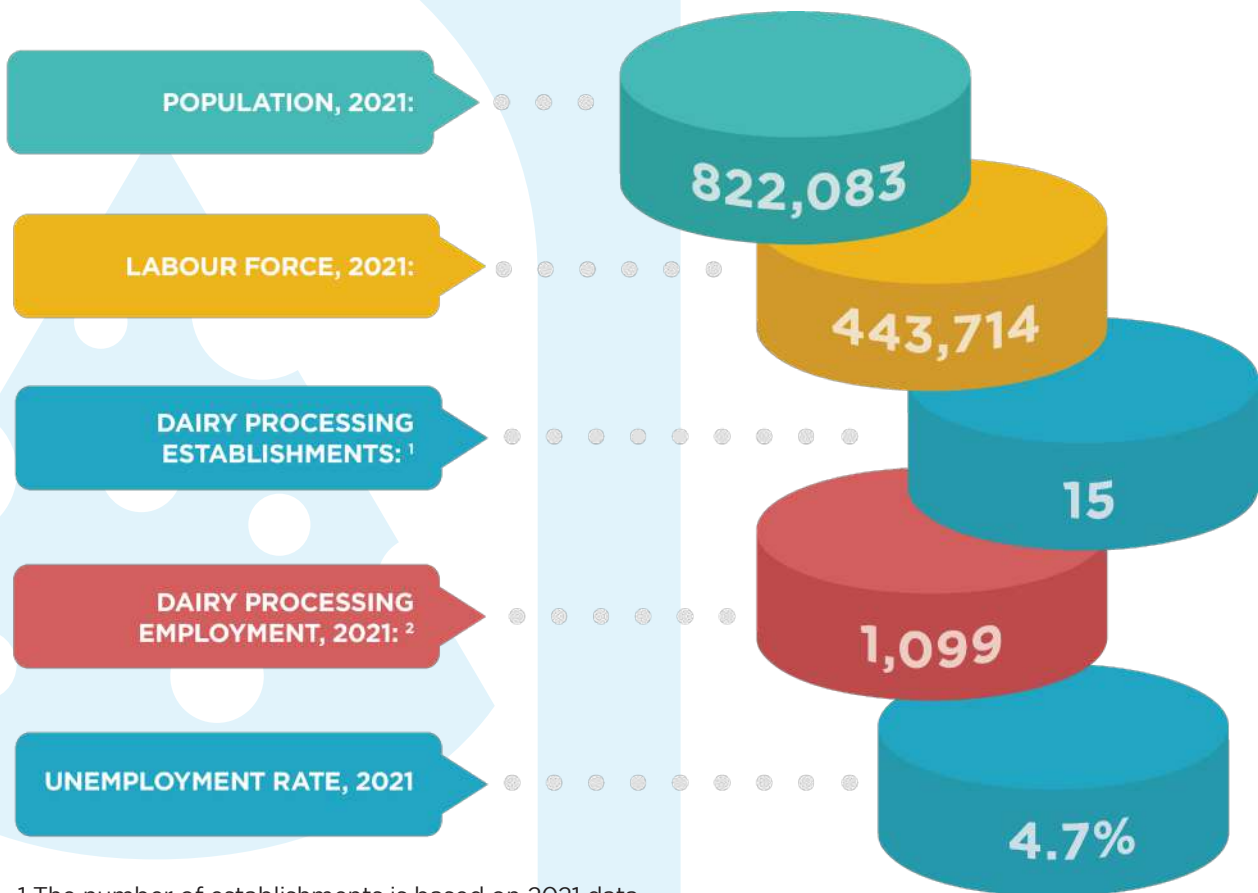
Key Summary

- Quebec-Levis is located in South-Eastern Quebec and is an urban hub for a region with a population of approximately 822,000.
- The region accounts for approximately 11% of dairy processing facilities in Quebec, with an emphasis on butter and cheese production.
- Dairy processing employment in the region is estimated at approximately 1,099 in 2021 which is actually about

0.3% of the total employment in the area. Manufacturing overall accounts for approximately 10% of employment.

