

2019

EMPLOYERONE SURVEY

GOOD NEWS

for Hamilton job
seekers as the economy
continues to grow!

Workforce Planning Hamilton surveys local employers via our annual online Employer One Survey to uncover timely information which provides an accurate and excellent snapshot of the current labour market conditions in Hamilton. This year 326 employers completed the survey, an increase of almost 50 employers from the previous year.

The results of our Employer One Survey reflect that it's an exciting time to be a job seeker because Hamilton's economy is growing, and boasts a low unemployment rate. Conversely it is a challenging time for employers who are trying to hire and retain staff, and grow their businesses.

The number of people who are unemployed in Hamilton has decreased from 2017, with an unemployment rate (percent of people actively looking for work) which stands at 4.7%, lower than it has been in a decade.

As the employers who completed Employer One are quick to tell WPH the opposite side of the equation is that with a tighter labour market they are finding it harder to find qualified and committed workers.

This year we added a question on how the increase to a \$14 minimum wage has affected local businesses. Employers shared their positive and negative experiences as the increase was implemented.

The great news for local job seekers is that since the economy shows no signs of slowing down the majority of employers (84%) **plan to hire in 2019**.

While employers plan to hire they are also facing increasing recruitment challenges since the unemployment rate is very low and increasing retirements will make it difficult for employers to fill vacancies.

What did employers tell us this year?

65% of employers had a position that was **hard-to-fill**

The percentage of employers stating recruitment was **very challenging** has increased for two consecutive years, from 20% to 27%

Retirements are increasing as the percentage of employers that said they had a retirement increased from 40% to 50%

The bottom line is that for many local employers this is a **frustrating time to be recruiting**

Employers reported **mostly negative impacts**

from the minimum wage increase



Workforce Planning Hamilton
Planification de main d'œuvre de Hamilton



Who completed the survey?

The Employer One survey is shared out to Hamilton employers of all sizes and industries. The results are aggregated and depending on the number completed are analyzed by sector. The sectors that were included in the separate analysis section were ones with at least 20 employers.

As you can see from the chart below the majority of employers who completed the survey this year are in the small to medium category. This is similar to the profile of businesses in Hamilton where Canadian Business Counts data reports that 95% of companies have less than 50 employees.

Many thanks to the employers who took the time to complete the survey. As always we are indebted to our many partners who shared the survey with their contacts. Thanks to our valuable partners including: employment service providers, educational institutions, Chambers of Commerce, City of Hamilton, Economic Development; trade unions, and industry associations.



Start-ups

Start-ups are companies that were established in the last five years. Thirteen percent of the employers who completed the survey are in this category.

Industries with the highest share of start-ups are:



Accommodation and food services



Professional, scientific and technical services



Retail trade



Employer Size

Workforce Size	Employer Responses	Percentage
Sole proprietor	4	1%
1-4	50	15%
5-9	51	16%
10-19	54	17%
20-49	50	15%
50-99	41	13%
100-199	24	7%
200-499	29	9%
500+	23	7%
	326	100%

