
Subject: 2021 Niagara Employment Inventory Status Update

Report to: Planning and Economic Development Committee

Report date: Wednesday, March 10, 2021

Recommendations

1. That Report PDS 12-2021 informing Council that the 2021 Niagara Employment Inventory will not proceed this year **BE RECEIVED** for information; and
2. That a copy of this Report **BE CIRCULATED** to the Local Area Municipalities, Local Economic Development Offices, Niagara Workforce Planning Board, Brock University, and the Niagara Chambers of Commerce.

Key Facts

- The purpose of this report is to inform Council that the 2021 Niagara Employment Inventory (“NEI”) will not proceed this year. The ongoing COVID-19 emergency does not provide an opportunity to safely and effectively conduct the NEI.
- The decision to cancel the 2021 NEI was made jointly with staff from Planning and Development Services and Economic Development.
- The following are the reasons why the 2021 NEI was cancelled:
 - Risks related to the health and safety of the project team;
 - Challenges related to modified working arrangements; and
 - Concerns regarding low survey response rate and poor sample quality, leading to negative affect on the quality and usability of the database
- The Region anticipates resuming the NEI in spring 2022. Until then, the Region will rely on other secondary data sources that are collected from COVID-19-specific business surveys, the 2021 Census and The Conference Board of Canada.

Financial Considerations

The council approved operating budget for the 2021 Employment Survey is \$100,000, consisting of \$95,000 in intern and student salaries and \$5,000 in administrative costs. As a result of the employment survey not proceeding, these funds will be recognized as surplus in the 2021 financial reporting.

Analysis

Since 2016, the NEI has been conducted on an annual basis during the months of May to September. During this time, data points are collected by a team of post-secondary students through door-to-door interviews with primary contacts at businesses across all twelve local municipalities.

Given the challenges presented by the ongoing COVID-19 pandemic, Planning and Development Services and Economic Development decided that the 2021 NEI data collection could not proceed.

Three factors led to the conclusion to cancel the 2021 NEI: health and safety measures, human resource impacts, and data integrity concerns.

1. Health and Safety Measures

The health and safety of Regional staff and the community at large is top priority when conducting the NEI. Normally, recruitment for NEI summer students would have occurred by February, with a starting date in early May. However, with the uncertainty of COVID-19 impacts for the upcoming months, we are unable to start that process.

Of paramount importance is preventing transmission of the COVID-19 virus. This includes limiting Regional staff contact with the public, which is traditionally a normal occurrence as part of site visits to conduct the NEI. Regional staff considered continuing the NEI with the use of personal protective equipment and other tools to mitigate the risk; however, an uncomfortable level of risk would still exist.

2. Human Resource Impacts

Historically, the NEI employed up to six summer term students from post secondary institutions. A typical workday for these students consists of them working outside the office directly interacting with persons in businesses.

The Region considered a modified work arrangement for 2021. However, the public health risks noted above make such a program unfeasible.

If the team is unable to work in the field and engage directly with businesses, and instead work-from-home, accurate data cannot be captured. Further, this arrangement would present challenges to effectively manage and monitor students remotely. Additional financial investments to purchase computer hardware and other items would also be required.

For these reasons, this work cannot be effectively completed from home.

3. Data Integrity Concerns

In 2019, the NEI received a 90% participation rate. This high rate is attributed to the responses received from in-person visits. On average, the in-person responses account for over 75% of all responses. Approximately, 15% of responses are through email and the remaining 10% through telephone. Without in-person engagement, the Region anticipates a significantly reduced response rate, well below the 90% response rate historically achieved.

The inherent value of the NEI is dependent on the high quality data. A 90% response rate ensures that the data is reliable, and therefore usable for important research and analysis activities. A database with a low response rate cannot be relied on for nuanced and business-level research and analysis. This could result in mischaracterizations and/or businesses being misrepresented in the database.

Furthermore, COVID-19 is a very tumultuous time for many businesses. Some businesses have closed permanently or temporarily, some businesses have laid off staff, and some businesses have modified hours. This makes it more difficult to reach businesses and, as a result, would have a negative affect in the response rate. Also, during COVID-19, many businesses have made temporary changes to staffing and other temporary measures which could skew data if collected.

Other Data Collection Initiatives

Other data collection initiatives remain active during the COVID-19 pandemic.

These include the Niagara Economic Rapid Recovery Response Team's work on the Niagara COVID-19 Business Impact Survey. A third survey is currently being prepared.

The Niagara Workforce Planning Board will be working with Economic Development and other economic stakeholders on engaging businesses for a Labour Market Partnership Research Project.

Lastly, Statistics Canada is conducting the 2021 Census of Canada, as well as the 2021 Census of Agriculture, which is another intensive survey that will be widely administered in Niagara.

The above-noted surveys are valuable for the Region for certain purposes. However, they do not provide the level of detail Staff require to conduct micro level research and analysis. The Region relies on the NEI survey results to make recommendations on a variety of matters. For these reasons, we look to re-establish the NEI in 2022.

Alternatives Reviewed

For the reasons set out above, there are no reasonable alternatives to cancelling the 2021 NEI. Regional staff gave careful consideration to conducting the 2021 NEI solely through online and telephone engagement. However, we would not expect that to be successful. If the Region does not achieve a high survey response rate, the data results would not yield a complete and reliable dataset for business level research and analysis.

Relationship to Council Strategic Priorities

The Niagara Employment Inventory project supports Regional Council's priority of 'Supporting Businesses and Economic Growth'.

Other Pertinent Reports

- PDS 13-2016 - Niagara Region Employment Survey
- PDS 1-2017 - Niagara Region Employment Inventory Preliminary Results
- PDS 5-2018 - Niagara Region 2017 Employment Inventory Results
- PDS 6-2019 - Niagara Region 2018 Employment Inventory Results
- ED 9-2020 - COVID-19 Response and Business Continuity in Economic Development
- ED 11-2020 - Economic Recovery Plan Update

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