- By the end of this decade (2030), it is estimated that 504 new hires will be required for the regional dairy processing industry, with 83% 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

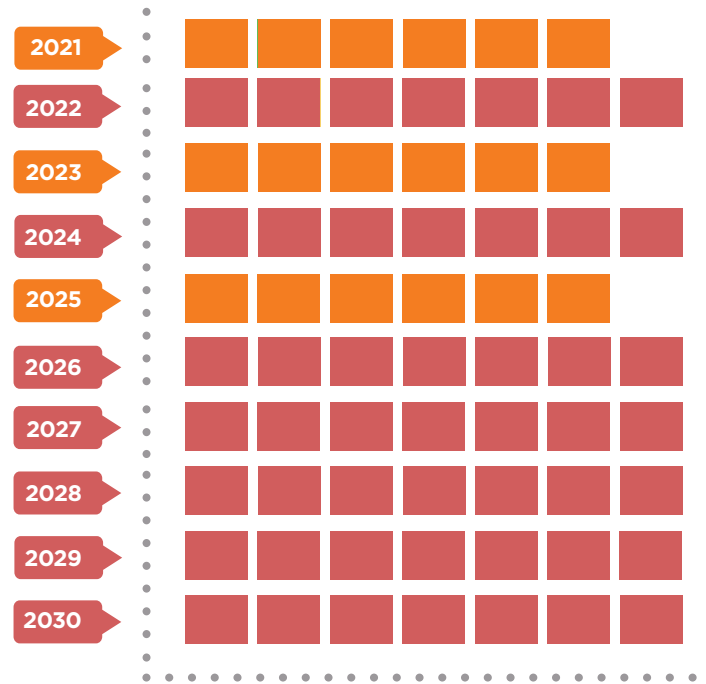


¹ The number of establishments is based on 2021 data from Statistics Canada's Business Register

² Prism Economics and Analysis, 2021



labour market tightness ratings



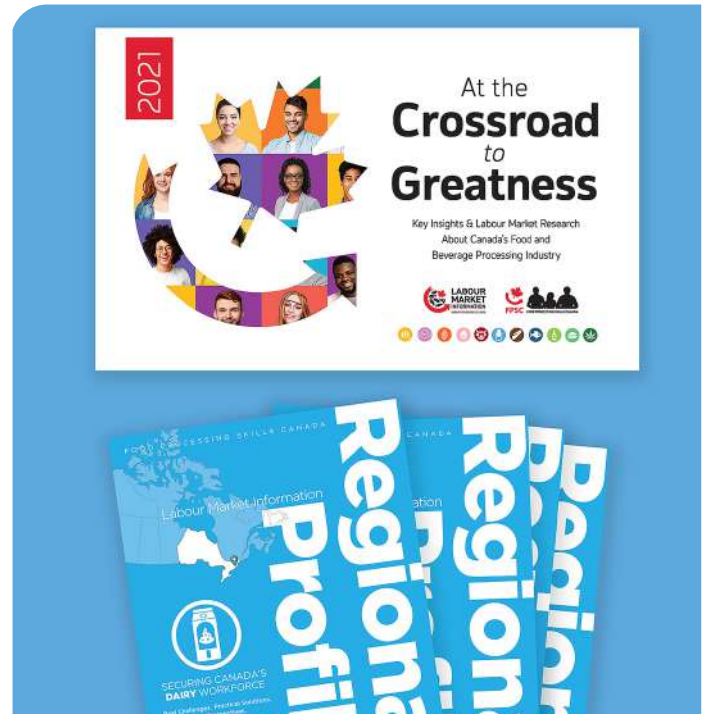
■ NORMAL TIGHTNESS
 ■ GREATER TIGHTNESS



LMI report series

Food Processing Skills Canada (FPSC)

has developed this regional profile of the Quebec-Levis, QC 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. Visit the link below to access the Crossroads to Greatness and other LMI reports: <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 Quebec-Levis, QC 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 Quebec-Levis region.