Note: One employer did not answer this question



Industry Breakdown

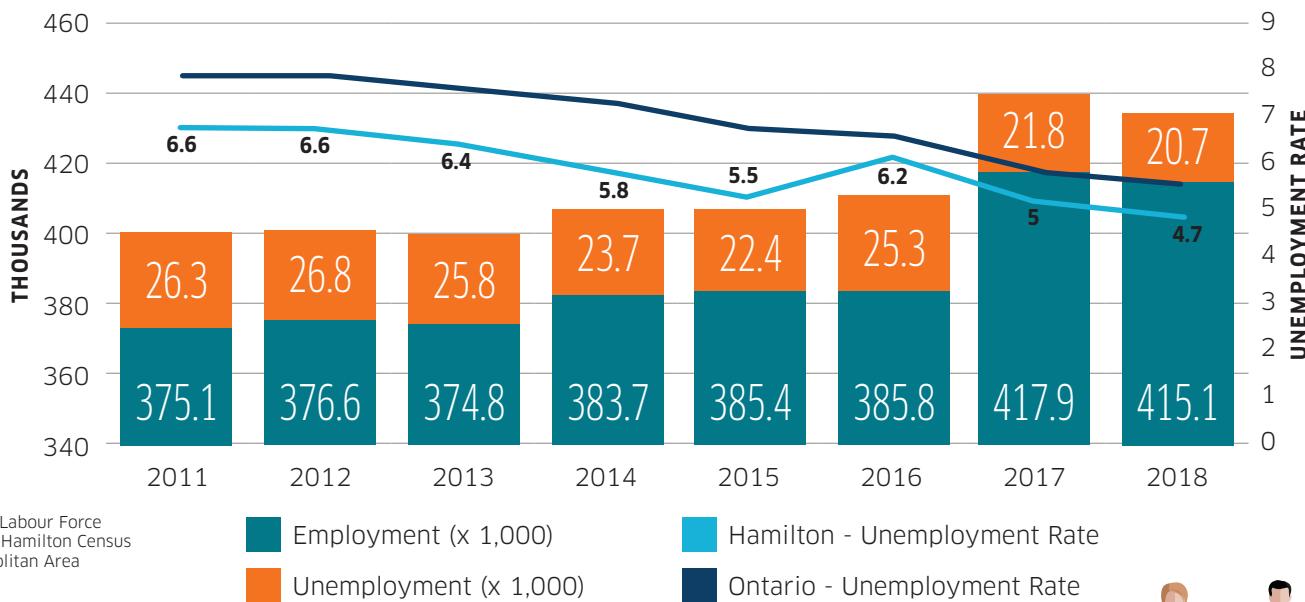
(% of Respondents)

Healthcare and social assistance	14%
Manufacturing	13%
Professional, scientific and technical services	10%
Construction	9%
Retail trade	8%
Administration and support, waste management and remediation services	8%
Accommodation and Food Services	6%
Other Services (except public administration)	6%
Educational Services	5%
Transportation and warehousing	4%
Real estate and rental and leasing	4%
Arts, Entertainment and Recreation	4%
Finance and insurance	4%
Wholesale trade	3%
All Other Industries	2%

RECRUITMENT



As the graph below shows the number of people employed in Hamilton has risen considerably between 2011 and 2018. And Hamilton's current unemployment rate is lower than the average for Ontario making it a job seekers' market when it comes to employment.



What employers told us

- Similar to previous years about two-thirds of employers had separations in 2018
- This year more employers were affected by retirements
- Half of employers stated they had at least one retirement in 2018, up from 40%
- Retention is a concern. Quits increased from 71% to 79% and layoffs decreased from 39% to 33%
- The decrease in layoffs is good news as this is evidence of a growing economy

Separation	Share of Employers (2017)	Share of Employers (2018)	
Quits	71%	79%	↑↑
Retirements	40%	50%	↑↑
Layoffs	39%	34%	↓↓
Dismissal	62%	61%	↓↓

Succession Planning



Helps to identify and nurture

new leaders who can replace retiring workers

55% of employers have a succession plan in place

Only a third of businesses with less than five employees have a succession plan, but 70% of employers with over 200 employees do

HIRES

Did your organization hire any employees in the last 12 months?

87%
YES

Most Hired Occupations

631	Security Guard
609	Labourer
600	Welder/Welder Trainee
332	Professors
201	Support & Admin
200	Spray Painter
171	Registered Nurse
150	Personal Support Worker (PSW)
121	Banquet Servers
100	Machine Operator
100	Skilled Trade & Project Managing
77	Customer Service

Note: Orange indicates entry level jobs.
These are jobs at least skill level C

Good news for
job seekers,
employers
are hiring!

HARD-TO-FILL POSITIONS

More employers are finding it difficult to find workers

Nearly two-thirds of employers had a position that was hard-to-fill. This increased from 54% last year to 65%.

This is a sign of a growing economy and employers are finding recruitment more challenging.

