Subject: Niagara Region 2019 Employment Inventory Results

Report to: Planning and Economic Development Committee

Report date: Wednesday, March 11, 2020

Recommendations

1. That Report PDS 5-2020 respecting the 2019 Niagara Region Employment Inventory Results report **BE RECEIVED** for information; and

2. That a copy Report PDS 5-2020 **BE CIRCULATED** to the Local Area Municipalities, Local Economic Development Offices, Niagara Workforce Planning Board and the Niagara Chambers of Commerce.

Key Facts

- This report highlights the key performance indicators of the data collected during the 2019 Employment Inventory period.

- The Employment Inventory is an annual primary data collection exercise where a small team of post-secondary students visits all publically accessible (signed) business within Niagara during the summer months.

- In 2019, the Employment Inventory team inventoried a total of 12,016 businesses throughout the urban and rural areas of Niagara and collected the location of 147,959 full and part-time jobs.

- This year's data collection resulted in a 90% full participation rate, which is an increase of over 20% since 2016. This increase is attributed to ongoing support from local municipal partners and other special interest stakeholders.

- Data captured through the Employment Inventory is a key asset for:

  - Internal Regional departments
  - Local area municipalities
  - Local Economic Development offices
  - Niagara Workforce Planning Board
  - Local Employment Ontario agencies

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Financial Considerations

The Niagara Employment Inventory was funded through the Council-approved 2019 operating budget and has been included in the approved 2020 Planning & Development Services base budget. The total cost of the project was $93,700.

Analysis

Niagara Region is among several municipalities in Ontario that collect employment data on an annual basis. Since 2016, Planning and Development Services has worked closely with Regional Economic Development to collect primary data on the types and sizes of businesses operating in Niagara. The data collected has become vital to monitoring the Region's economic health, as well as aiding in decision and policy making.

Each year, the Employment Inventory is conducted by a small team of post-secondary students between the months of May and September. The primary method of data collection is through door-to-door interviews with local business owners, with additional follow-up engagement conducted through email and telephone communication.

In 2019, the Employment Inventory team visited 12,016 businesses and collected the physical location of 147,959 full and part time jobs. Compared to the 2018 results, this is an increase of nearly 300 surveyed businesses and over 5,000 additional jobs identified.

The Employment Inventory is a comprehensive dataset of business information that indicates: number of jobs, business locations, business size, type of business activity, level of foreign investment, and exporting patterns relating to each business. The inventory is a geo-coded, spatially enabled dataset, which facilitates analysis at the street-address level.

The Employment Inventory has become a key dataset for informing a wide variety of Regional policies and service delivery decisions. The dataset is currently being used to help inform the following initiatives:

- Supporting development of ongoing District Plan studies
- Informing Niagara Region Employment Areas Strategy
- Facilitating Economic Development investment inquiries
- Providing up-to-date employer data for the Building Employment Networks Niagara (BENN) application
- Informing Economic Prosperity Dashboard indicators

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Participation in the Employment Inventory is voluntary. Despite best efforts, the inventory team is unable to make direct contact with all business owners or, occasionally, a business refuses to participate. Due to these factors, the reported results may not fully align with other surveys conducted by Statistics Canada or other interest groups.

The business questionnaire (included as Appendix 1) was developed based on best practices from other municipalities in the Greater Toronto and Hamilton area as well as through consultation with the following stakeholders:

- Internal Regional departments
- Local area municipalities
- Local Economic Development offices
- Local Employment Ontario agencies
- Niagara Workforce Planning Board

With assistance from local municipal partners and other stakeholders, the inventory response rate continues to steadily grow. In 2019, it was a 90% participation rate.

Each year, the inventory questionnaire features a unique subset of questions that are specifically tailored to gain further insight into the local business community. This year, the Niagara Workforce Planning Board developed a question designed to better understand the recruiting methods used by local businesses. The results of these questions will directly inform the extent to which local employers are hiring through non-public channels.

Results

Table 1 (below) illustrates the proportion of complete and partially complete survey responses from 2016 to 2019. 2019 resulted in a 90% full participation rate, which has increased 22% since 2016. A full participation rate indicates that a business provided responses to all survey questions from beginning to end.

Table 1 – Inventory Response Rate

Year	Complete Survey Response	Partially Complete Survey Response	Refused to Participate
2016	68%	30%	2%
2017	76%	22%	2%
2018	87%	12%	1%
2019	**90%**	**9%**	**<1%**

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The steady increase in the completion rate can be attributed to greater familiarity with the survey team, a streamlined data entry methodology, and joint communication outreach conducted by our local Chambers of Commerce and other interest groups. The Employment Inventory continues to see a low refusal rate of less than 1%.