methods

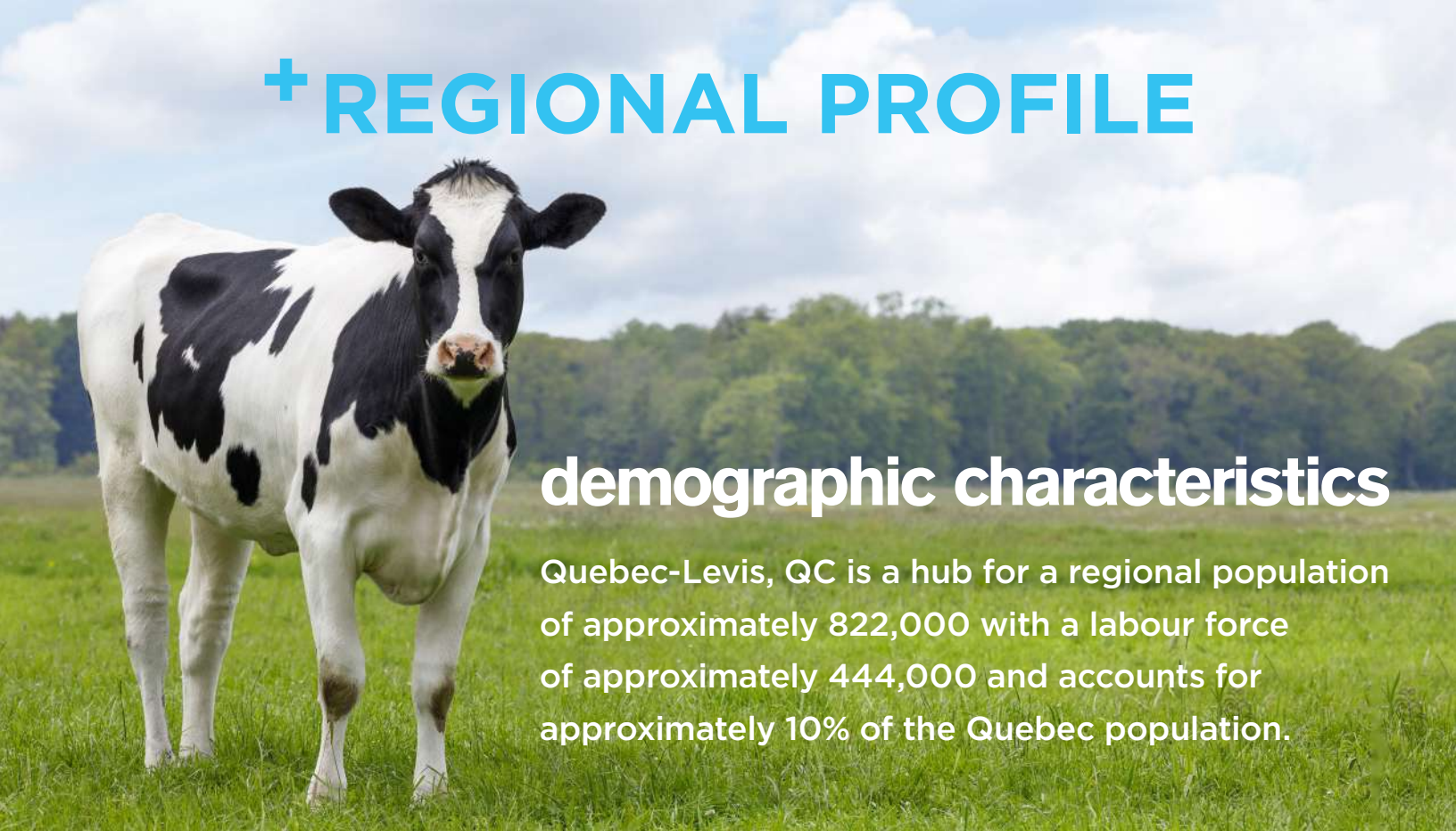
The methods used to develop the regional profiles included an extensive review of Statistics Canada reports and data that contributed to profile the industry, and project growth in production and employment at the regional level.

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 Quebec-Levis, QC focuses on a catchment radius of approximately XXkm from the city centre to estimate the approximate distance of maximum commuting distance for potential labour force.



