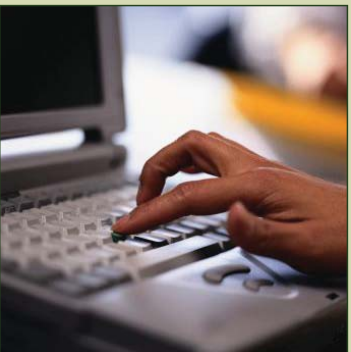


Elgin & St. Thomas Labour Force Development Strategy

February 26, 2010



Executive Summary

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Today, the service and knowledge-based economy is a major driver of urban growth and as a result the roles of cities and regions in a global economy is being redefined and reshaped. Cities and regions are emerging as concentrated command points in the international economy, key locations for finance, sites of production and innovation, as well as markets for products and innovation. This new role means that city/regions increasingly compete for investment, as well as financial and human capital, on a provincial, national and international level while at the same time trying to ensure a balance between economic and sustainable growth.

This heightened competition is also being impacted by fundamental shifts in our local, national and global economies. While global economic trends will continue to afford positive opportunities for communities and regions across the province enabling population growth, employment opportunities and strong economies, there are a number of broad based trends that will impact the creation of a labour force development strategy. By their nature, they require a community or region to be more proactive in its understanding of their implications for both growth and economic development. This includes the fact that:

- **The Role and Structure of Manufacturing is Shifting**
- **The green economy is creating new products and services**
- **Globalization continues to have an impact**
- **The Creative Economy is Emerging**
- **Our workforce is aging**
- **Economic Recovery will be Slow**

While the impact of these trends will be far reaching, a cornerstone to developing a labour force or workforce strategy for the Elgin St. Thomas region also requires an understanding of the region in terms of its human resource and development assets – business leaders, labour force, quality of life, education and training institutions etc. – as well as its potential – emerging industries, presence of entrepreneurs and the capacity for innovation.

The labour force strategy that follows has given primary consideration to the recently completed economic development strategies for both the County of Elgin and the City of St. Thomas as these strategies represent a significant shift in both local thinking and the local economy and the resulting need to better understand the skills and resources that will be required to make this shift overtime. It is not just about retraining a resident labour force, but what types of training and labour force skills will be required in the future to ensure that the region has the workforce it needs to sustain investment and economic prosperity.

The overall goals for this workforce strategy are two-fold:

- 1. To collectively create a policy framework and a community infrastructure that supports improvements in both quality and quantity of the labour supply pool; and**
- 2. To ensure that Elgin-St. Thomas has the workforce it needs to achieve its economic development goals.**

The objectives that follow from these goals are:

- 1. The creation of the Elgin Labour Force Development Strategy which includes a plan and implementation process that will help guide long-range human resources and workforce decision making in the community; and**
- 2. Development of a process by which the Strategy is continually updated and to provide a venue to keep data current and share ideas on workforce development.**

The report has also identified the key issues that will impact the region's ability to drive economic growth in its target sectors and provides a strategic framework and recommendations that support improvements to both the quality and quantity of the local workforce that will ensure that the region is better able to capitalize on the investment employment potential associated with its traditional and emerging industries.

Summary of Key Findings – Economic + Labour Force Analysis

- The area is experiencing population growth rates well below the provincial average and is at risk of having insufficient numbers of youth entering the workforce to replace retiring workers. In other areas, this declining rate of natural increase has been overcome by attracting international migrants; however, Elgin and St. Thomas have yet to realize this opportunity exhibited by the lower than average immigrant population and external migrant population. Data shows external migrants have higher levels of education than Canadians and are a source of competitive advantage in attracting and creating skilled jobs.
- More than 20% of the workforce does not hold a high school diploma. The provincial average is 13%. While the area performs well in college and apprenticeship training when combined with university the overall percentage with some level of post secondary education lags the provincial average. This places the area at a disadvantage in attracting skilled jobs as research suggests most current and future jobs will require some form of post secondary education. On a positive note, those with post secondary education hold diplomas or degrees in areas well positioned for the targeted sectors and the creative economy.
- While all segments of the population trail the provincial average in educational attainment, women, visible minorities and Aboriginal people outperform the general population in educational attainment. Yet they are for the most part underemployed or working below their skill level. This has implications on the attraction of skilled workers from these segments and suggests an area of focus for a career pathways approach.
- Household incomes rose from 2000 to 2005, but are still below the provincial average. Data projections predict income levels have declined from 2005 to 2009 in line with rising unemployment during the recession. As employment insurance and severance benefits come to an end, incomes are likely to decline further. It is also possible that new jobs in the area will be non-unionized with lower wages. Lower incomes will restrict the money flow in the local economy, challenging efforts to upgrade education levels, and bring difficult times for local retailers and entrepreneurs.
- Prior to the economic recession, the area was performing well in labour force participation and employment rates. In 2006 the area's unemployment rate was only 5.5% a full point below the provincial average. Recent projections for 2009 however place this at 9.9%.