Partially completed responses still capture several key attributes in the survey record. Data points, such as physical location and the associated industry code, are logged by the survey team despite not making direct contact with a business representative. Project staff continually work with local area municipalities and other partners to reduce the number of partially completed responses.

Table 2 (below) illustrates the number of businesses inventoried and the number of jobs reported from respondents over the 4-year survey period.

It is important to note that the totals reported do not reflect an overall increase in the number of business and jobs per year. Rather, the increase is the result of improved inventory participation rate.

Table 2 – Number of Businesses and Jobs Reported

Year	Businesses Inventoried	Full Time Jobs Reported	Part Time Jobs Reported	Total Jobs Reported
2016	10,743	71,899	38,239	110,138
2017	11,202	91,216	39,848	131,144
2018	11,720	98,706	43,478	142,184
2019	**12,016**	**97,829**	**50,130**	**147,959**

* Home-based and mobile businesses were not inventoried.

Table 3 (below) illustrates the municipal breakdown of the number of businesses and jobs over the 4-year survey period.

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Table 3 – Distribution of Businesses and Jobs by Municipality

	2016		2017		2018		2019	
	Total Businesses	Total Jobs	Total Businesses	Total Jobs	Total Businesses	Total Jobs	Total Businesses	Total Jobs
Fort Erie	709	6,351	719	6,867	763	8,414	775	8,301
Grimsby	443	4,009	455	4,750	465	5,204	479	6,682
Lincoln	440	4,198	543	6,650	564	6,964	571	8,108
Niagara Falls	2,514	22,929	2,553	32,982	2,642	32,687	2,715	33,473
NOTL	456	7,082	513	9,707	560	11,238	596	10,926
Pelham	271	1,743	301	2,275	318	2,677	334	3,202
Port Colborne	461	2,912	465	3,917	468	4,176	478	4,682
St.Catharines	3,657	43,045	3,771	44,254	3,966	48,130	4,051	48,726
Thorold	460	4,980	491	5,307	523	5,674	538	6,693
Wainfleet	43	179	58	402	60	507	61	479
Welland	1,161	11,221	1,158	12,122	1,188	14,149	1,214	14,010
West Lincoln	128	1,489	175	1,911	203	2,364	204	2,677
Niagara Region	**10,743**	**110,138**	**11,202**	**131,144**	**11,720**	**142,184**	**12,016**	**147,959**

Other Data Sources

The data collected each year through the Employment Inventory provides detailed local business information that is not available through Statistics Canada data. In most cases, Statistics Canada data is updated once every 5 years, whereas the Employment Inventory is updated on a yearly basis.

Statistics Canada data remains the authoritative data source for performing analysis at regional and municipal level geographies, but lacks the ability to analyze raw business data at the street address level. Collecting annual business data at the street address level allows for micro analysis to be done at custom geographies and time series.

The Employment Inventory results are used in conjunction with Statistics Canada data and other data sources to accurately monitor the Regional economy to better understand where the Region can take action to help facilitate economic growth.

Reliable business data is an integral resource to better understand the Region's employment context. This dataset plays a significant role in supporting decisions related to: population and employment growth, infrastructure investment (including public transit), economic development inquiries, and the ongoing monitoring of economic conditions and trends.

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Job Type Results

Table 4 (below) illustrates the number of businesses and jobs captured in 2019 based on the 2-digit North American Industry Classification System (NAICS). NAICS is a standardized industry classification system used to sort business establishments according to type of economic activity or industry.

The top three number of businesses inventoried by NAICS code in 2019 were in the categories of: Retail trade, followed by Accommodation and food services, and finally Other services (such as repair shops, personal care facilities and laundry services). These sectors consist of over half (50.3%) of all the Region's businesses.

If we look at employment numbers, rather than number of businesses, the 2019 top three NAICS code jobs was for Retail trade, Accommodation and food services, and Health care and social assistance. Together, these types of businesses provided jobs for 43.4% of Niagara's workforce.