+ REGIONAL PROFILE



demographic characteristics

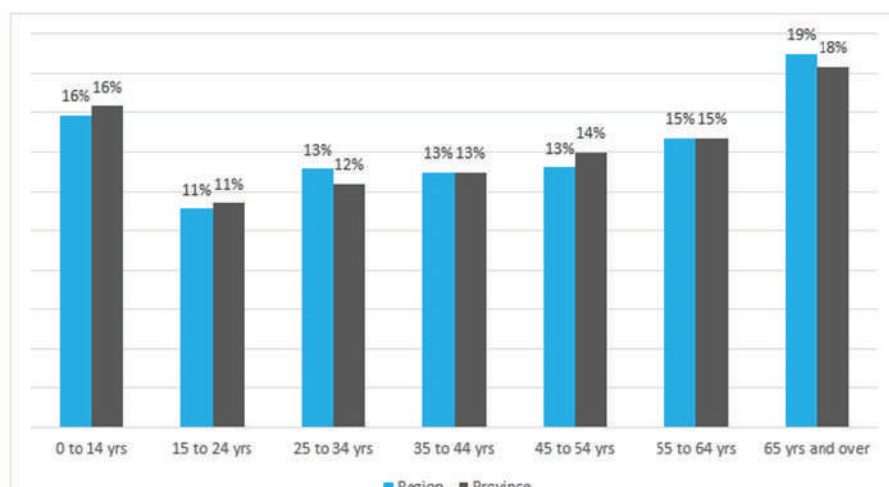
Quebec-Levis, QC is a hub for a regional population of approximately 822,000 with a labour force of approximately 444,000 and accounts for approximately 10% of the Quebec population.

Population Summary

	Quebec-Levis	Quebec
Total Population	822,083	8,604,000
Total Labour Force	443,714	4,569,600
Total Employment	422,865	4,286,400

Source: Ontario Population Projections, Ontario Ministry of Finance; Prism Economics and Analysis, 2021

Population by Age Group



Compared with the overall Quebec population, the Quebec-Levis region's population is very similar with 19% in the traditional retirement age category of 65 years or older compared with 18% of the Quebec population. The proportion of the classic core working age population (25-54) is 39% in the Granby region compared with 39% in Quebec overall.

Population Diversity

	Quebec-Levis	Quebec
Immigrants <i>Share of Population</i>	45,030 5%	1,091,310 14%
Non-Canadian Citizens <i>Share of Population</i>	23,030 3%	379,910 5%
Visible Minorities <i>Shar of Population</i>	36,685 5%	1,032,365 13%
Aboriginal Identities <i>Share of Population</i>	10,685 1%	182,885 2%

Source: Census 2016

The diversity of population according to immigrant status and visible minorities is significantly lower for the Quebec-Levis region compared with Quebec overall. The share of population who were immigrants in 2016 was 5% compared with 14% in Quebec, and self-identified visible minorities made up 5% of the Quebec-Levis population compared with 13% of Quebec. There were similar proportions of the region's population who were not Canadian citizens (3%) compared to Quebec overall (5%).

Population Mobility (5 years)

	Quebec-Levis	Quebec
Non-migrants <i>Share of Population</i>	183,440 65%	1,507,665 56%
Migrants <i>Share of Population</i>	100,010 35%	1,187,425 44%
Internal migrants <i>Share of Population</i>	84,455 84%	949,170 80%
<i>Intraprovincial</i> <i>Share of Population</i>	80,355 95%	893,800 94%
<i>Interprovincial</i> <i>Share of Population</i>	4,095 5%	55,370 6%
External Migrants <i>Share of Population</i>	15,550 16%	283,250 20%

Source: Census 2016

According to the 2016 Census, there was lower mobility within the population of Quebec-Levis region (35%) compared with Quebec overall (44%) meaning that smaller proportions of people had moved into the region within the previous 5 years. Much of the migration was due to internal migration (84%). External migrants from outside of Canada was slightly lower in Quebec-Levis (16%) compared with Quebec overall (20%).

Indigenous Communities

First Nation	Reserve(s)	Location	Population
Nation Huronne Wendat	Village des Hurons Wendake 7	8 KM West of Quebec	4,108
	Village des Hurons Wendake 7A	5 KM West of Quebec in Loretteville	
Total			4,108

Source: Census 2016

In the surrounding areas, there is one First Nation with two communities with a total population of approximately 4,108 community members. Overall, approximately 1% of the region’s population self-identify as Aboriginal according to the 2016 Census which is similar to the overall rate of 2% for the province.