- Based on commuter flow patterns, the area needs to see itself as part of a larger region including London, Norfolk and Oxford. Expanding the 'local' view gives local business access to a larger, skilled and mobile labour pool while giving local residents and businesses access to training programs offered by Fanshawe London and the University of Western Ontario.
- The area's percentage of workers in creative occupations is much lower (22.5%) than both the region (28.9%) and the province (34.7%). However, these occupations are growing quickly in Elgin and St. Thomas suggesting the area has already begun to shift its economic focus and is creating further opportunities for creative and skilled occupations. The creative class occupations are believed to be at the core of future job growth based more on knowledge and producing unique goods and services rather than mass produced goods and services.
- Women, compared to men, hold occupations that are growing and positioned within the creative class. Most women hold occupations in business, finance and administration, health, social science, education and government service and art, culture, recreation and sport. Agriculture occupations aside the self employed in Elgin also exhibit high concentrations in creative and skilled occupations. In a later section, this report will look at the level of skilled occupations in targeted industries.
- Natural and applied sciences, business, finance and administration, management and health are all occupations at 'demographic risk' as each of these occupations has more than 50% of the workforce over the age of 45. These occupations need to take priority in youth retention, immigrant attraction and retraining programs in order to maintain the current level of skilled jobs in the area.
- Manufacturing, health care and social assistance and retail trade are the dominant industry employers in the region. Along with health care and social assistance growth has been (and projected to still be) in educational services, other services, professional, scientific and technical services, public administration, information and culture, arts, entertainment and recreation and construction. These industries will be compiled with those industries identified in the economic development strategies for further analysis.

Summary of Findings – Stakeholder Consultation + SWOT Assessment

An important component in the creation of a labour force development strategy for Elgin and St. Thomas is the opinions and thoughts of those business and industry leaders already present in that jurisdiction. Area businesses, community leaders and service providers can provide an excellent source of up-to-date information or perceptions, as it relates to an area's strengths and weaknesses, as well as the opportunities and threats that may be confronting the region in its efforts to attract, develop and retain a skilled labour force.

The key findings of the SWOT Assessment are summarized below.

Strengths

- Quality of Life
- Strong Work Ethic
- Broad Base of Small and Medium Enterprises

- Agricultural Core Committed Employers and Employees
- Excellent Employment Service Providers

Weaknesses

- A Perceived Lack of Leadership and Regional Coordination
- Narrowly Focused Skills
- Lack of 'Soft' Skills
- A Perceived Lack of Essential Skills
- Lack of Awareness of Opportunities Beyond Auto Sector
- Lack of Public Transport
- Short Nature of the Business Cycle
- Lack of Formal Retention Programs
- Lack of Succession Plans

Opportunities

- Developing a Career Path Approach to Employment
- Building on the Trades Base
- Enhanced Support for an Entrepreneurial Environment
- Implementing Flexible and Creative Human Resource Strategies
- Generate Community Spirit

Threats

- Lack of Overall Vision
- Lack of Coordination

Setting a Course – Elgin St. Thomas Labour Force Development Strategy

Based on the background review of best practices and input received from local and regional stakeholders, a strategy to guide labour force development in the region must address four broad issues:

- Population growth is slowing
- Educational attainment is below provincial levels
- Labour force development is a regional issue
- Small business growth is key to economic recovery
- Structural shifts in manufacturing will continue

These realities have been reflected in the following strategic priorities and associated implementation and action plan for the Elgin St. Thomas Labour Force Development Strategy

Priority 1: To ensure the availability of a skilled workforce by creating opportunities for retaining our youth, attracting skilled workers and increasing the participation of under-represented groups such as immigrants and women.

