




FINDING

THE RIGHT INGREDIENTS

Labour Market Considerations for
Toronto's Food and Beverage Processing Sector



September 2017



TWIG

TORONTO WORKFORCE
INNOVATION GROUP

About the Toronto Workforce Innovation Group

Toronto Workforce Innovation Group is Toronto's Workforce Planning Board. We examine data, synthesize research and seek input from policymakers and practitioners to strengthen Toronto's workforce development system. We look at how economic mobility, industry trends and workforce dynamics affect Toronto's economy. Our research is an on-going and continuous process that includes our numerous consultations and focus groups with employment/training service providers and job seekers in addition to the deep data mining that informs our work. Toronto Workforce Innovation Group is one of 26 similar planning groups tasked by the Ministry of Advanced Education and Skills Development to work closely with our local economies.

Acknowledgements

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Contents

Acknowledgements	ii
Executive Summary	iv
Introduction	1
1 Methodology	3
2 Characteristics of the Food and Beverage Processing Sector in Toronto	4
2.1 Food and Beverage Manufacturing Industry Composition in Toronto	5
2.2 Location of Food and Beverage Manufacturing Establishments in Toronto	8
3 Labour Force Supply and Demand in the Food and Beverage Processing Sector in Toronto	9
4 Wages and Workforce Characteristics in the Food and Beverage Processing Sector in Toronto	12
5 Views from Food and Beverage Manufacturers	16
6 Recommendations and Guidance	19
Appendices	21
A: Canada Business Counts: Toronto CSD	21
B: Interview Guide for Food and Beverage Employment Firms	23
Endnotes	25

Executive Summary

Toronto is the third largest food processing sectors in North America. It employs more than 62,000 people in the greater Toronto region, with sales of about \$18 billion. Food and Beverage Manufacturing in Toronto has increased over the past decade even as other manufacturing industries have contracted. Employment and sales are up significantly.

The sector, however, has a number of human resource and workforce development challenges; in particular recruitment (including the use of temporary workers) and training (including health and safety). The sector as a whole has shifted from some larger firms to a far greater number of smaller firms. One factor in this is the growth of demand for artisanal foods and beverages. The lion's share of employment growth has occurred in bakeries, meat, beverages, and specialized foods, which account for over eighty percent of enterprises and more than 50% percent of all employment.

While a significant policy concern in other industries, the Food and Beverage Manufacturing sector is not undergoing the kind of automation that will affect employment or hiring demand in the near future. The growth of smaller firms, coupled with technological changes in retail strongly suggests that manufacturing is becoming increasingly linked to direct marketing and retail.

Based on a thorough analysis of the sector and through conversations with industry and key informants, a number of recommendations related to Toronto's workforce development system are being put forward:

1. Raise awareness about the sector and its employment opportunities. Employers have challenges in recruiting workers. They cite lack of awareness about the sector as a contributing factor.
2. Increase employers' awareness of sector-related education and training and existing community services. Employers may not be aware of these opportunities.
3. Prepare potential employees for the realities of the work environment. The realities of different work environments within the sector do not suit all job seekers. Some jobs have physical demands, many are repetitive and some require shift work. Employers point out that some workers will leave after just one day on the job because the demands of the job and the working conditions are different than what the new employees expect. Employers and screening agencies could provide a more complete and accurate picture of the workplace realities to increase the likelihood that those who are hired stay in the jobs. This is particularly true when it comes to meat manufacturing, which often sees few workers return after one day on the job.
4. Better align education to industry needs. There appears to be a disconnect between what programs train for (culinary skills) and where the job are (processing). There are few programs in Toronto that focus on Food and Beverage Manufacturing, and even employment

counsellors seem to equate this industry with hospitality employment.

5. Help bridge the gap between job seeker and successful employee. Employers interviewed for this research underscored the importance of employees having well-developed “soft skills” in order to be successful on the job. These include often-cited attributes such as punctuality, reliability and a positive attitude; but also include a flexible orientation to one’s work and a willingness to continue to learn on the job.
6. Establish an intermediary role to aid in recruiting and screening job seekers and supporting new hires. A role could be established that works to connect qualified and willing job seekers with industry’s demand for workers. This role could help implement many of the recommendations identified here and provide a viable alternative to temp agencies. Activities assigned to this entity or individual could include:
 - Working closely with industry to understand employment requirements
 - Staying current on education, skills training and employment services available in the community
 - Communicating industry needs and opportunities to potential employees and intermediaries
 - Providing counselling support/ job coaching to new hires to help them manage the transition from unemployment to employment
7. Recognize and address systemic obstacles to improved recruitment and retention. Working

conditions appear to be a significant contributor to recruitment challenges and poor employee retention. Production work can be physically demanding and repetitive, and working environments may include noise, temperature fluctuations and strong odours. These conditions, coupled with low wages, can make the work unattractive. Addressing systemic obstacles requires employer participation and, optimally, the backing of industry associations.



For a long time,
Toronto's food and
beverage
processing sector
has been viewed as
an afterthought.

The sector had neither the profile of the automotive manufacturing industry or the allure of high tech firms. Its contribution to the economies of Canada, Ontario and Toronto has often been overlooked by policy makers, while employment on food and beverage production lines has often been characterized as low pay and low skilled work.

This attitude has been changing. During the last economic downturn, the food and beverage manufacturing industry came out relatively unscathed compared to other manufacturing industries in both Canada and Ontario.

Employment and production numbers remained relatively constant over the past decade; and as a per cent of total manufacturing, it has increased from 14% in 2004 to 18% in 2016¹.

The food and beverage manufacturing sector is now a bigger employer than auto manufacturing both in Ontario and Toronto. The Conference Board of Canada forecasting that the industry is poised for success in the upcoming trade era². Canada's food industry was front and centre in the Federal Government's 2017 budget, with plans to grow agri-food exports from the current \$50 billion to \$75 billion by 2025.

The increased focus on food and beverage production is of critical importance to Toronto. Toronto has one of the largest and most condensed food processing sectors in North America. It is the third largest in North America, employing more than 62,000 people in the Greater Toronto Area (GTA), with sales of about \$18 billion³. While recent economic data would suggest that food and beverage manufacturing is playing an increasingly important role both Toronto and the GTA, the industry is not without its challenges. Anecdotal narratives about aging workers, greater

skill demands, employee retention and recruitment demands are commonplace in conversations with both industry leaders and individual firms. Furthermore, food safety regulations coupled with Ontario's labour laws and upcoming increases to minimum wages are seen by many firms as a threat to future profitability and growth.

In addition to the above list of the industry's human resource challenges are the recently publicized concerns about worker safety and, in particular, the use of temporary workers in the industry. The Toronto Star reported on the death of a temporary worker at one plant, as well as follow-up reporting on company procedures and working conditions in that plant⁴. While, there is little doubt that such tragedies need to be prevented, it isn't clear if remedial action required should focus on the temporary nature of the employees, occupational health and safety training, specific operating procedures and equipment in the particular facility (that has had other safety challenges), or some combination of these. And regardless of which approach becomes the subject of remediation, overall employment in the industry will continue to rise, while training and other human resource challenges will continue to need attention.

This report, therefore, examines the role food and beverage manufacturing plays Toronto's labour market. More importantly, we try to determine what opportunities within our workforce development system exist to support both local industry and employment growth. Finally, the report concludes with some suggestions on how stakeholders in Toronto's workforce development systems can better assist local food and beverage manufacturers with their employment and training needs.



1 Methodology

In order to understand the dimensions of the food and beverage processing sector in Toronto, we adopted a mixed methodology using both quantitative and qualitative data.

First, we analyzed available sets of labour force and industry data to develop a comprehensive understanding of industry composition by size and location throughout Toronto. We also examined the industry's workforce demographics by age, gender, educational attainment, wages, range of occupations and job vacancy rates.

Second, we conducted an extensive literature review. Third, an environmental scan was undertaken examining how workforce interventions and initiatives in other jurisdictions were supporting food and beverage manufacturing. Fourth, we also investigated food processing initiatives in comparable jurisdictions to get a better understanding of what has been done to support the food processing industry and their workers.

Finally, we conducted a number of key informant interviews with food and beverage manufacturers across Toronto and collected information and data from a food processing event held earlier this year.

2

Characteristics of the Food and Beverage Processing Sector in Toronto

For the purposes of analysing the composition of Toronto's food and beverage processing sector, we primarily used the North American Industry Classification System (NAICS).

This is the standard used by Statistics Canada to classify business establishments in order to collect, analyze, and publish data related to the economy and the labour force. At its highest level, the NAICS hierarchy divides the economy into 20 sectors. At lower levels, it further distinguishes the different economic activities in which businesses are engaged by subsectors.

Food manufacturing (establishments primarily engaged in producing food for human or animal consumption) and beverage manufacturing (establishments primarily engaged in manufacturing beverages) products are subsectors of the manufacturing sector⁵. In turn, both of these subsectors are comprised of industry groups.

The industry groups for both subsectors are as follows:

Food Manufacturing:

- Animal Food Manufacturing
- Grain and oilseed milling
- Sugar and confectionery product manufacturing
- Fruit and vegetable preserving and specialty food manufacturing
- Dairy product manufacturing
- Meat product manufacturing
- Seafood product preparation and packaging
- Bakeries and tortilla manufacturing
- Other food manufacturing

Beverage Manufacturing:

- Beverage Manufacturing
- Tobacco Manufacturing

The NAICS also allow for more granular analysis within industry groups (e.g. "distillers" as an industry within the beverage industry groups). There are thirty two industry categories in food manufacturing and four in beverage manufacturing.