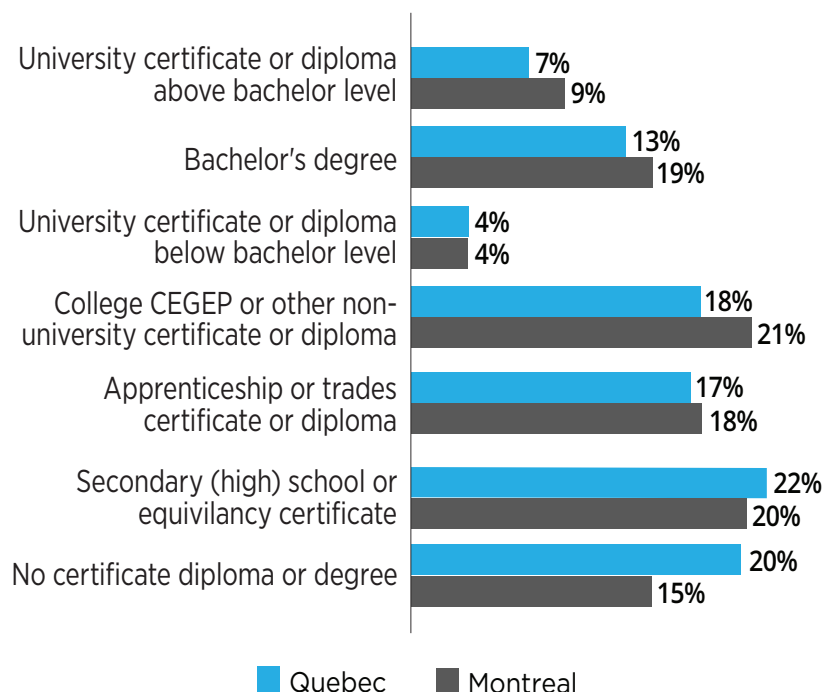
Overall,
approximately
1% of the region’s
population
self-identify as
Aboriginal.*



*According to the 2016 Census which is similar to the overall rate of 2% for the province.

socio-economic characteristics

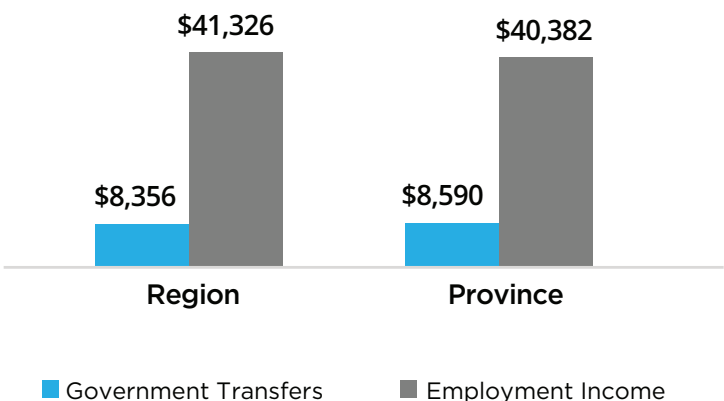
Educational Attainment



Source: Census 2016

The Quebec-Levis regional population has higher rates of post-secondary participation compared with Quebec overall. Nearly two-thirds (65%) report having some form of post-secondary diploma, certificate or degree compared with 58% of Quebec overall.