Top 5 reasons why the positions were hard-to-fill



- 43% NOT ENOUGH APPLICANTS
- 40% LACK OF QUALIFICATIONS (EDUCATION LEVEL/CREDENTIALS)
- 38% LACK OF TECHNICAL SKILLS
- 37% LACK OF WORK EXPERIENCE
- 36% LACK OF MOTIVATION, ATTITUDE, OR INTERPERSONAL ABILITIES

Most Hard-to-Fill Occupations

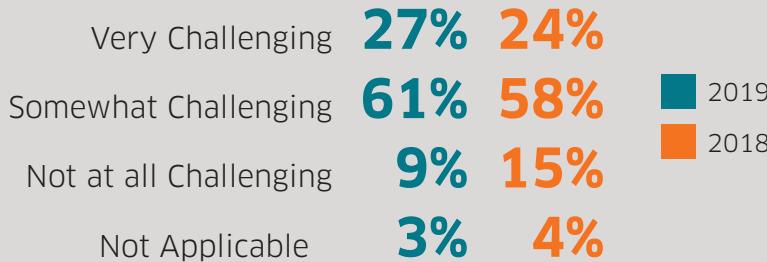
Welder	Electricians
General Labourer	Personal Support Worker
Machine Operator /Sewing Operator	Construction Project Manager
Millwrights	Truck Driver
Cooks	
Carpenter	

Employment agency use increased

38% of employers used a free employment service agency, an increase from 30% last year. Likewise, 25% used a paid recruitment agency, an increase from 15%. This is further evidence of a growing economy.

EMPLOYERS ARE HAVING DIFFICULTY FINDING QUALIFIED WORKERS

In general, how does your organization find recruitment?



- The number of employers stating recruitment was 'very challenging' has increased for two consecutive years, from 20% to 27%
- 'Very challenging' and 'somewhat challenging' accounts for 88% of employers, a 10% increase from last year
- Nearly half of employers state availability of qualified works is 'fair'
- This share has increased from 39% last year
- 'Fair' and 'poor' account for 62% of employers view of qualified labour

This shows that the

economy is growing

and employers are having more recruitment challenges as the unemployment rate reaches lower levels

Top Recruitment Methods



Online job postings

Word of mouth



Social media



Social media has had a noticeable increase from previous years, from

33% to 50%

Employers want to hire

PLAN TO HIRE

Do you plan on hiring anyone over the next 12 months?



47% of employers state their organization is currently growing

Occupations

- Thirty-two percent of employers state they will be hiring service workers
- Four employers plan on hiring 100+ service workers, including jobs such as sales associates, personal support workers, security guards, seasonal summer work
- Managers and executives are the second most popular listed occupations to be hired in the future
- The majority of hires are less than 10, except for some large employers planning on hiring large groups
- Industries most likely to hire in large quantities are: Manufacturing, Retail trade, Health care and social assistance