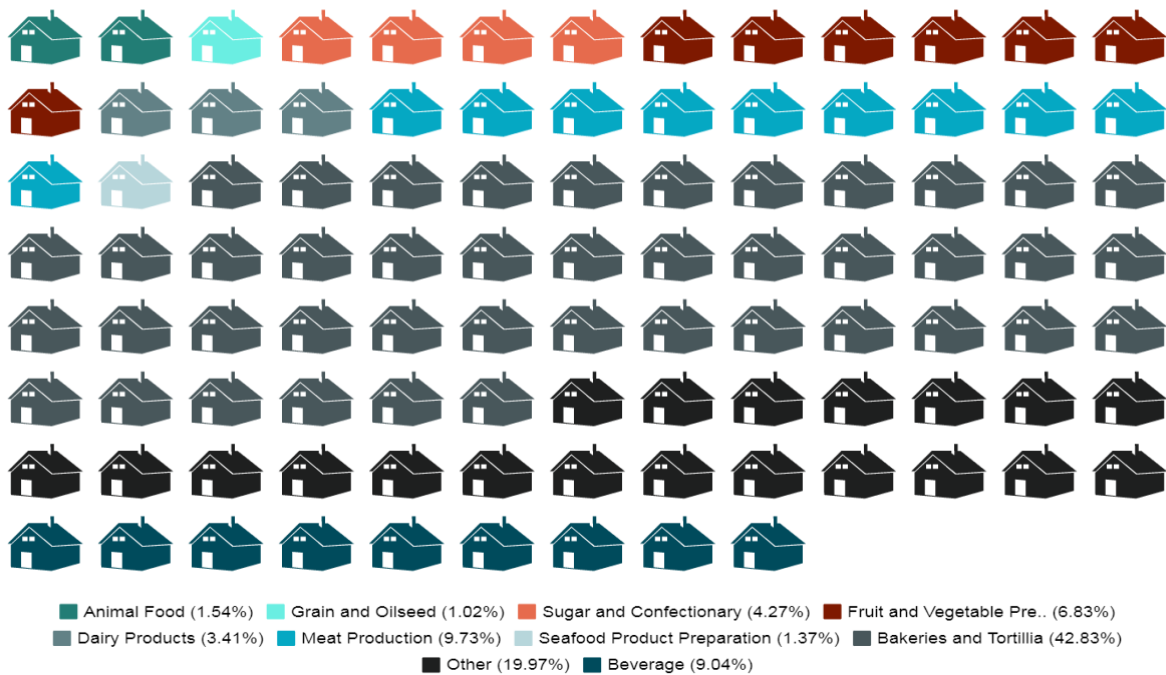
2.1 Food and Beverage Manufacturing Industry Composition in Toronto

According to Statistics Canada Canadian Business Counts (CBC December 2016) the City of Toronto has 538 firms with employees directly involved in food and beverage manufacturing⁵. While Stats Can discourages using the CBC data for comparisons over time, a number of general conclusions can be drawn⁷. First, the number of active businesses involved in food production has increased by approximately 20% over the last 10 years. Furthermore, a cursory analysis of the past several years indicates that while there are fewer large food manufacturers in Toronto (100+ employees), there has been a substantive increase in the number of small manufacturers (less than 10 employees).

In terms of firm size, food and beverage manufacturing in Toronto is dominated by micro, small and medium sized firms. While direct observations from available CBC data may not be precise, there clearly has been movement from larger firms towards smaller establishments over the past decade. This movement likely reflects changing consumer tastes towards locally produced fresh foods, and a desire for a broader diversity of cultural and artisan foods.

A breakdown of the data indicates that food and beverage manufacturing is dominated by four (sub)industries: bakeries and tortillas, beverage, meat and other food manufacturing account for 72% of all business locations in Toronto and nearly 50.0% of all workers⁸ (see Appendix 1. Canada Business Counts: Toronto CSD).

Composition of Food and Beverage Subsectors for Toronto CSD



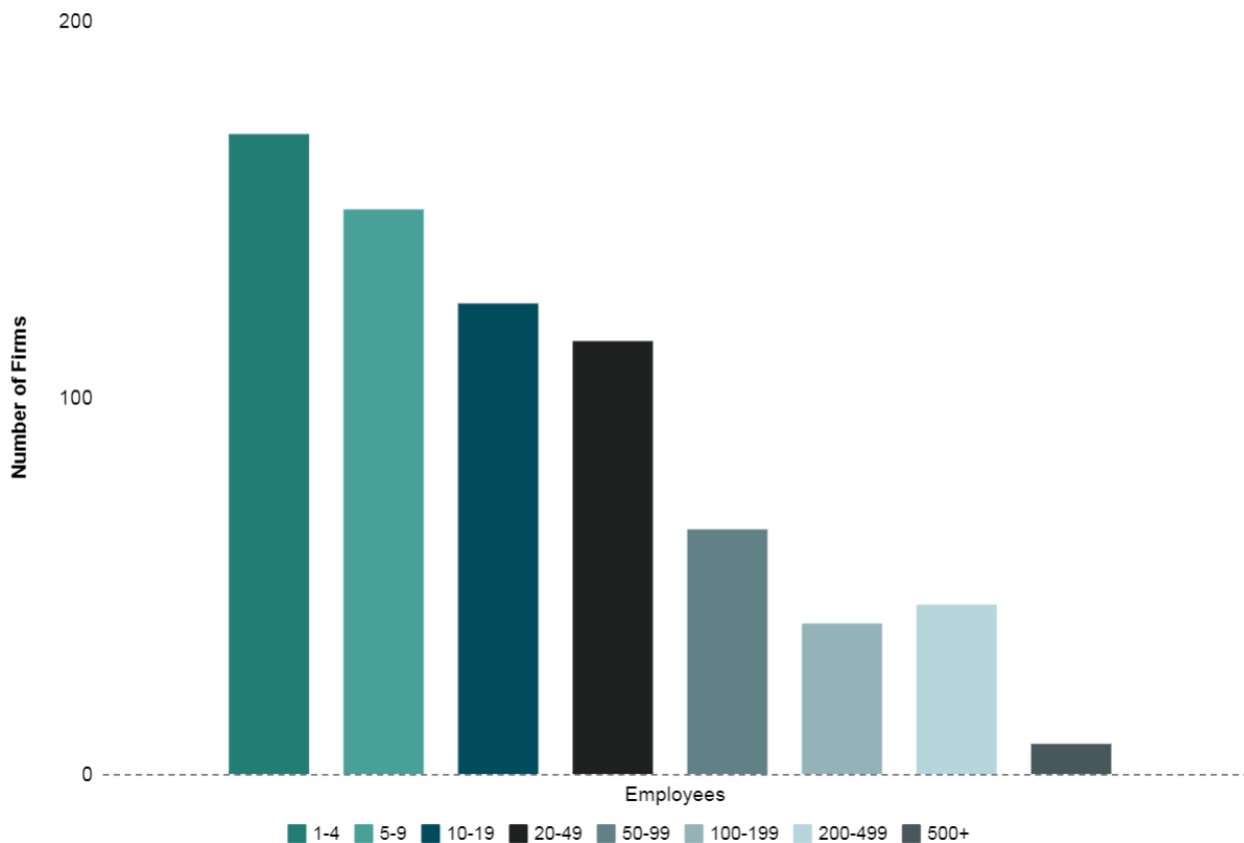
The largest industry group within the Food and Beverage Manufacturing sector in Toronto is bakeries and tortillas manufacturing, an industry group comprised of retail and commercial bakeries, cookie and cracker manufacturing, and pasta production. Well over half of all firms in this industry group are either retail bakeries or commercial bakeries. The industry group as a whole in Toronto is comprised primarily of small and medium sized firms, although it is worth noting that there are 18 business listed with over 100 employees.

The second largest industry group in Toronto falls under “other” food manufacturing. This industry group is comprised of establishments not classified by other categories. In Toronto

this represents firms primarily engaged in manufacturing and packaging perishable prepared foods such as salads, fresh pizza, fresh pasta, and peeled or cut vegetables.

Both meat and beverage manufacturing play an important role in Toronto’s food and beverage processing sector. In Toronto, the meat manufacturing industry group is comprised of animal slaughtering, meat rendering and poultry processing. Beverage production includes soft drinks, breweries, wineries and distilleries. While having fewer active establishments, together these two industry groups reflect nearly ten percent of all food and beverage manufacturing in Toronto.

Distribution of Food and Beverage Manufacturing by Firm Size in Toronto CSD



Canada Business Counts, December 2016, Custom Tabulation

An additional observation about the changing composition of food and beverage manufacturing can be offered. While not discernible in Stats Canada CBC data, a year-over-year analysis of raw data from Scott's Business Directory would suggest that the lines between retail, food manufacturing and e-commerce are becoming increasingly blurred particularly as it relates to bakeries, prepared foods and breweries. The number of firms listing multiple NAICS that include aspects of both retail and manufacturing has increased by 32% over the past decade. Often, small-batch food producers when faced with product placement costs of major retailers, look towards direct service and retailing opportunities.

The increase in the “bundling” of activities and services in manufacturing has not gone unnoticed south of the border. A recent report to the US Congress suggested that changes in the ways manufactured goods are developed, produced, and sold have made manufacturing more difficult to define and to link to a particular NAIC⁹. The report goes on to note the increased challenge in identifying manufacturing workers whose jobs cross-over from food manufacturing to retail and food services (particularly among small and medium producers). An illustration of this is occurring at a small but growing food producer in Toronto's west-end. What originally began as a small bakery supplying goods to upscale grocery stores now also operates a catering service, a retail store and a restaurant. Employees are often asked to move seamlessly between various company operations, sometimes during the same shift.