Average Employment Income

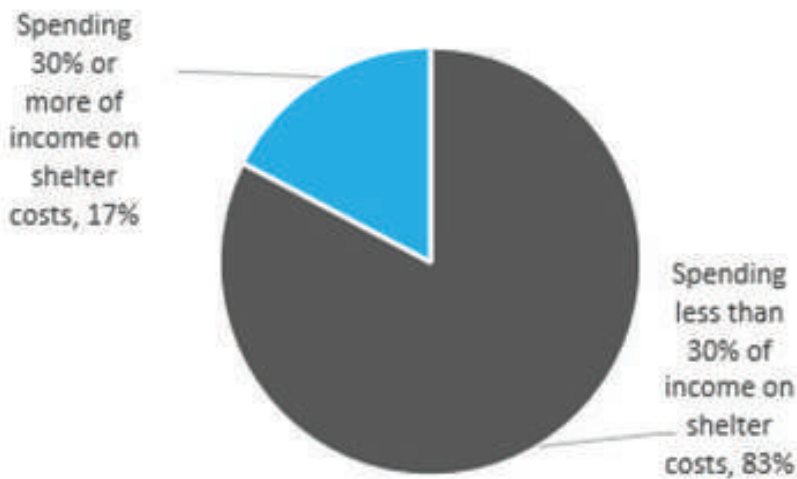


Source: Census 2016

Average employment income among Quebec-Levis regional residents was approximately 2% higher in 2015 compared with Quebec overall according to Census 2016. The average employment income for Quebec-Levis regional residents was approximately \$41,300 compared with \$40,400 for Quebec overall. The average government transfers was approximately 3% lower for Quebec-Levis region residents at \$8,400 compared with \$8,600 for Quebec overall in 2015.

Over one-half of Quebec-Levis region population (61%) are home owners, with a higher proportion (83%) reporting spending less than 30% of their income on shelter costs in 2016. The average monthly housing costs for renters was lower at approximately \$787 compared for home owners at approximately \$1,085.

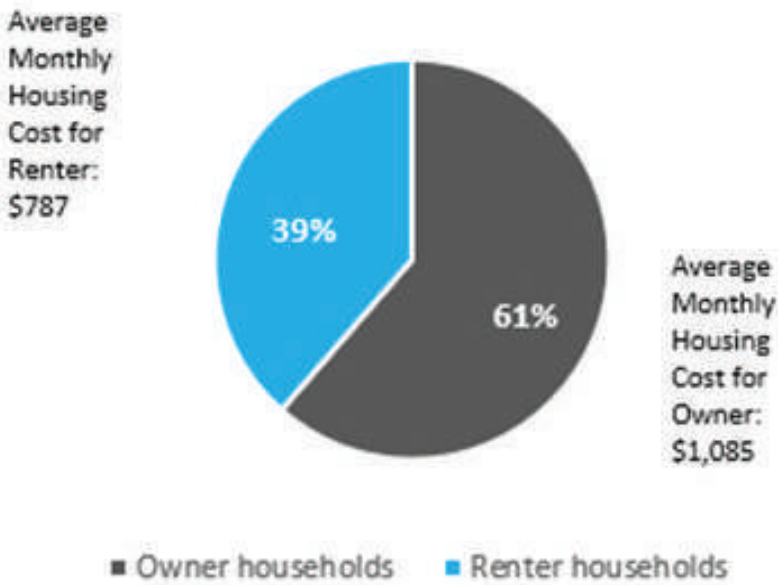
Housing Costs



Source: Census 2016

Over one-half of Quebec-Levis region population (61%) are home owners.

Housing Composition



Source: Census 2016

regional labour force

The size of the regional labour force in 2021 was over 444,000 which was approximately 10% of Quebec's overall labour force. The participation rate in the region is similar (64.0%) compared to Quebec (63%). Among those in the labour force, the unemployment rates were lower (5% vs. 6% in Quebec overall).