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Table 4 – Number of Businesses and Jobs by NAICS Sector

NAICS Industry Sector (2-Digit)	Number of Businesses 2019	Number of Businesses Proportion of Region	Number of Jobs 2019	Number of Jobs Proportion of Region
Retail trade	2,712	22.6%	23,387	15.8%
Accommodation and food services	1,695	14.1%	20,732	14.0%
Health care and social assistance	1,261	10.5%	20,088	13.6%
Manufacturing	860	7.2%	17,107	11.6%
Educational services	237	2.0%	9,979	6.7%
Arts, entertainment and recreation	389	3.2%	8,649	5.8%
Public administration	212	1.8%	8,148	5.5%
Other services (except public administration)	1,639	13.6%	5,626	3.8%
Construction	385	3.2%	5,428	3.7%
Administrative and support, waste management and remediation services	283	2.4%	5,320	3.6%
Finance and insurance	468	3.9%	4,780	3.2%
Professional, scientific and technical services	737	6.1%	4,286	2.9%
Transportation and warehousing	224	1.9%	3,544	2.4%
Agriculture, forestry, fishing and hunting	141	1.2%	3,480	2.4%
Wholesale trade	263	2.2%	3,350	2.3%
Real estate and rental and leasing	295	2.5%	2,234	1.5%
Information and cultural industries	158	1.3%	1,065	0.7%
Utilities	32	0.3%	589	0.4%
Management of companies and enterprises	10	0.1%	99	0.1%
Mining, quarrying, and oil and gas extraction	8	0.1%	68	0.0%
Undetermined	7	0.1%	0	0.0%
Total	**12,016**	**100%**	**147,959**	**100%**

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Relationship Building

The Employment Inventory also provides a key opportunity for the Region to personally connect with local businesses in order to further develop partnerships and foster an environment for innovation and development within the Niagara business community.

Addressing concerns of business owners is an important step in building and maintaining strong working relationships with the community. In an effort to address concerns raised, the inventory team distributed over 3,000 communication flyers directing businesses to an online directory of available Regional and local business support services. The online directory had over 250 page views since its launch in May 2019.

On occasion, concerns expressed by business owners required immediate action from Regional staff. In 2019, the inventory team received 18 concerns that required immediate follow-up. These concerns ranged from providing assistance for way-finding signage, to seeking help to recruit staff for skilled positions.

Table 5 (below) highlights the responses received when business owners were asked "Is there anything Niagara Region could do to help support your business?"

For reporting purposes, the responses have been categorized into theme only.   The raw comments are shared with internal staff and local municipal partners, as needed.

Table 5 - "Is there anything Niagara Region could do to help support your business?"

Response Theme	Responses Received	Proportion 2018	Proportion 2019
Taxes and Utilities	312	15%	18.2%
Business Exposure	281	14.5%	16.4%
Skills and Labour Force	207	10.2%	12.1%
Beautification/Infrastructure/Traffic Issues/Construction	188	14.2%	11.0%
Incentives/Grants/Contracts	128	13.5%	7.5%
Uncategorized	107	3.6%	6.3%
Health and Safety	93	1.9%	5.4%
Parking Issues	91	3.9%	5.3%
Transit	80	5.3%	4.7%
Social Support Programs/Programs	61	4.9%	3.6%
Waste Management	61	3.4%	3.6%
Development Process/Zoning/Land Use	59	2.6%	3.4%
Awareness and Education	29	4.7%	1.7%
Development Charges	11	0.8%	0.6%
Minimum Wage Increase Concerns	5	1.5%	0.3%
Total	**1713**	**100%**	**100%**

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In keeping with Niagara Region's corporate values on partnerships and collaboration, this year's inventory featured a question developed by the Niagara Workforce Planning Board (NWPB). The question was designed to determine the extent to which employers are hiring through non-public channels.

The responses to this question will support NWPB's work on sharing job demand data, and the analysis of in-demand skill requirements. It also helps support those employers, who do not hire through public-facing tools, to better understand the labour market and be more successful in their hiring efforts leading to better staffing outcomes.

Table 6 (below) illustrates the responses from businesses from the following question:

"Among the following recruitment methods, which do you find the most effective: word-of-mouth recruitment, online job boards, social media recruitment, or government employment centres/websites"?

Table 6 – Preferred recruitment methods

Method	Number of Businesses	Proportion
Online Job Boards	2,519	39%
Word of Mouth	1,958	30%
Other	1,548	24%
Government of employment centre websites	159	3%
Social Media	154	2%
Direct Recruitment from post-secondary institutions	136	2%
Total	**6,474**	**100%**

Open Data

Each year, a subset of the Employment Inventory results are released to the public through the Niagara Region Open Data Portal. Open Data places information in the hands of the public, promoting innovation and fostering greater transparency and accountability.

Since the dataset was initially released to the public in May 2017, it has generated a total of over 1,200 download events. This significant uptake demonstrates the importance of this information as it relates to our general public users.