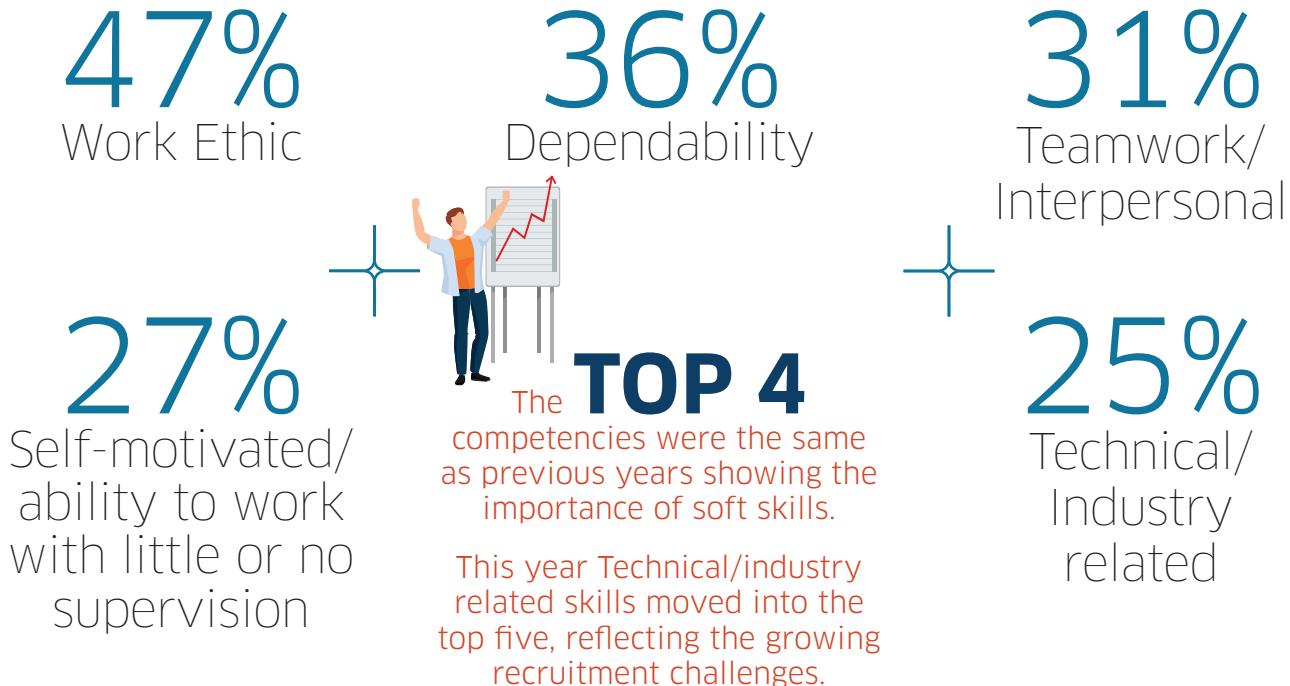
Reasons for Hiring



Expansion	48%
Fill a Vacancy/ Replacement	36%
Seasonal	7%
Retirements	6%
Other	2%
Technological Change	1%

GOOD SOFT AND TECHNICAL SKILLS STILL IN DEMAND

Top 5 competencies employers look for in employees



TRAINING

Top 5 professional development or training opportunities for employees



THE IMPACT OF THE MINIMUM WAGE INCREASE ON EMPLOYERS

As of January 1st, 2018 the minimum wage increased from \$11.60 to \$14 per hour. Has this increase affected your business operations?

46%

YES

54%

NO



Most employers had negative impacts from the minimum wage increase.

The top **3** include:



Increased prices for customers

65%
of employers



Decreased hours for staff,

38%



Postponed future hiring,

33%

The increase in the minimum wage does not seem to have affected hiring in the overall economy since most employers plan on hiring. Certain industries were more affected by the increased minimum wage.

The sector analysis in the next section looks at this more closely.

SECTOR ANALYSIS

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LEARNING ABOUT THE TOP SEVEN INDUSTRIES IN HAMILTON

The industries represented in this section highlight the recruitment and workforce challenges that employers are facing by industry sector in the current labour market. All of these industries had more than twenty individual employer responses.



Industry Results at a Glance

	% Recruitment Very Challenging	% Quality of Workforce Poor/Fair	% Hard-to-fill Positions	% Growing their Workforce	% Plan-to hire in 2019
All Industries	27.3%	63.70%	65.3%	46.6%	83.7%
Construction	29.6%	69.2%	62.1%	62.1%	92.6%
Manufacturing	44.4%	88.9%	88.9%	59.1%	91.1%
Retail trade	29.6%	59.3%	37.0%	33.3%	63.0%
Professional, scientific and technical services	18.2%	57.6%	60.6%	63.6%	87.9%
Administration and support, waste management and remediation services	28.0%	68.0%	68.0%	32.0%	72.0%
Health care and social assistance	14.3%	52.4%	72.7%	36.4%	85.7%
Accommodation and food services	40.9%	72.7%	63.6%	9.1%	81.8%

Construction (NAICS 23)

This sector is made up of businesses that are involved in constructing, repairing and renovating buildings and engineering works, and in subdividing and developing land. Specialty trade contractors are the largest sub industry in Hamilton.