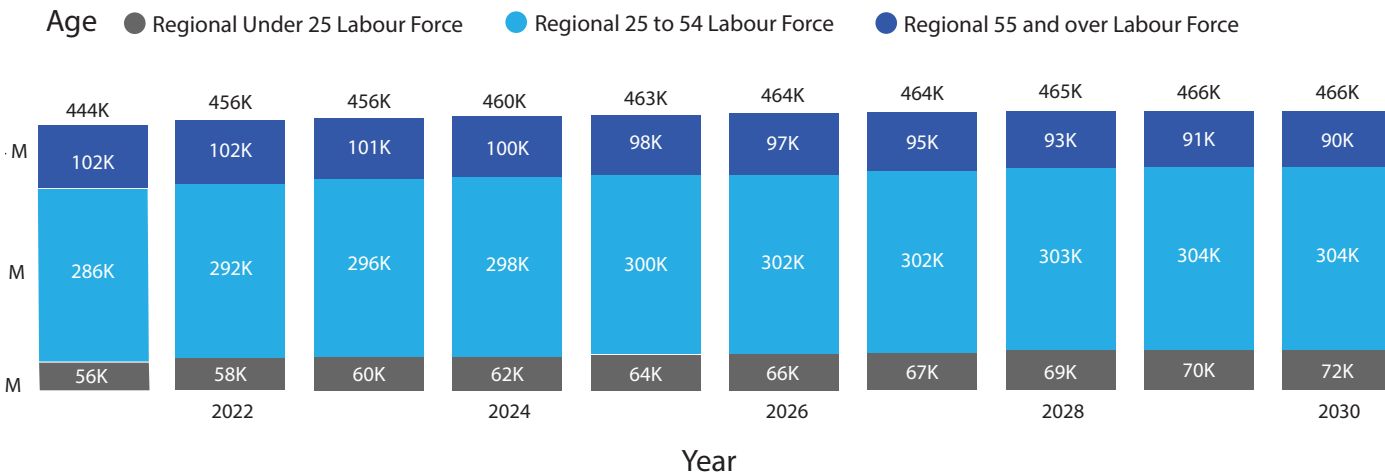
Labour Force Characteristics

	Quebec-Levis	Quebec
In Labour Force	443,714	4,569,600
Employed	422,865	4,286,400
Unemployed	20,849	283,500
Participation Rate	64%	63%
Employment Rate	61%	59%
Unemployment Rate	5%	6%

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

Labour force projections indicate an approximate 5% overall growth in the next decade rising from approximately 444,000 in 2021 to 466,000 by 2030. The anticipated age composition will see a decrease in numbers of older workers (55 years and older) with the similar increases occurring in the core group of workers aged 25 to 54 years old and with younger cohort (under 25 years old).

Labour Force Characteristics



1 Economics and Analysis, 2021

Labour Force by Industry

Industry	Regional Labour Force	% of Labour Force
Health care and social assistance	57,922	13%
Retail trade	49,114	11%
Manufacturing	43,657	10%
Educational services	37,769	9%
Construction	36,456	8%
Accommodation and food services	27,648	6%
Professional, scientific and technical services	18,527	4%

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

The largest proportions of the Quebec-Levis regional labour force are working in health care and social assistance (13%), with a similar proportions working in retail (11%) and manufacturing (10%). The manufacturing industry is the sector within which the dairy processing sector would be categorized.

Job Characteristics by Industry (Quebec overall)

Quebec	Job Vacancy Rate	Average Hourly Wage
All industries	4.5%	\$21.83
Food manufacturing	5.7%	\$17.95
Accommodation and food services	7.7%	\$14.33
Administrative and support, waste management and remediation services	5.7%	\$20.12
Professional, scientific, and technical services	5.7%	\$31.37
Health care and social assistance	5.5%	\$22.05
Arts, entertainment and recreation	5.4%	\$17.78
Transportation and warehousing	4.1%	\$20.98

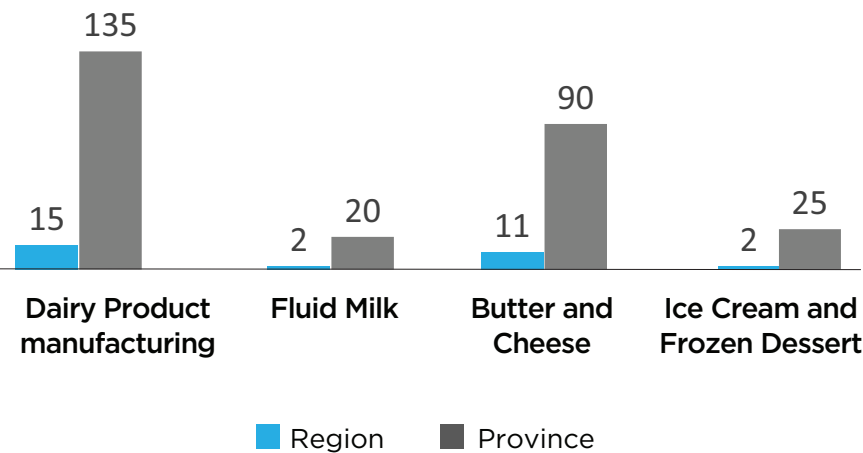
Source: Job Vacancy and Wage Survey Q3 2020 – Q2 2021, Quebec