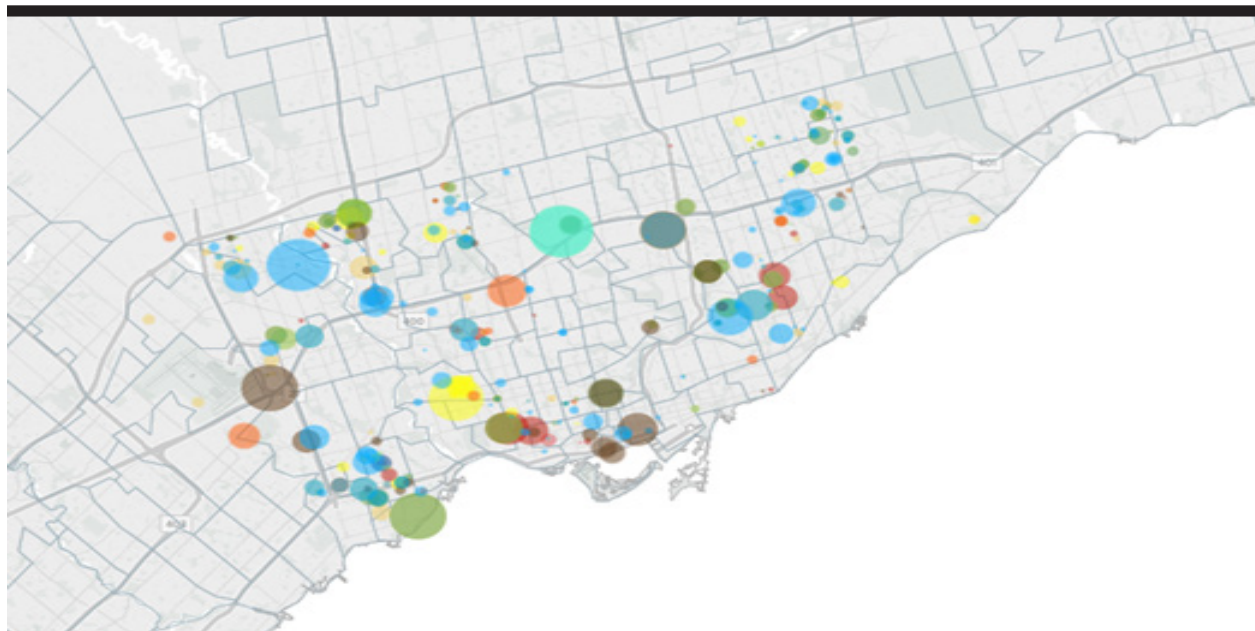


This “bundling” of activity can have significant implications in the preparation of current and future workers in the food and beverage industry.

2.2 Location of Food and Beverage Manufacturing Establishments in Toronto

It is widely perceived that local food and beverage production is clustered in several areas of Toronto including North Etobicoke (around Toronto Pearson International Airport), South Etobicoke (Mimico), and South West Etobicoke. While this once may have been true, a geo-mapping of food and beverage firms across Toronto reveals that this industry sector is distributed fairly evenly across the City of Toronto (outside of the downtown core).

This is important for local workforce development. Given the costs and challenges related to transportation and childcare for workers and job seekers alike, the broad distribution of food and beverage manufacturing provides some level of opportunity to provide stable employment for relatively less skilled labour across the City.



3 Labour Force Supply and Demand in the Food and Beverage Processing Sector in Toronto

Over the last five years, numerous reports and studies from a broad range of sources indicate that food and beverage manufacturers may soon (if not already) be facing significant labour shortages¹⁰.

Conversations with industry leaders and individual food processing firms in Toronto echo these sentiments. In order to obtain a better understanding of these concerns, we examined a number of data sets for both Toronto and Ontario.

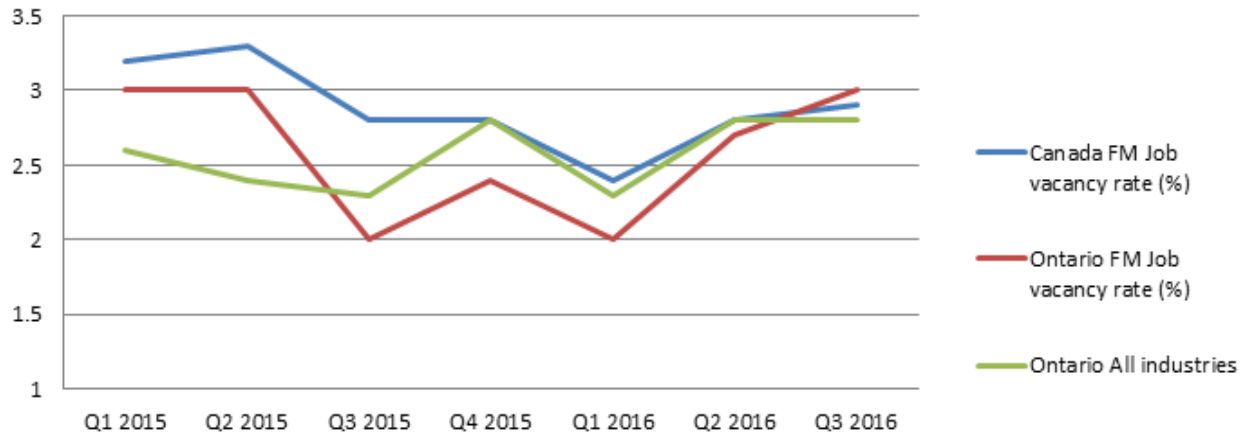
The challenges can be summarized as follows:

- Although a large portion of hiring can be supplied by new labour market entrants, replacing the ageing workforce will pose challenges in the replacement of experience and acquired skills.
- Competition from other 'more attractive' industries will limit employee recruitment. The industry has an image problem.
- Traditionally, food and beverage manufacturers have relied on immigrants with low educational attainment to fill vacant positions. Changes to immigration policy and the characteristics of Canadian newcomers will limit future labour supply from this demographic.
- The industry has significant job-churn, that is, retention problems with entry level employees and unfilled job vacancies.
- Changes in technology and health and safety legislation require new entrants to have higher order skills including stronger communication and math skills¹¹.

JOB VACANCY AND WAGE SURVEY

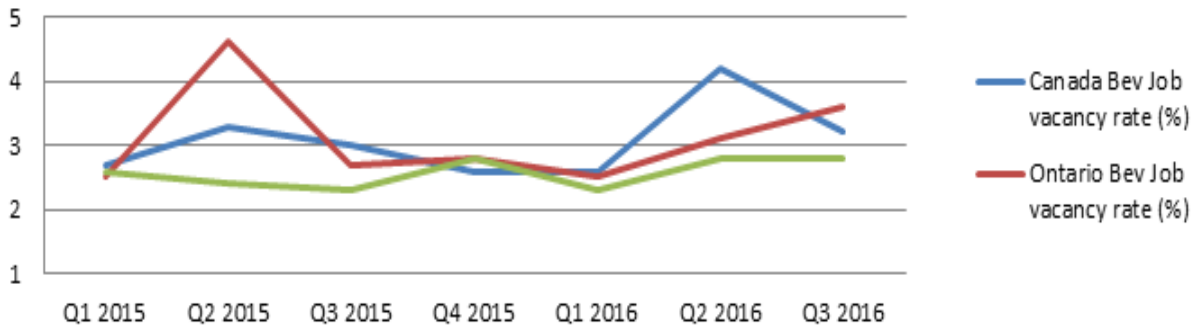
The Job Vacancy and Wage Survey (JVWS) collects data on the number of job vacancies by occupation and economic region on a quarterly basis. This relatively new survey gathers information on job vacancies in full- and part-time positions, the distribution of vacancies by level of education and experience, the average hourly wage offered for the vacancies and the duration of job vacancies. Employers are asked for detailed information about each vacancy to identify potential labour market shortages at the occupation level and to get an overall understanding of the vacancies that exist and the requirements for filling them. The charts below have been derived from custom tabulations of the most recent (JVWS, Statistics Canada, 2017). Due to confidence issues and data suppression, we have only been able to examine Ontario and Canadian data.

Job Vacancy Rate in Food Manufacturing



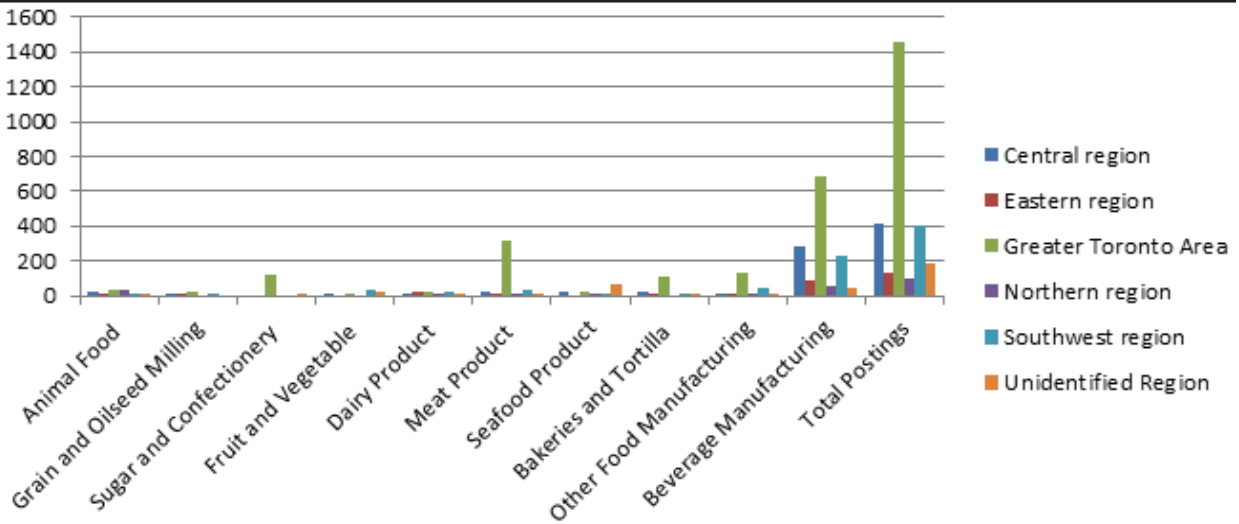
Statistics Canada, JWVS 2017

Job Vacancy Rate in Beverage Manufacturing



Statistics Canada, JWVS 2017

Given the limited time period for the JWVS, it is not entirely possible to make firm conclusions about longer term vacancy trends in either food or beverage manufacturing. However, several observations can be offered. Food manufacturing in total has vacancy rates roughly parallel to vacancy rates for all other industries in Ontario. Conversely, for the period covered, Ontario's job vacancy rate in beverage manufacturing over the past year has been well above the provincial average for all industries. The higher vacancy rate might suggest that beverage manufacturers in Ontario are having difficulty with recruitment and retention of employees. Data derived from online job postings in Toronto would confirm this observation.