What you need to know about Construction in Hamilton

- Employing close to 30,000 people construction is the fifth largest sector in Hamilton (Labour Force Survey)
- The Employer One survey results report that 62% of employers say that their business is currently growing
- 90% of employers hired in the past year
- 93% plan on hiring in 2019
- The percentages above are higher than the average across all industries



Top skills and competencies needed

- Technical skills are more important in construction compared to other sectors
- Construction employers ranked technical skills third for top competencies and first among hard-to-fill

Hard to fill positions

- 62% of employers had a hard-to-fill position in the past year
- 30% of employers found recruitment 'very challenging'
- 69% view qualified labour as 'poor' or 'fair'
- The occupations that employers find hard-to-fill include skilled trades positions such as carpenter, electrician, plumber, sheet metal worker, construction manager, labourer, formsetter and field technician

Manufacturing (NAICS 31-33)

Businesses in this sector work in the chemical, mechanical or physical transformation of materials or substances into new products. There are many sub-industries in the sector and all are represented in Hamilton. NAICS 331 Primary metal manufacturing, and NAICS 332 Fabricated metal product manufacturing are the businesses that have the most employees.

What you need to know about Manufacturing in Hamilton

- Manufacturing employs nearly 50,000 people making it the third most employed sector (Labour Force Survey)
- Over the last two years it has grown by 4,500 workers
- The Employer One survey results report that 59% of employers said they are growing
- 96% of employers hired a position in 2018
- 91% plan on hiring in 2019
- This sector has an older than average workforce and 63% of employers had a separation that was due a retirement
- The percentages above are higher than the average across all industries

Top skills and competencies needed

- Finding workers across all skills sets is difficult for most employers in Manufacturing
- Employers are looking for employees who are dependable, are willing to learn and who have technical skills

Hard to fill positions

- 89% had a position that was hard-to-fill
- 44% state recruitment is 'very challenging'
- 89% view qualified labour as 'poor' or 'fair'
- Many of the hardest to fill positions were skilled trades including welder, machine operator, sewing operator, electrician, CNC machinist, industrial millwright/mechanic and pipefitter
- Other hard-to-fill occupations that had hundreds of openings were labourer type positions



Retail Trade (NAICS 44-45)

This sector is made up of businesses that retail merchandise, and services that are related to the sale of merchandise. This sector comprises two main types of retailers, store and non-store retailers.

What you need to know about Retail Trade in Hamilton

- Retail trade employs the second most workers with over 50,000 employees (Labour Force Survey)
- The largest sub-sector in Hamilton is Food and Beverage
- This sector has shown strong growth in employment over the last four years yet the Employer One survey results report that growth in the sector is slowing down
- Only a third state they are growing
- The majority (51%) are staying about the same
- Two-thirds hired a position in 2018
- 63% plan on hiring in 2019
- The percentages above are lower than the average across all industries

Top skills and competencies needed

- 59% view qualified labour as 'fair' or 'poor'
- The top skills needed among employers are customer service, dependability and work ethic
- Among employers that did have a hard-to-fill position the top reason was lack of motivation, attitude, or interpersonal abilities

Hard to fill positions

- Employers did **not** have positions that were hard to fill, only 37% compared to 65% economy wide
- 30% said recruitment was very challenging

Top jobs in retail trade in 2018

- Retail associates/customer service representative
- Cashiers
- Sales associates



Professional, Scientific and Technical Services (NAICS 54)

This sector is made up of businesses involved in activities in which people's knowledge is the major input. The largest sub-industries include: Legal services; Architectural services, Engineering, and related services; Computer systems design and related services, and Accounting services.

What you need to know about Professional, Scientific and Technical Services in Hamilton

- This is the fastest growing sector in Hamilton
- Since 2015 the sector has grown by nearly 10,000 workers (18%), employing a total of 35,100 workers (Labour Force Survey)
- The Employer One survey reported that 64% of employers say they are growing
- 82% hired in 2018 and 87% plan on hiring in the upcoming year
- The percentages above are lower than the average across all industries



Top skills and competencies needed

- Strong technical skills are required in this sector and vary depending on the sub-sector
- Technical skills was the most important competency employers look for among job seekers
- The top reasons why a position was hard-to-fill were lack of technical skills and lack of qualifications

Hard to fill positions

- The sector has some recruitment challenges but less than other sectors
- 61% of employers had a hard-to-fill position but it was lower than the average across all sectors (65%)
- The percentage of employers that view recruitment as very challenging is 18% which is also lower than the average across all sectors (27%)
- The most difficult positions to fill are IT technician, software developer, project manager, field technician, intermediate/senior developers

Administrative and Support, and Remediation Services (NAICS 56)

This sector is made up of establishments of two types: those engaged in activities that support the day-to-day operations of other organizations such as call centres, security and janitorial services, and those engaged in waste management activities. Administrative and support services accounts for the vast majority of people employed in the sector.