Actions:

- 1) Youth retention is an issue for urban and rural communities across the province. In an effort to retain more youth in the community, better communication is required between business, industry and educational institutions as to the diverse occupational and career opportunities, including the trades, available to them locally. Programs and initiatives include:
 - a) Continue organising occupation and/or industry focused work fairs
 - b) Further develop student to business connections such as mentorships and work tours
 - c) Increase the creation of high school and post secondary coop placements and internships with local business that are focused on trades and high growth occupations
 - d) Continue to create and deliver interactive career planning presentations in local high schools
 - e) Utilize social networking sites such as Facebook and Twitter to communicate local occupational possibilities to youth
 - f) Continue supporting the Talbot Teen Centre and the EBRC's Summer Company Program in developing work and entrepreneurial possibilities for youth
 - g) Host a community business plan competition for post secondary students as a way to foster innovation and youth entrepreneurship at the post secondary level

Partners: Employment Services Elgin, Elgin Middlesex Oxford Local Training Board, Fanshawe College, Talbot Teen Centre, Mennonite Community Services, Elgin Business Resource Centre, GWC Custom Kitchens and St. Thomas Public Library.

Role of the Municipalities: Facilitative

Examples in other jurisdictions: <http://www.seattlejobsinitiative.com/> ;

<http://www.calgaryeconomicdevelopment.com/files/CalgaryWorks/CEDWorldSkills-web.pdf>

- 2) Communities everywhere are in a competition for talent. To more effectively target the attraction of a younger workforce, families, and new Canadians, increased consideration must be given to those factors that serve to attract these various groups. Programs and initiatives include:
 - a) Work with Elgin and St. Thomas to strengthen the Newcomers Network organization to understand the needs and quality of life priorities of new residents and business operators insofar as settlement services, language training, etc
 - b) Work with the business community and service agencies to determine where and how to target and strengthen existing and new promotional efforts
 - c) Build efforts and initiatives promoting the region as an affordable area with a high quality of life
 - d) Develop a 'skilled labour profile' on agency and economic development websites

Partners: Ontario Works, Elgin Middlesex Oxford Local Training Board, St. Thomas Economic Development Corporation, YWCA settlement services and the County of Elgin.

Role of the Municipalities: Leading

- 3) Removing barriers to employment opportunities is essential to growing the region's workforce. To gain maximum benefit from the skilled labour pool already present in the region consideration must be given to innovative ways to achieve a higher participation rate from women, First Nations and new Canadians. Programs and initiatives include:
 - a) Continue collaborating with regional partners to implement programs assisting employers to recruit New Canadians
 - b) Continue to advocate for funding and support to career development programs geared to target groups
 - c) Enhance social infrastructure, such as day care, that allows diverse groups to participate in the workforce
 - d) Coordinate with professional bodies to assist new Canadians in gaining the necessary credentials to gain meaningful employment
 - e) Further develop and promote mentoring and internship programs for target groups

Partners: Employment Services Elgin, Ontario Works and YWCA

Role of the Municipalities: Lead on social infrastructure. Facilitative

Priority 2: To increase the level of educational attainment in the Elgin St. Thomas labour force by fostering a culture of lifelong learning.

Actions:

- 1) In order to increase the skills capacity within the local labour force it is essential that workers and their employers develop locally accepted standards for essential skills including literacy, numeracy etc. In doing so, workers will gain an understanding of the skills they need to improve and employers will gain knowledge of each candidate's skills capacity. Programs and initiatives include:
 - a) Develop an on-line work-ready assessment toolkit for workers in the three core areas: literacy, numeracy and work ethic
 - b) Create an inventory to reflect availability of skilled workers
 - c) Pilot the program in action centres through training peer worker volunteers in the use of the assessment tools and its benefit to the workers
 - d) Design an interactive website for downloading tools, self-assessments and assessment preparation materials
 - e) Work with a multi-stakeholder team to develop and promote a long term essential skills strategy

Partners: Elgin Middlesex Oxford Local Training Board, Employment Services Elgin and St. Thomas Elgin General Hospital

Role of the Municipalities: Facilitative

Examples in other jurisdictions: <http://www.gaworkready.org/>

- 2) Increasing educational attainment levels in the region requires an innovative approach to keeping youth in school and to assisting mature students in resuming studies; an essential step to a post secondary education. Programs and initiatives include:
 - a) Develop and market local scholarships and bursaries to encourage youth to enter targeted occupations and trades and return to Elgin to work
 - b) Strengthen and expand the distributive education network that will enable greater access to education and allow mature students to resume studies
 - c) Show-case businesses that support continued learning and innovative compensation programs based on continued learning and customer service
 - d) Support and strengthen the delivery of a blended work-college apprenticeship program at Fanshawe College that allows a better balance between work commitments and schooling.