Custom Tabulation, Vicinity Jobs, Jan to June 2017

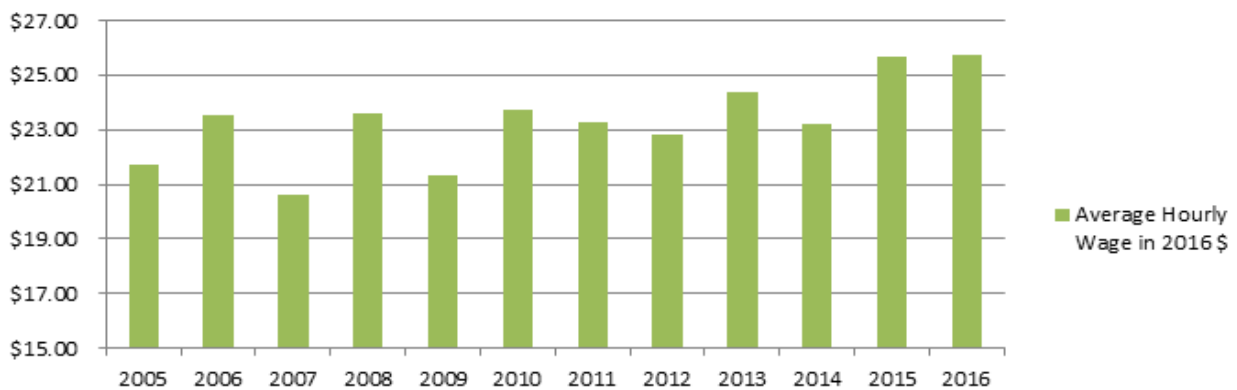
Well over half of all jobs posted online (Indeed, Monster, etc.) for food and beverage manufacturing occupations in Toronto were for beverage production. There were over 500 postings for occupations in beverage manufacturing over the period of January 2017 to June 2017. An examination of the actual job postings indicated hiring across many firms. The data also indicates that the Greater Toronto Area has more job postings than all other areas of the province combined.

The majority of jobs (87%) were for labourers and machine operators. In combination, the JVWS data and Vicinity Jobs data could indicate that there has been either a tightening of the job market in this industry, higher levels of job churn (retention) or an industry that is expanding locally and provincially. This will be explored further in the next phase of the project.

4 Wages and Workforce Characteristics in the Food and Beverage Processing Sector in Toronto

These occupational employment and wage estimates are calculated and analyzed with data collected from Statistics Canada's Labour Force Survey. The chart below indicates that there has been a fairly consistent upwards trend in the wages in food and beverage manufacturing. Wages have increased over the past decade by 9% after adjusting for inflation.

Average Hourly Wage, All Occupations in Food and Beverage Manufacturing, Toronto CMA

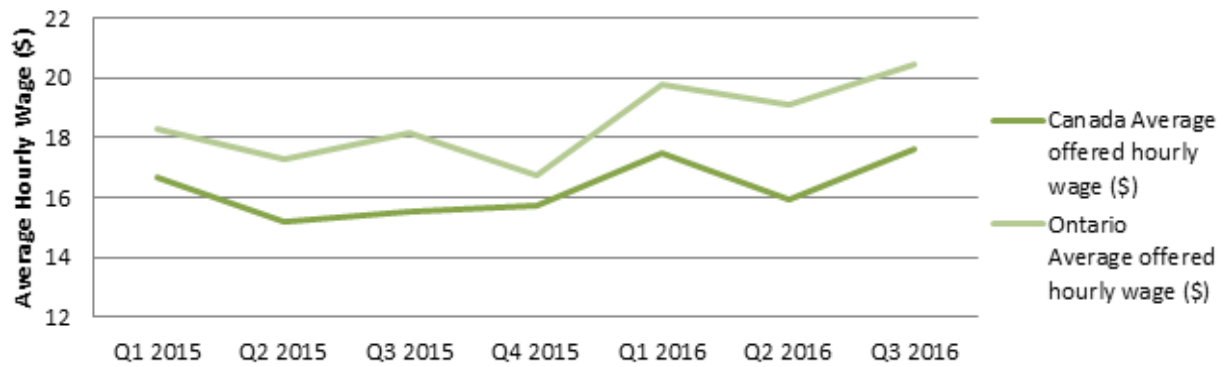


Stats Canada, LFS. Custom Tabulation

Information on 'offered wages' derived from the Job Vacancy and Wage Survey further indicate a trend towards moderate wage gains in food and beverage manufacturing industry. While the data should be treated with some caution because of sample size and limited time intervals⁷; wages for labourers, machine operators, and supervisors in both food and beverage manufacturing have increased by 7% over the last 18 months.

Current wages provided by Food and Beverage manufacturers vary significantly. There are a number of factors at play with respect to higher wages including unionization, advanced food manufacturing, and size of plant.

Average Hourly Wage Offered in Food and Beverage Manufacturing

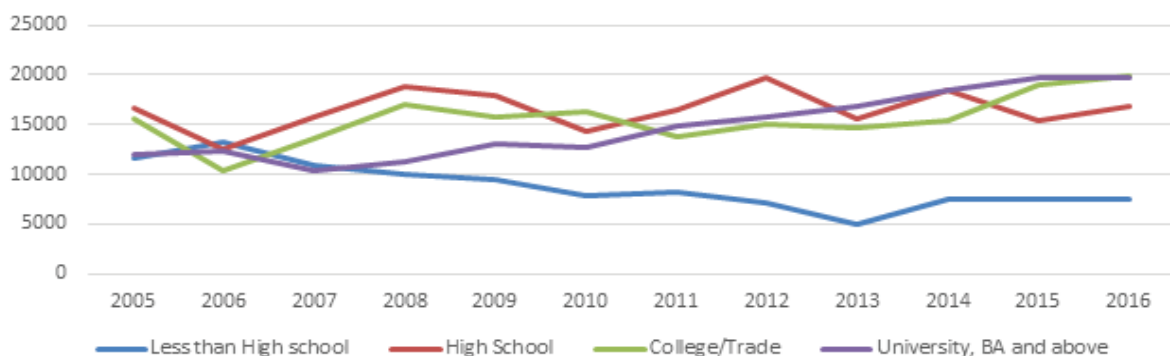


Occupation	Wages		
	Low	Medium	High
Supervisors in food, beverage and tobacco processing	15.00	22.65	33.50
Process control and machine operators	12.00	17.50	26.00
Industrial butchers and meat cutters, poultry preparers and related workers	13.00	18.66	23.00
Testers and graders in food and beverage processing	12.00	20.00	41.03
Labourers in food, beverage and tobacco processing	11.40	15.00	21.63

Wages, Toronto CMA, 2015-2016 LFS

Previous work conducted by the author suggests that while most food processing production occupations do not often require post-secondary education, in a number of occupations (e.g. supervisors and machine operators), it is becoming increasingly more common. Data derived from the LFS confirms this, although some of the changes in the formal education of workers may also reflect changing demographics in the Toronto CMA. College and University educated individuals now make up over half the food and beverage manufacturing workforce. This is a statistically significant change from a decade ago when high school graduates and those without high school attainment were more common in the industry.

Food and Beverage Manufacturing Employees by Educational Attainment In Toronto CMA



Stats Canada LFS, Custom Tabulation 2017

AUTOMATION AND TECHNOLOGY

In virtually all industrial sectors, automation and technology has changed the manufacturing process. The food manufacturing sector has been an exception to this trend, but improvements in methods and technology are beginning to be incorporated into production processes. The primary reason for the sector's slowness in adopting, for example, robotics has to do with the fact that foods differ greatly in consistency and shape from one product to another, which creates a large hurdle for automated processing. Other challenges in regards to robotics include the need to quickly adapt increasing the ability to adapt to changing demand (increased variability), ease of use, improving vision systems and sensors and increasing the ease of integration of robots to achieve a single point of operation.

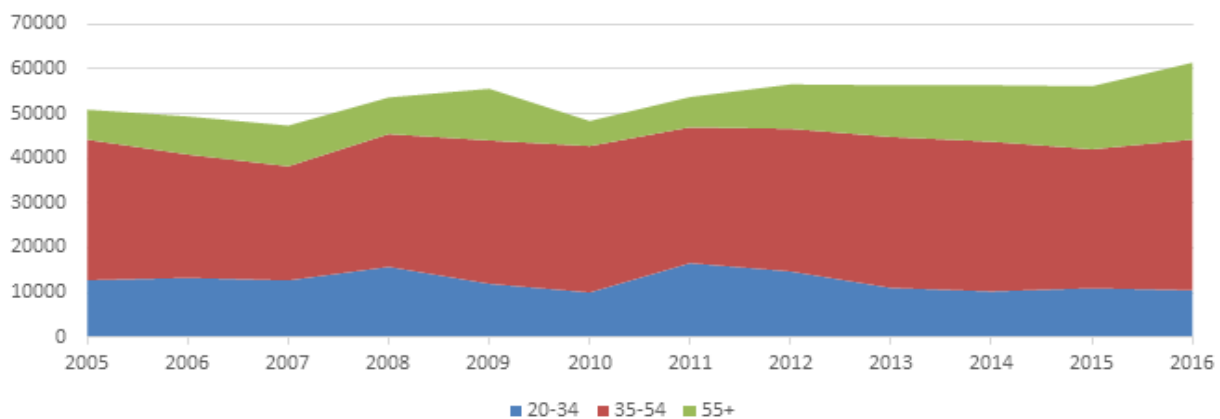
In 2014, KPMG conducted the study "Technology readiness assessment of automation and robotics in the food and beverage processing sector in Canada" for the Government of Canada. KPMG found that the adoption of robotics and automation was mixed and varied by subsector and firm size. Based on a survey conducted with food and beverage producers, the study indicated that firms operating in the meat and seafood sub-sectors