What you need to know about the Administrative and Support and Remediation Services in Hamilton

- This is a stable industry that employs about 20,000 workers (Labour Force Survey)
- The number employed has been consistent over the last five years
- The Employer One Survey results show that the majority of employers (52%) said their organization is 'staying about the same', which is higher than the average across all sectors (44%)
- 80% of employers hired in 2018 and 72% plan on hiring, both are lower than the average across all sectors (87%, 84%)
- While the sector is not growing at a fast rate, it is still showing evidence of recruitment challenges



Top skills and competencies needed

- Work ethic
- Teamwork/interpersonal
- Self-motivation/ability to work with little or no supervision

Hard to fill positions

- 68% said they had a position that was hard-to-fill
- 68% viewed local qualified labour as 'fair' or 'poor'
- 28% viewed recruitment as 'very challenging'
- Positions were hard-to-fill due to 'lack of motivation, attitude, or interpersonal abilities'
- Needed were: security guards, particularly ones with a drivers' license and car and landscape labourers
- These two were also among the most hired, along with banquet servers



Healthcare and Social Assistance (NAICS 62)

This sector is made of two major sub sectors: Healthcare and Social Assistance. Healthcare organizations providing health care by diagnosis and treatment, providing residential care for medical and social reasons. Social assistance includes counseling, welfare, child protection, community housing and food services, vocational rehabilitation and child care.

What you need to know about Healthcare and Social Assistance in Hamilton

- Healthcare and social assistance is the largest sector in Hamilton employing about 54,600 workers (Labour Force Survey)
- Four of out of five workers in this sector work in healthcare
- The sector grows at a stable rate every year at about 3% and over the last five years grew by 7,100 workers (15%)
- The Employer One Survey results indicate that the majority of employers, 55% state their organization is 'staying about the same'
- A higher percentage of Social assistance employers (42%) state they are growing compared to Healthcare employers (29%)
- A higher percentage of Healthcare employers hired (88%) and plan-to-hire (94%) compared to Social assistance employers
- The main reason for planned hires in the Healthcare sector was to fill a vacancy and for Social Assistance employers it was due to expansion

Healthcare sector employers have a more challenging time recruiting than Social assistance employers

- 82% of Healthcare employers had a hard-to-fill position compared to 65% for all industries
- 31% said recruitment was very challenging compared to 27% for all industries
- The reasons why positions were hard-to-fill were the same for both sub-industries: Not enough applicants; lack of qualifications; and lack of work experience

Top skills and competencies needed

- Technical skills were not as important as soft skills
- Healthcare employers are looking for dependability, self-motivation, and a strong work ethic
- Social Assistance employers are looking for teamwork, dependability and employees that fit in with the company mission

Hard to fill positions

- Registered nurse
- Personal support workers
- Early childhood educators
- Administrative/clerical workers

Accommodation and Food Services

(NAICS 72)

This sector is made up of businesses that provide short-term lodging and complementary services to travellers, vacationers and others in places such as hotels and other types of accommodations. Along with this the sector is engaged in preparing meals, snacks and beverages for immediate consumption on and off the premises, such as restaurants.

What you need to know about Accommodation and Food Services in Hamilton

- This sector employs over 20,000 workers (Labour Force Survey)
- The sector has grown over the last decade but more recently has been steady
- In the Employer One findings 59% of employers state they are 'staying about the same', one of the highest shares relative to other industries
- 82% plan on hiring in 2019
- Forty-one percent viewed recruitment as 'very challenging'
- Two-thirds had a hard-to-fill position which is similar to the overall percentage
- 64% said they don't have enough applicants
- 73% of employers viewed local qualified labour as 'fair' or 'poor', which is higher than the overall average across all industries

Top skills and competencies needed

- There is a lack of qualified candidates that have the needed soft skills
- Top skills needed are: work ethic, customer service, and dependability

The positions that are hardest to fill include:

- Cook/chef
- Manager
- Administrative workers
- Housekeeping staff

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