The following attributes from the Employment Inventory dataset are made available to the public:

- Business Name
- Street Address, Unit #
- Municipality
- Postal Code
- Business Website
- 6-digit North American Industry Classification System (NAICS) code
- Employee Size based on Statistics Canada, Canadian Industry Statistics.
  - Micro 1-4 employees
  - Small 5-99 employees
  - Medium 100-499 employees
  - Large 500 + employees

Alternatives Reviewed

The goal of the Employment Inventory is to update the data on an annual basis to monitor, understand, and track trends over time. With successive years of data collection, historic trends analysis of the data will show how specific businesses, business sectors and geographic areas of employment in Niagara evolve over time as our economy changes.

Continuing to collect this level of data annually provides a baseline to analyze historical trends, forecast employment growth, supplement other employment sources and provide a resource back to the community.

Relationship to Council Strategic Priorities

The Employment Inventory is a key tool that the Niagara Region uses to strengthen its economic competitiveness by better understanding its current employment landscape and workforce composition.

Data collected through the Employment Inventory plays a significant role towards informing future decisions related to population and employment growth, infrastructure investment, public transit planning, economic development, and the ongoing monitoring of economic conditions.

The Niagara Region and Area Municipalities rely on this dataset as a valuable asset when developing robust business cases designed to attract investment, innovation, and entrepreneurship to Niagara and strengthen the Region's position globally.

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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

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This report was prepared in consultation with Darcy Persad, Employment Inventory Data Intern, and reviewed by Isaiah Banach, Manager, Long Range Planning.

Appendices

Niagara Region

2019 Niagara Region Employment Inventory

Niagara Region is conducting an annual inventory of businesses to gather information for planning policy and economic development purposes. Information collected through this inventory will be grouped together and publicly reported to Regional Council in 2019. Information collected through this inventory will also be shared with Niagara's local municipal governments, economic development offices and Employment Ontario agencies. A subset of the information collected will be released publically through Niagara Region's open data program, observing your rights and freedoms outlined in the Municipal Freedom of Information and Protection of Privacy Act. For more information about this initiative please visit www.niagararegion.ca/employmentinventory.

Business Identification

Business Name:

Business Contact Name:

Business Street Address:

Unit/Suite #:   Municipality: Postal Code:

Public Business Telephone #:   Business Contact Email:

Business Website:

Business Mailing Address:
(only if different from above)

What year did this business open **in Niagara**?

Is business involved in the tourism sector?   Yes ☐   No ☐

Is business engaged in e-commerce activities, i.e. selling online and/or sourcing online? Yes ☐   No ☐

Does business sell goods or services outside Canada? Yes ☐ No☐   Does business import goods from outside Canada? Yes ☐ No ☐

Does business have foreign or international ownership? Yes ☐   No ☐   ***If yes***, *what is the primary country of origin of the foreign ownership?*

Provide details about the specific services and/or agricultural activities associated with this business. (e.g. Full-service restaurant, Home furnishing store, Insurance agency, Machine shop, Engineering services, Roofing contractor, Vineyard, Dairy cattle farm, etc).

What is the INDOOR floor size (GFA) of this business?   What is the OUTDOOR operating area of this business (if applicable)?

☐ Feet ☐ Metres ☐ Estimate   ☐ Acres ☐ Hectares ☐ Estimate

Please return completed form to Niagara Region, Planning and Development Services at your earliest convenience.
E-mail: employmentinventory@niagararegion.ca **Fax**: 905-641-5208 **Mail**: Employment Inventory, 1815 Sir Isaac Brock Way, PO Box 1042, Thorold, ON L2V 4T7

Niagara Region

2019 Niagara Region Employment Inventory

How many people are presently employed (including owners) at <u>THIS</u> location?

	# of Full Time Employees (work more than 30 hours per week)	# of Part Time Employees (work less than 30 hours per week)
PERMANENT		
SEASONAL (between 4-6 months per year)		
CONTRACT		

Do your employees work shift work? ☐ Yes ☐ No
(Work outside the hours of 7:00 am to 6:00 pm)

Do your employees work weekends? ☐ Yes ☐ No

Educational required to work for this business (payroll employees)

Do **ALL** positions (excluding students) within your business require a minimum grade 12 diploma or equivalency? ☐ Yes ☐ No

Recruitment Methods

Among the following recruitment methods, which do you find the most effective (Select One):

☐ Word-of-mouth recruitment   ☐ Online job boards   ☐ Social media recruitment
☐ Government employment centres/websites   ☐ Direct recruitment from post-secondary institutions   ☐ Other (Please specify below)

Additional Information

Is there anything the Niagara Region could do to help support your business?

Consent

Do you consent to receive email communication from <u>NIAGARA REGION</u> on specific regional programs or services that may be related to your business? Yes ☐ No ☐