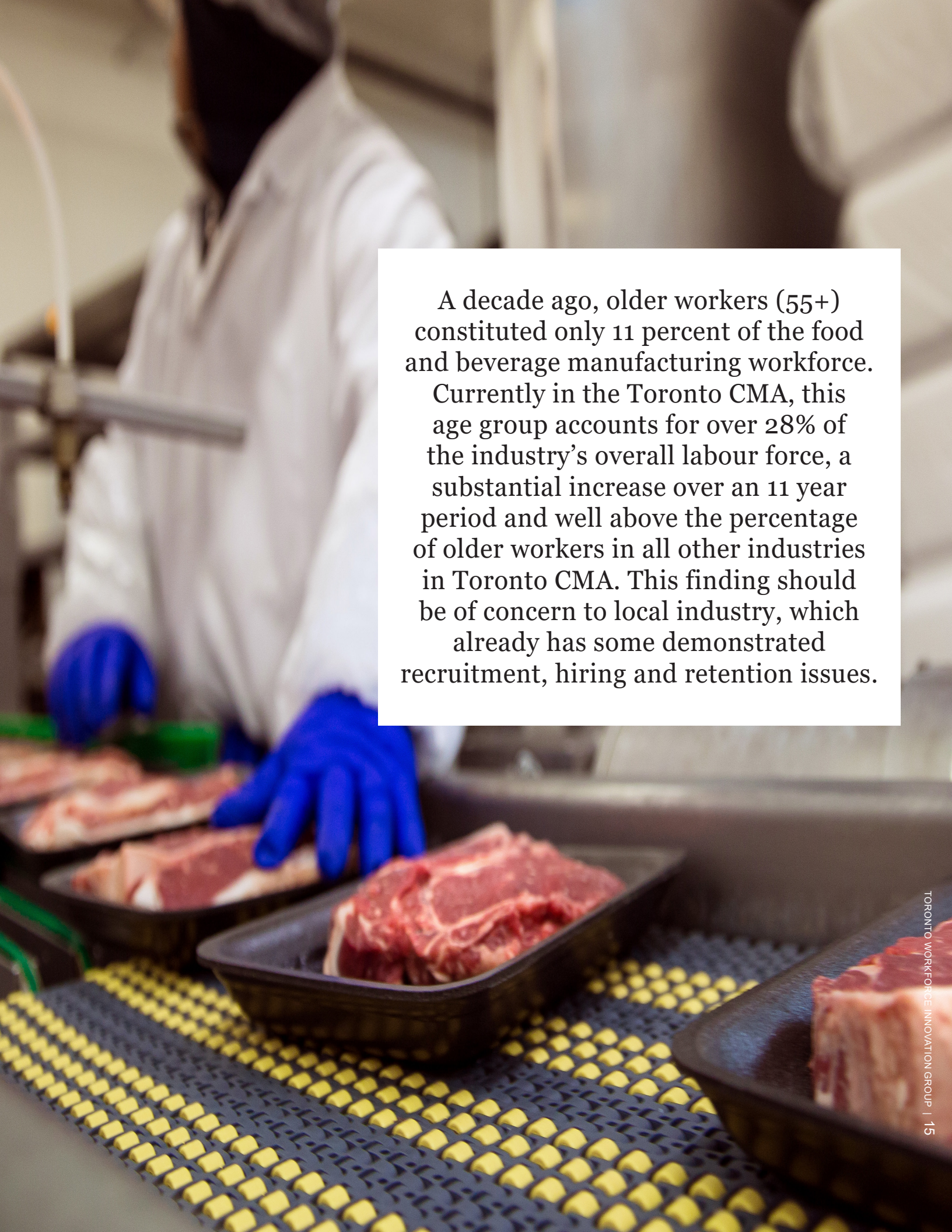
were generally less automated than other sub-sectors. The survey found that while a majority of firms were moving towards greater automation, the adoption of automation and robotics was slow, and likely to remain so in the near future.

Conversations with local food and beverage producers indicated that most firms were employing new technologies in together with older and more labour intensive technologies. Firms suggested that the major barrier to automation was the cost of new equipment. None of the firms we talked to indicated that new technology would be displacing workers.

Of great concern to the food and beverage manufacturing industry is the perception that its workforce is aging and heading towards retirement. TVO's Agenda did a recent episode on the issue of food manufacturing's "graying" workforce that sounded alarm bells through the industry sector. Given that a significant percentage of food production occurs in rural Ontario where an aging workforce is an issue throughout all occupations and industry, it is worth testing this assumption within the context of Toronto CMA. The chart below disaggregates data from the LFS for Toronto.

Age Composition of Labour Force
Food and Beverage Manufacturing in Toronto CMA



A worker in a white lab coat and blue gloves is handling raw meat on a production line. The worker is positioned in the background, and the foreground shows several trays of raw meat on a yellow and black perforated conveyor belt. The text is overlaid on a white rectangular background in the center of the image.

A decade ago, older workers (55+) constituted only 11 percent of the food and beverage manufacturing workforce. Currently in the Toronto CMA, this age group accounts for over 28% of the industry's overall labour force, a substantial increase over an 11 year period and well above the percentage of older workers in all other industries in Toronto CMA. This finding should be of concern to local industry, which already has some demonstrated recruitment, hiring and retention issues.

5

Views from Food and Beverage Manufacturers

Over the past four months, we consulted a wide range of firms with the goal of gaining an understanding of the Food and Beverage Processing Sector. The following section outlines these research activities and major findings.

DATA COLLECTION & ANALYSIS

Semi-structured interviews were conducted using an interview guide (see Appendix B). The intent was to collect in-depth information that reflects the varied contexts and perspectives of different employers.

Interviews were conducted in person at the processing facility and focused on entry-level, processing positions. The interviews were conducted with the staff member(s) who have primary responsibility for hiring new employees.

Topics addressed in the interview included:

- Company background
- Recruitment practices and challenges
- Recent and anticipated changes

- Employee characteristics
- Working conditions
- Retention practices and challenges

Interviews were conducted by one of two researchers. Interview responses were documented using hand-written notes and then input for analysis and word processing.

Analysis involved having both researchers:

- Review their own notes to summarize key information
- Review all interview summaries to identify themes and observations

The following summarizes the characteristics of the firms included in the sample:

	Location	Industry Group	Employer Size
Interview 1	North York	beverage	25 employees
Interview 2	Toronto	beverage	90 employees
Interview 3	Brampton	meat	1800 employees
Interview 4	North York	bakery	2100 employees
Interview 5	North York	produce	140 employees
Interview 6	Scarborough	other	4 employees
Interview 7	Toronto	other	16 employees
Interview 8	Etobicoke	bakery	6 employees

The sample achieved variation on the sought-after dimensions, with greater variation in industry group and employer size. This achievement obscures one of the significant challenges encountered in carrying out the research; namely, that while it seems that employers in this sector see value in sharing their thoughts and experiences about recruitment and retention, participating in interviews is a low priority. A number of additional employers responded positively to initial requests for interviews, but were unable to fit interviews into their schedules.

FINDINGS

The following observations were gleaned from the data collected.

Employee characteristics

- The skills and attributes sought by these employers vary and appear to be aligned with the workplace culture the firm is trying to achieve. Employers frequently cite the importance of 'soft skills' such as a positive attitude, reliability and punctuality.
- Most of the firms do not require any specific education or training for entry-level production positions.
- Several of the firms draw heavily on recent and established immigrants to fill production positions.
- Some companies interviewed face an aging production workforce, and several remarked on their inability to attract younger workers.

Working conditions

- There are some important variations in working conditions. While not all production facilities would be considered unpleasant, employees at many of these firms have to endure repetitive tasks; standing in place for extended periods, high levels of noise, and environments with poor temperature control.
- Wages across these employers varies considerably. Some of the companies pay new production workers minimum wage and offer minimal or intermittent wage increases. Others offer starting hourly wages of \$14 to \$16 and provide wage increases on a regular basis. Salaries appear to top out around \$18 to \$19 for most production positions.
- Most employers indicated that they provide benefits. Several employers also offer bonuses and non-monetary incentives.

Recruitment and retention

- Recruitment practices also vary in important ways. Three of the employers interviewed rely heavily on temporary agencies to fill positions to keep up with high attrition rates. Using the services of temporary agencies allows employers to easily manage the associated screening and hiring demands.
- One interviewee cited lack of awareness of the sector as an impediment for recruitment.
- Recruitment and retention is challenging in the sector because of relatively low wages and sometimes unpleasant working environments. Even when working conditions are good, employees leave if they can find better paid work elsewhere.

- Not all employers are looking for new strategies to deal with recruitment or retention.
- The employers that are looking to address recruitment or retention challenges recognize the role wages and working conditions play. They are trying to enhance benefits and training, improve wages through scheduled raises, and offer promotion opportunities where possible.

Changes

- All of the interviewees referenced growth and expansion. In many cases they have expanded their facilities and/or upgraded their equipment, or plan to do so in the near future. In some cases, product lines and markets are being expanded. However, these expansions and upgrades do not necessarily translate to more new hires, mainly due to automation.

Other comments

- When asked how government or publically funded agencies and institutions can support the company, answers varied. Interviewees suggested that it would be useful to offer services that:
 1. Raise awareness of opportunities in the industry
 2. Help screen and recruit applicants
 3. Provide subsidies or reduce taxes and fees
 4. Align post-secondary training to industry needs



6 Recommendations and Guidance

1. Raise awareness about the sector and its employment opportunities.

The employers we interviewed all experience challenges in recruiting workers. They cite lack of awareness about the sector as a contributing factor. Raising awareness about the opportunities that exist within the sector could target job seekers as well as intermediaries such as Employment Ontario (EO) service providers and Ontario Works (OW) caseworkers. Key information to share might include:

- The range of jobs and employment settings
- The benefits of work in the sector as many employers offer full-time employment, job security, health benefits
- The 'accessible' nature of the work (few educational requirements, experience may not be required)

2. Increase employers' awareness of sector-related education and training and existing community services.

Employers may not be aware of sector-related education and training opportunities. These efforts exist at the secondary school level, including co-operative education and a Specialist High Skills Major for food processing. Both offer contextualized learning and job placement opportunities that could open recruitment avenues. There may be awareness about industry-related post-secondary program offerings; however, information updates about changes or expansions in related educational and training offerings would be welcome.

Several employers mentioned that it would be helpful to have some support in screening potential applicants. The comments suggest that employers are not aware of existing employment service providers in their community. Distributing information about available services might offer another avenue for employers to use to support recruitment efforts.