Although not available at the regional level, an examination of the Quebec 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 higher at 5.7% when compared to all industries at 4.5%. The average hourly wage (\$17.95) is notably lower than that for all industries (\$21.83), but higher than the minimum wage in Quebec of \$13.50 (as of January 1st, 2022).

dairy processing sector regional profile

Within the greater Quebec-Levis region, there are 15 dairy processing establishments with a large emphasis on butter and cheese production. The region accounts for approximately 11% of the dairy processing facilities in Quebec. Regional employment in the dairy processing sector is estimated in 2021 at 1,099, with the largest proportions of the workforce in management, finance, sales and administration (374; 34%), and skilled or semi-skilled (370; 34%) occupations. Other sizeable proportions of the regional dairy workforce are found in the trades (154; 14%), and entry-level labourers (113; 10%).

Dairy Processing Establishments (2021)



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

The Quebec-Levis region accounts for approximately 11% of the dairy processing facilities in Quebec.

Dairy Processing Employment (2021)

Occupation Group	# Employed
Management, Finance, Sales, Admin	374
Entry-level Labourers	113
Other	19
Product Development and QC	69
Skilled/Semi-Skilled	370
Trades	154
Total	1,099

Source: Prism Economics and Analysis, 2021

dairy processing workforce outlook

Dairy processing employment in the Quebec-Levis region is expected to grow by approximately 7.9% over the upcoming decade rising from 1,099 in 2021 to 1,186 by 2030 a change of approximately 87. 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 504 workers. Anticipated growth will account for 88 new hires (17%) while the remaining 413 new hires (83%) 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, the number of youth new entrants into the industry likely available to fill these new hire positions are 10 or less per year or approximately 12-15% of the full requirement. 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 (i.e. retirements).

Total Dairy Processing Workforce Outlook

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Labour Force	1,140	1,136	1,149	1,163	1,175	1,183	1,193	1,201	1,207	1,213
Employment	1,099	1,097	1,116	1,131	1,142	1,152	1,162	1,172	1,180	1,186
Net Hiring Requirement	28	27	49	51	40	56	57	64	65	65
<i>Employment Growth</i>	0	-2	19	15	11	10	11	10	8	6
<i>Replacement</i>	28	29	31	30	30	46	46	54	57	59
Youth New Entrants	26	9	9	8	8	8	9	10	10	10

Source: Census 2016

Dairy processing employment in the Quebec-Levis region is expected to grow by approximately 7.9% 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	374	403	410	415	419	423	426	430	433	435
Entry-level Labourers	113	126	128	130	131	132	133	134	135	136
Other	19	21	21	21	21	22	22	22	22	22
Product Development and Quality Control	69	77	78	79	80	81	81	82	82	82
Skilled/Semi-Skilled	370	312	317	322	325	328	331	334	336	338
Trades	154	159	162	164	166	167	169	170	171	172
Total	1,099	1,097	1,116	1,131	1,142	1,152	1,162	1,172	1,180	1,186

Dairy Processing Hiring Requirement Outlook

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Management, Finance, Sales, and Administration	14	43	22	23	18	26	26	30	31	31
Entry-level Labourers	1	14	4	4	3	3	3	4	4	4
Other	2	4	3	3	3	4	4	5	5	5
Product Development and Quality Control	5	13	6	7	5	8	8	9	10	10
Skilled/Semi-Skilled	2	-57	7	7	5	6	6	6	6	6
Trades	4	10	7	8	6	8	9	10	10	10
Total	28	27	49	51	40	56	57	64	65	65

The types of workers that will be needed for the Quebec-Levis 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 management, finance, sales and administration occupations with a total of 264 new workers needed accounting for approximately 53% of the total hiring requirements between 2021 and 2030. Similar numbers of trades (82; 16%) and product development and quality control (81; 15%) workers will be needed. This is of particular concern given the more extensive training requirements for these, combined with the increasing competition for these occupations from other industries.

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 Quebec-Levis 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.

Labour Market Tightness Ratings 2021-2030: Quebec-Levis Region

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



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