3. Prepare potential employees for the realities of the work environment.

The realities of different work environments within the sector do not suit all employees. Some jobs have physical demands, many are repetitive and some environments require shift work. Employers point out that some workers will leave after just one day on the job because the demands of the job and the working conditions are different than what the new employees expect. Employers and screening agencies could provide a more complete and accurate picture of the workplace realities to increase the possibility that those who are hired stay in the jobs. This is particularly true when it comes to meat manufacturing which often sees few workers return after one day on the job.

4. Better align education to industry needs.

One of the interviewees pointed out that there appears to be a disconnect between what the colleges train for (culinary skills) and where the jobs are (processing). He noted that many culinary students expect to work in hotels and chain restaurants, without realizing that much of the food preparation is actually carried out in sub-contracted processing facilities. The interviewee pointed out that colleges a) expose students to current labour markets for culinary and food processing so students understand where the jobs are, b) inform prospective students of the benefits of work in food processing, and c) ensure there is adequate training in food processing occupations.

5. Help bridge the gap between job seeker and successful employee.

Employers interviewed for this research underscored the importance of employees having well-developed “soft skills” in order to be successful on the job. These include punctuality, reliability and a positive attitude; but also include a flexible orientation to one’s work and a willingness to continue to learn on the job. Soft skills development could be addressed through preparatory programs in advance of employment, and/or supports that reach into the workplace to help new hires make a successful transition to full-time employment.

Establish an intermediary role to aid in recruiting and screening job seekers and supporting new hires.

A role could be established that works to connect qualified and willing job seekers with industry’s demand for workers. This role could help implement many of the recommendations identified here. Activities assigned to this entity or individual could include:

- Working closely with industry to understand employment requirements
- Keeping abreast of changes within the industry
- Staying current on education, skills training and employment services available in the community
- Communicating industry needs and opportunities to potential employees and intermediaries
- Providing counselling support/job coaching to new hires to help them manage the transition from unemployment to employment
- Identifying need for new services to connect job seekers with sector jobs.

6. Recognize and address systemic obstacles to improved recruitment and retention.

As noted, working conditions appear to be a significant contributor to recruitment challenges and poor employee retention. Production work can be physically demanding and repetitive, and working environments may include noise, temperature fluctuations and strong odours. These conditions, coupled with low wages, can make the work unattractive for many. Addressing systemic obstacles requires employer participation and, optimally, the backing of industry associations.

APPENDIX A.

Canada Business Counts: Toronto CSD

Food and Beverage Manufacturing Industry Group	Number of Employees								
	Total Firms	1-4	5-9	10-19	20-49	50-99	100-199	200-499	500+
Animal Food Manufacturing	9	7	1	1	0	0	0	0	0
Dog and cat food manufacturing	5	4	1	0	0	0	0	0	0
Other animal food manufacturing	4	3	0	1	0	0	0	0	0
Grain and Oilseed Milling	6	2	1	0	2	0	1	0	0
Flour milling	1	1	0	0	0	0	0	0	0
Rice milling and malt manufacturing	1	1	0	0	0	0	0	0	0
Wet corn milling	0	0	0	0	0	0	0	0	0
Oilseed processing	0	0	0	0	0	0	0	0	0
Fat and oil refining and blending	2	0	0	0	1	0	1	0	0
Breakfast cereal manufacturing	2	0	1	0	1	0	0	0	0
Sugar and Confectionery Manufacturing	25	5	4	3	5	2	2	4	0
Sugar manufacturing	1	0	0	0	0	0	0	1	0
Non-chocolate confectionery manufacturing	8	1	1	1	1	1	2	1	0
Chocolate and chocolate confectionery	5	0	1	1	2	0	0	1	0
Confectionery manufacturing from chocolate	11	4	2	1	2	1	0	1	0
Fruit and Vegetable Preserving and Speciality Food	40	13	7	9	6	4	0	0	1
Frozen food manufacturing	24	7	2	7	5	3	0	0	0
Fruit and vegetable canning, pickling and drying	16	6	5	2	1	1	0	0	1
Dairy Product Manufacturing	20	2	3	4	5	4	1	1	0
Fluid milk manufacturing	6	0	1	0	2	2	0	1	0
Butter, cheese, and dry and condensed dairy product	8	2	1	1	1	2	1	0	0
Ice cream and frozen dessert manufacturing	6	0	1	3	2	0	0	0	0
Meat Product Manufacturing	57	13	17	8	7	5	3	2	2
Animal (except poultry) slaughtering	7	1	4	0	0	1	1	0	0
Rendering and meat processing from carcasses	32	8	8	4	6	2	2	1	1

Food and Beverage Manufacturing Industry Group	Number of Employees								
	Total Firms	1-4	5-9	10-19	20-49	50-99	100-199	200-499	500+
Poultry processing	18	4	5	4	1	2	0	1	1
Seafood Product Preparation and Packaging	8	4	1	1	2	0	0	0	0
Seafood product preparation and packaging	8	4	1	1	2	0	0	0	0
Bakeries and Tortilla Manufacturing	251	64	60	48	44	17	10	8	0
Retail bakeries	140	42	41	29	23	3	2	0	0
Commercial bakeries and frozen bakery product	83	17	15	14	16	10	7	4	0
Cookie and cracker manufacturing	8	4	0	0	0	1	0	3	0
Flour mixes, dough, and pasta manufacturing	19	1	4	5	4	3	1	1	0
Tortillia manufacturing	1	0	0	0	1	0	0	0	0
Other Food Manufacturing	117	37	27	22	18	4	3	6	0
Roasted nut and peanut butter manufacturing	2	0	1	0	0	0	0	1	0
Other snack food manufacturing	10	2	3	2	2	1	0	0	0
Coffee and tea manufacturing	13	3	2	5	1	1	0	1	0
Flavouring syrup and concentrate manufacturing	3	2	0	0	0	1	0	0	0
Seasoning and dressing manufacturing	16	3	3	5	1	0	1	3	0
All other food manufacturing	73	27	18	10	14	1	2	1	0
Beverage Manufacturing	53	22	9	6	7	4	3	2	0
Soft drink and ice manufacturing	12	5	3	0	1	1	1	1	0
Breweries	28	8	4	5	5	3	2	1	0
Wineries	12	9	1	1	1	0	0	0	0
Distilleries	1	0	1	0	0	0	0	0	0
Total Food and Beverage Companies in Toronto	586	169	130	102	96	40	23	23	3

Stats Canada Canadian Business Counts, Toronto CSD, Custom Tabulation 2017

APPENDIX B

Interview Guide for Food and Beverage Employment Firms

Before conducting an interview, the interviewer should:

- Thank the participant(s) for setting time aside to be interviewed
- Tell participant interview will take approximate 45 to 60 minutes
- Introduce self and role
- Provide background and explain purpose of the interview:
 - Research is commissioned by Toronto's Intergovernmental Committee for Economic and Labour Force Development (ICE)
 - Interview goal is to understand the needs of Food and Beverage Manufacturing employers and workers
 - Research findings will be used to identify government strategies to support the sector. For example, to address labour market shortages and/or skills gaps, assist in the transition to new technologies, and reduce employee turnover.
- Explain that the interview is private and that only the research team will know what interviewee(s) said; findings will be presented in aggregate to the City
- Point out that the interviewee does not have to answer any questions or provide information that she/he does not feel comfortable sharing
- Make note of the:
 - Date of interview
 - Company
 - Name and positions of interviewees

Company background

1. Can you tell me a bit about <name of company>?
Probes: products manufactured, number of locations (in Toronto), number of years in operation (in Toronto); total number of employees (at facility; in Toronto)
2. Can you please describe the type of jobs/primary occupations in this plant?
Probes: approximate number of entry-level processing positions, supervisory, product development, management

Recruitment

3. How do you fill job vacancies at <name of company>?
Probes: Internet, word of mouth, friends/family of current workers, temp agencies, Employment Ontario (EO), Toronto Employment and Social Services (TESS)
4. What recruitment methods do you find the most successful? Why?
5. If they get referrals from TESS or EO: Can you think of ways to improve the quality of referrals?
6. What challenges have you encountered recruiting new workers?
7. In what ways have you changed your hiring practices over the past five years? Are you considering any other changes to the way you recruit?

Changes

8. Are there, or will there be, any major changes in your plant?
Probes: technological changes, changes to food and beverage procedures, government regulations e.g. Accessibility for Ontarians with Disabilities Act (AODA), HACCP
9. Do you anticipate that these changes will affect recruitment or retention? If yes, how?

Employee characteristics

10. What kinds of skills and attributes are you looking for in new entry-level hires?
11. What are the minimum educational requirements and/or certifications you look for when hiring for entry-level positions?
12. Please describe demographics of production employees at your plant.
Probes: Education, number of years of experience, age, languages spoken, cultural background, home-work proximity, how they travel to work

Working conditions

13. Can you describe the working conditions for food processors? Probes: Noise, odour, etc.
14. Can you tell us the wage range for entry-level workers?

Retention

15. Can you describe any challenges you face retaining employees?
Probes: reasons entry-level employees leave
16. How do employees move from the production line to other positions?
Probes: seniority, attitude, aptitude etc.
17. Are there unmet educational and training demands for entry-level positions in your organization? If so, describe.

Other

18. Do you have any other comments/recommendations on what the government or publically funded agencies could do to support <name of company>?

APPENDIX C:

Food and Beverage Processing Sector Case Studies

	Soft Drink Manufacturer (North York, +57 Years)	Brewery (31 Years)	Poultry Processor	Bakery (30 Years)	Fruit and Vegetable Processor (North York, 25 Years)	Curry Producer (7 Years)
The Work	<ul style="list-style-type: none"> - Glass and plastic bottle producer. - 25% of production towards their own products and 75% of production towards bottling client products - Product lines and markets are expanding. 	<ul style="list-style-type: none"> - Brewing and retail facility combined. - 10 core products, plus seasonal brews for a total of approximately 40 products. - Company is growing. 	<ul style="list-style-type: none"> - Two Ontario locations. - The plants have different functions, including live receiving, whole bird processing, deli meat production, chicken wiener production and nutrient plant fertilizer. 	<ul style="list-style-type: none"> - Large baked goods manufacturer. - Produce a variety of goods under various brand names and under contract for large retail outlets. 	<ul style="list-style-type: none"> - Fruit and vegetable processor. - Specialize in processing potatoes, carrots, onions, apples, bananas, lemons and oranges. - Supplies other food processors 	<ul style="list-style-type: none"> - Mid-size curry products processor.. - Produce 10 curry sauces and 9 hot wing sauces. - Products under their label are sold to food services, restaurants, and catering companies. - Produces products under other retailers' labels.
The Number of Workers	<p>Approximately 25 employees:</p> <ul style="list-style-type: none"> - 15 production line employees - three mechanics - two forklift drivers - quality control manager - quality control technician - four office staff. 	<p>Approximately 90 employees:</p> <ul style="list-style-type: none"> - 45 production workers; - 45 non-production roles <p>Additional 10 during peak production, in summer</p>	<p>Approximately 1,800 employees work in the five plants:</p> <ul style="list-style-type: none"> - majority are unionized production workers. - machine operators and maintenance workers are not unionized. 	<p>Approximately 2,100 employees:</p> <ul style="list-style-type: none"> - 1,500 are production employees, - six quality assurance employees - 10 R&D employees - Rest in sales and administration. 	<p>Approximately 140 employees:</p> <ul style="list-style-type: none"> - 15 administrative positions - 10 drivers - 10 managers and support staff; and 100 production employees (including eight supervisors) 	<p>8 employees:</p> <ul style="list-style-type: none"> - Four employees - Two production staff - Owner - Office Administration (Owner's wife)

	Soft Drink Manufacturer (North York, +57 Years)	Brewery (31 Years)	Poultry Processor	Bakery (30 Years)	Fruit and Vegetable Processor (North York, 25 Years)	Curry Producer (7 Years)
The Workers Attitudes and Aptitudes	<ul style="list-style-type: none"> - Hires people who care about what they are doing, are organized, reliable and commit to the operation - Production workers must speak English, be punctual, follow instructions once trained, and care about others and the operation. 	Hire people who are motivated to contribute to quality and consistency of products, have a positive attitude, are flexible in approach to work, able to handle change, care about operation, self-starters, punctual and reliable.	Hires people with experience in food processing, able to do the physical work, and are consistent and reliable.	Hires people who are committed to the work and the company, reliable and recognize that safety is the responsibility of both the employer and employee.	<ul style="list-style-type: none"> - Hires people who are reliable, responsible, committed, able to show up when scheduled, and able to read, write and speak English. - Consistent attendance is challenging; reliability is preferred over efficiency. 	Hires people who are dependable, reliable, responsible, and who have a good attitude.
<i>Educational Requirements</i>	No formal qualifications required.	Grade 12 diploma required for entry-level workers.	No education requirements. Some plants require food handler certification or certification for equipment.	No education or credential requirements for production workers; forklift operators need a license.	There are no minimum educational requirements or certifications needed.	They must have food handlers' certification training; no other educational requirements.

	Soft Drink Manufacturer (North York, +57 Years)	Brewery (31 Years)	Poultry Processor	Bakery (30 Years)	Fruit and Vegetable Processor (North York, 25 Years)	Curry Producer (7 Years)
<i>Demographics</i>	<ul style="list-style-type: none"> - Production employees come from very diverse backgrounds. - Approximately half have worked with the company over 15 years, others are new. - Most do not live in the area and either drive to work or use TTC. 	<ul style="list-style-type: none"> - Workers are from a variety of backgrounds, many Canadian-born and most first-language English speakers. - Men under the age of 35 fill most entry-level jobs. 	<ul style="list-style-type: none"> - Approximately 60% of production employees are Canadian-born, 40% are immigrants. - Average age is 47. Many of the immigrants are nearing retirement as most production workers are not expected to work past their mid-50s due to the physical demands of the jobs 	<ul style="list-style-type: none"> - Diverse group of production employees. - Many are newcomers in their 40s. - Most live close to the plants and rely on TTC buses to travel to work. 	<ul style="list-style-type: none"> - Many of the employees are new and/or established female immigrants from Southeast Asia. - Seventy to 80% are 40 yrs or over. - Most production employees take TTC buses to work. A bus shelter was recently installed at the closest stop. 	<ul style="list-style-type: none"> - Currently both production workers are South Asian. - Recruitment is largely word of mouth. - Production workers, many of whom are in Canada as international students, usually stay about two years. - Both men and women work in these positions

	Soft Drink Manufacturer (North York, +57 Years)	Brewery (31 Years)	Poultry Processor	Bakery (30 Years)	Fruit and Vegetable Processor (North York, 25 Years)	Curry Producer (7 Years)
Working Conditions <i>Physical environment, physical demands</i>	<ul style="list-style-type: none"> - One shift per day and length varies with the season. - The plant is difficult to heat in winter and cool in summer. Facility was recently repainted to make it brighter. - Most production workers stand in one spot all day. - Production positions are “mundane and monotonous.” - Hearing protection is required as the plant is noisy. 	<ul style="list-style-type: none"> - One shift operates through most of the year, two during the summer. - Facility is heavily automated so many of the physical demands associated with smaller, more traditional breweries are done with equipment. - Clean, well-lit and well ventilated with constant temperature. - Ear protection not required. 	<ul style="list-style-type: none"> - All plants operate two shifts. - Working conditions are “harsh”. - A number of the jobs involve physical labour and/or doing repetitive work. - Temperatures fluctuate seasonally. - Noisy areas are those with heavy equipment and the receiving area with trucks. 	<ul style="list-style-type: none"> - Operates 3 shifts, 24 hours per day. - Employment is steady with no layoff periods. - The environment is clean and smells good. - Oven areas are hot, freezer areas are cold and allergens are present such as wheat, seeds. 	<ul style="list-style-type: none"> - The plant operates three shifts for processing and cleaning. - Employees work at repetitive tasks, standing in the same spot all day. - The floor is usually wet, and the climate in the plant is not well regulated. - There are strong odours for long periods. - Machinery is loud. 	<ul style="list-style-type: none"> - The plant operates one daytime shift. - Employees’ schedules vary with production demands and they may work from 20 to 40 hours per week. - Employees responsible for entire production process. - Little heavy lifting, minimal noise. - Cooking odours are not unpleasant. - The facility is not air conditioned and can be hot in the summer.

	Soft Drink Manufacturer (North York, +57 Years)	Brewery (31 Years)	Poultry Processor	Bakery (30 Years)	Fruit and Vegetable Processor (North York, 25 Years)	Curry Producer (7 Years)
Working Wages	<ul style="list-style-type: none"> - Production employees are paid \$14-16 per hour, most make \$16. - Critical or specialized positions make \$17-18 per hour. - Forklift operators make \$20 per hour and mechanics make more. - Employees receive 100% benefits coverage and bonuses when company targets are met. 	<ul style="list-style-type: none"> - Production wages are \$14-\$17 per hour, based on seniority. - Supervisors earn \$22 per hour. - A bonus equal to one week's wages is offered at year end. - Health benefits are available after several months with the company. - All employees receive free beer, invitations to corporate events and product launches. 	<ul style="list-style-type: none"> - General labourers start at \$15.14 per hour, which is 80% of the maximum wage rate. - Receive an increase of .60 - .95 every six months, and after two years reach the maximum rate of \$18.50 to \$19.20 per hour. - Machine operators earn \$20 to \$24 per hour. - Health benefits are available after several months with the company. 	<ul style="list-style-type: none"> - Production workers start at minimum wage, with increases based on performance, but there are no regular performance reviews for production workers. - Workers are hired for 3 months on probation through temp agencies; hired as full-time with benefits after probation. 	<ul style="list-style-type: none"> - Most production workers are paid minimum wage. - Wage increases for longer-term employees are possible but minimal. - Full-time work is not guaranteed because fruits and vegetables may not arrive as planned and customers' needs may change on short notice. 	<ul style="list-style-type: none"> - Production workers are paid minimum wage.

	Soft Drink Manufacturer (North York, +57 Years)	Brewery (31 Years)	Poultry Processor	Bakery (30 Years)	Fruit and Vegetable Processor (North York, 25 Years)	Curry Producer (7 Years)
Hiring, Retention and Recruitment <i>Method, TESS, referrals</i>	<ul style="list-style-type: none"> - Use temp agencies to fill easy-to-train-on production positions as this saves on screening and hiring time. - Promising individuals hired through temp agencies are moved into permanent production positions. - Some employees have been “stolen” from the competition. - Used the RBC Career Bridge program, with some success, to hire an office intern. 	<ul style="list-style-type: none"> - Expect to hire 3 – 5 people a year in the entry-level positions. - Half of new hires come through job postings and the other half through referrals. - Are aware of the gender imbalance in entry-level jobs and looking at ways to hire and retain more women. - Have not used EO or TESS services as volume of hires doesn’t make it worthwhile. 	<ul style="list-style-type: none"> - Because most production jobs are unionized, vacancies must be posted first internally. - If unable to hire internally, the job is posted externally. - Constantly recruiting and hiring production employees. - HR hosts bi-weekly recruitment sessions. - Follow-up and reference checks are done quickly so new hires can start within 1.5 weeks of the interview. - Results are better through employee referrals as these applicants have a realistic understanding of the jobs’ challenges and benefits. 	<ul style="list-style-type: none"> - All entry-level production positions are filled using temp agencies because: <ol style="list-style-type: none"> 1. Reduces time finding new employees (considered a great benefit due the high turnover they face) 2. Workers don’t have to commit to the job or the employer 3. Allows company to try employees out before investing time in on-boarding practices - Recruitment of salaried employees includes LinkedIn, job boards, referrals, head hunters and job fairs at universities 	<ul style="list-style-type: none"> - Production positions require limited skills and experience. Most shifts are filled through temp agencies as this allows the company to meet targets without committing to providing consistent hours. - Only 40% of production workers are on payroll. - Positions such as drivers, mechanics and cleaners are filled using Humber College’s placement services as the college program pays the wages of employees in exchange for 6 to 8 weeks of job training. - Positions are also filled using the services offered by online job boards. 	<ul style="list-style-type: none"> - Primarily recruit international university students because they find them to be reliable and hard-working. - Ask employees to find someone new when they leave. The new hire is brought on with one or two weeks’ overlap to accommodate training. - Have used a community-based employment service, however, they found that these hires did not have strong employability skills (problems with punctuality, irregular attendance).

	Soft Drink Manufacturer (North York, +57 Years)	Brewery (31 Years)	Poultry Processor	Bakery (30 Years)	Fruit and Vegetable Processor (North York, 25 Years)	Curry Producer (7 Years)
Challenges, changes to practices	<ul style="list-style-type: none"> - Increased wages have contributed to improved recruitment outcomes. - Hard to find people who fit the “caring” culture the new managers are trying to establish. - Have faced the greatest challenges recruiting office staff and quality control staff, as reviewing resumes is time consuming (e.g., for one recent position, 1500 resumes had to be reviewed). 	<ul style="list-style-type: none"> - Groom employees to grow with the company starting by hiring good people and giving them the opportunity to learn and progress. - There are flexible job descriptions and new responsibilities are added to employees at all levels of the organization. - Paying attention to soft skills when hiring. - Transportation is a challenge for recruitment. 	<ul style="list-style-type: none"> - Attracting new hires and retaining employees are significant challenges because difficult working conditions are not well understood by individuals new to the industry and the location is not well served by public transportation. - Doing more of the recruiting and application processes online, resulting in more applications as they include videos and clear descriptions of work activities and conditions during interviews. - Have begun actively recruiting through employee referrals. 	<ul style="list-style-type: none"> - Hiring practices have not changed in the last five years. The company has no plans to change hiring practices. - Easier to recruit for salaried positions 	<ul style="list-style-type: none"> - Recruitment challenges are associated with the nature of the work and the conditions. The type of work available and the low pay is not appealing and it is hard to attract younger workers. - Not always able to secure the number of workers needed through multiple temp agencies, but are not considering changing recruitment strategies. 	<ul style="list-style-type: none"> - Current recruitment system works well, and they have no plans to change. - Stays within the City of Toronto boundaries so that public transportation would be more accessible.

	Soft Drink Manufacturer (North York, +57 Years)	Brewery (31 Years)	Poultry Processor	Bakery (30 Years)	Fruit and Vegetable Processor (North York, 25 Years)	Curry Producer (7 Years)
Opportunities for advancement, challenges	<ul style="list-style-type: none"> - Older workers are retiring but there is little turn-over as long-term workers are very dedicated. - New employees are likely to leave for higher wages (.25 more per hour). Benefits are offered to support retention. Part of the company's philosophy is that happy employees produce better products because they are more likely to report problems. 	<ul style="list-style-type: none"> - Entry-level employees leave for higher paid work. - Young workers may leave for construction jobs that pay \$18 - \$19/hour. - Retention is a challenge. Trying to find ways to keep people so they can promote from within the company. - Expanding training opportunities to improve retention and create chances to advance - Currently formalizing wage bands and improving access and coverage to health benefits to be more attractive. 	<ul style="list-style-type: none"> - Lose approximately 20% of new hires within the first week. - Attrition is higher in some jobs than others, and some areas are more heavily affected by retirement. - Trying to address high attrition rates through better communication in the hiring process, considering training and other 'touch points' with HR for new hires in the first week to build a sense of common purpose and commitment to the job and company. - Beyond initial health and safety training, there is little training available to production workers, which may contribute to poor employee retention. - Trying to improve health benefit access and coverage, recognizing that this can be attractive to potential hires. 	<ul style="list-style-type: none"> - Employees can advance if they demonstrate commitment; however, few opportunities exist for production workers. - High turnover across all production departments, with new employees starting daily. - Between 66 and 82 new employees were requested from temp agencies each week in March 2017. - Employees tend to leave for better-paying jobs. With high cost of living and the low wages offered, interviewee considers poor retention an expected phenomenon. - Younger workers may work at the plant in the summer, but not upon graduation as factory work is not seen as a "glamorous job". 	<ul style="list-style-type: none"> - Employees with the skill level required can be promoted into positions of production leader or production supervisor. Only internal employees fill these positions. - Employees leave because they find a job that pays .25 more per hour, don't like the environment or don't want to stand all day. - Difficult to find employees who are interested in working long-term at the plant. "Most Canadians find the jobs unappealing." 	<ul style="list-style-type: none"> - No opportunities for advancement. - Employees leave because they finish school and plan to return to their country of origin.

	Soft Drink Manufacturer (North York, +57 Years)	Brewery (31 Years)	Poultry Processor	Bakery (30 Years)	Fruit and Vegetable Processor (North York, 25 Years)	Curry Producer (7 Years)
Changes <i>Nature of any changes, impact on recruitment or retention</i>	<ul style="list-style-type: none"> - Have changed food safety standards to keep clients (i.e., large supermarkets) and export into the US. - Have improved employee compensation to align with management's belief in the importance of giving. Retention has since improved. - Business is growing, and the production process is becoming increasingly automated, increasing the need for skilled production workers. 	<ul style="list-style-type: none"> - Doubled their facility space last year. - Plan to bring on more automated equipment within 18 to 24 months, add new lines and offer additional training, but not hiring more staff. 	<ul style="list-style-type: none"> - Frequently upgrade equipment, but does not change how work is carried out or the hiring qualifications. Changes don't result in fewer workers. - Focus on animal welfare over the past few years has changed some of their practices. Many divisions now assess animal welfare within processes and recommend improvements. Recent changes include improvements to live haul trucks. 	<ul style="list-style-type: none"> - Recently expanded to include an automatic freezing facility. 	<ul style="list-style-type: none"> - Plant was recently enlarged to allow space for additional climate-controlled storage. - City of Toronto is demanding that they change the waste water system to reduce biological oxygen demand as the facility produces a large amount of water. Enacting changes to the waste water system may limit funds available to hire and retain staff. 	<ul style="list-style-type: none"> - Upcoming raise in minimum wage will be difficult for the company to manage, and the owner foresees that it will result in lower profits as their profit margin is very slim.

	Soft Drink Manufacturer (North York, +57 Years)	Brewery (31 Years)	Poultry Processor	Bakery (30 Years)	Fruit and Vegetable Processor (North York, 25 Years)	Curry Producer (7 Years)
Other, using government programs, government support	<ul style="list-style-type: none"> - Hard to take advantage of government training programs given administrative demands. - Want government to help screen applicants, offer training or placement programs, maintain a repository of resumes, offer more programs like the Career Bridge program, and advertise available services. 	<ul style="list-style-type: none"> - Want to see more education and awareness of production jobs at high school level, including co-op programs with production facilities. - Not aware of any night courses or training programs that deal with the science and technology side of food processing. 	<ul style="list-style-type: none"> - Government or community-based partner could assist in recruiting for production positions. - Government could come on site to learn about the company, and then operate as a recruiter. - Work is a good fit for some newer immigrants, especially those who are not highly educated or skilled. 	<ul style="list-style-type: none"> - Reduction in taxes and the costs of licenses and associated fees would be welcome. 	<ul style="list-style-type: none"> - Similar government subsidies like those provided to the automotive industry. - Help with recruitment or retention, the government can offer a wage subsidy program, "if we don't have to pay employees that would be great." 	<ul style="list-style-type: none"> - Find it difficult to expand their business because of two factors: <ul style="list-style-type: none"> - High costs of ingredients that larger processors pay discounted prices for because of volume - Difficult to achieve higher levels of certification with small facilities



Endnotes

1. Canadian Industrial Outlook: Food Manufacturing Winter 2017. The Conference Board of Canada, March 2017.
2. Conference Board of Canada, Food Manufacturing and Food Services Industry Outlook presentation, May 4, 2017. Toronto
3. Custom tabulation, Labour Force Survey, Stats Canada, 2017.
4. See Evelyn Kwong and Sara Mojtehdzadeh “Temp agency worker crushed to death in workplace accident”; Toronto Star, September 8, 2016; Brendan Kelly and Sara Mojtehdzadeh, “One year after this temp agency worker died at Fiera Foods, family is still searching for answers”; Toronto Star, September 8, 2017; and Sara Mojtehdzadeh and Brendan Kelly, “Undercover in Temp Nation”; Toronto Star, September 8 2017; as well as several editorials regarding temporary work which used the incident as an example of the need for better regulations.
5. The NAICS officially list this subsector as ‘beverage and tobacco manufacturing’. For simplicity sake, and given the lack of tobacco manufacturing in Toronto (there is only one), this report refers to this subsector as ‘beverage manufacturing’.
6. According to Canadian Business Patterns (Dec. 2016) there are slightly over 1,000 Food and Beverage Manufacturers in Toronto. However, many of these firms are listed as having “no-employees”. In many cases these will be owner-operator firms. For the purposes of a workforce development report, we have decided to not to include these firms in any custom tabulation.
7. Changes to the Business Register’s methodology or business industrial classification strategies can bring about increases or decreases in the number of active businesses reported in the Canadian business counts. As a result, the data do not necessarily represent precise changes in the business population over time.
8. The limited LFS sample size does not allow for us to speak confidently about the percentages employed in each individual industry group for Toronto CSD or Toronto CMA. The 2016 Census labour force release will occur in December of this allowing for such analysis.
9. What Is Manufacturing? Why Does the Definition Matter? Report to United States Congress, 2017.
10. See: The Future of the Manufacturing Labour Force in Canada, Canadian Manufacturers and Exporters, 2015. Is food and beverage processing Ontario’s new ‘it’ job? TVO, 2015. Retrieved from: <http://tvo.org/article/current-affairs/the-food-chain/is-food-and-beverage-processing-ontarios-new-it-job>. Innovation in the Canadian Food Processing Industry: Evidence from the Workplace and Employee Survey, Sean Cahill. International Food and Agribusiness Management Review Volume 18 Issue 2, 2015.
11. Elevate Canada, Food Processing Position Descriptions, N. Rowen. Essential Skills Ontario, 2014
12. Time limitations have not allowed for the calculation of confidence intervals in terms of this data. These calculations will be calculated within the next report.