Partners: Elgin Middlesex Oxford Local Training Board, Employment Services Elgin, YWCA (LBS), Literacy Link and St. Thomas Elgin General Hospital

Role of the Municipalities: Lead in social infrastructure. Facilitative

Examples in other jurisdictions: Virginia Career Pathways approach

Priority 3: Provide greater business support to entrepreneurs and small business operations

Actions:

- 1) The region needs to expand the entrepreneurial and small business support already provided by the EBRC and Chambers of Commerce. Programs and initiatives include:
 - a) Create a mentorship program to allow small business and entrepreneurs to gain a better understanding of the demands of small business operations and to initiate networking
 - b) Continue to develop and deliver tailored workshops and classes that include topics such as financial literacy and budgeting; time, human resources and conflict management; customer service essentials; marketing and promotion; funding sources and inventory management
 - c) Showcase further the local creative and emerging industry entrepreneurial success stories through job fairs and municipal web sites
 - d) Development a business incubator that focuses on the industry priorities of St. Thomas and Elgin County
 - e) Place emphasis on the EBRC as the 'go to' point for entrepreneur and small business development in the region in order to streamline the delivery of funding support to the sector and connect potential entrepreneurs with alternative funding options such as private investors and agricultural funding resources indicated on OMAFRA's website
 - f) Continue advocating for funding and resources from all levels of government for these initiatives

Partners: Elgin Business Resource Centre, Fanshawe College, St. Thomas Economic Development Corporation, OMAFRA, Elgin St. Thomas Health Unit, County of Elgin, St. Thomas and Otter Valley Chambers of Commerce, Libro, GWC Custom Kitchens and St. Thomas Public Library

Role of the Municipalities: Facilitative and Funding

Examples in other jurisdictions: <http://www.momentum.org/>

Priority 4: To maximize labour market opportunities by creating a collaborative environment between business, government and education.

Actions:

- 1) The transitioning of displaced workers to employment in high growth industries requires more effective partnerships between local business, training institutions and service agencies. Programs and initiatives include:
 - a) Develop an understanding, on a detailed level, of those industries that are growing nationally and make the connection with local firms in these industries
 - b) Strengthen connections between local firms and training institutions to develop existing flexible programs that ensure local workers gain the skills necessary to secure employment
 - c) Develop connections between local firms and employment service agencies to expand pre-screening of candidates for training programs and future employment
 - d) Conduct meetings between industry sectors and educators/trainers to discuss future skills needs

Partners: Elgin Middlesex Oxford Local Training Board, Employment Services Elgin, St. Thomas Economic Development Corporation and County of Elgin

Role of the Municipalities: Facilitative

Examples in other jurisdictions: Michigan <http://www.irlee.umich.edu/index.php>

- 2) To increase the understanding of labour force needs for skilled workers a targeted BR+E program is required. This process will provide current and relevant data regarding skill and occupational needs enabling the municipalities to focus their attraction efforts and training institutions to tailor their educational programming. Programs and initiatives include:
 - a) Encourage partners to collaborate in conducting a detailed skills and occupations BR+E survey to fully understand the current skills and occupations needed by local employers
 - b) Initiate discussion among industry associations and chambers of commerce members to prioritize and communicate their needs to training institutions and the broader community
 - c) Continue to provide ongoing input to Fanshawe's programming efforts to ensure that programs and courses support the region's target industry sectors and workforce development needs
 - d) Develop a comprehensive picture of the current "system" (programs, resources, initiatives) and fill in any missing gaps in knowledge and information. Deliver and maintain this information through electronic web portal
 - e) Establish a business leadership council to provide ongoing insight/advice to strategy partners and politicians on local business and labour force issues. Use the meetings as an opportunity to share the status on labour force development initiatives and programming efforts
 - f) Collaborate on a series of questions on employers labour force needs for use in BR+E business visits
 - g) Host a business leadership conference
 - h) Explore the concept of a local unemployed labour force database by occupation and career that will provide information to a variety of agencies and employers

Partners: Elgin Business Resource Centre, Elgin Middlesex Oxford Local Training Board, Employment Services Elgin, Fanshawe College, St. Thomas Economic Development Corporation, County of Elgin and St. Thomas and Otter Valley Chambers of Commerce

Role of the Municipalities: Facilitative

Examples in other jurisdictions: http://employment.alberta.ca/documents/WIA/WIA-BETW_manufacturing_strategy.pdf

Priority 5: To establish an implementation committee to ensure the development of the priorities set out in this report.

Actions:

1) Coordinate and implement the strategy detailed in this report

Partners: Elgin Middlesex Oxford Local Training Board, Fanshawe College, OMAFRA, Elgin Business Resource Centre, County of Elgin, St. Thomas Economic Development Corporation

While these priorities and their associated actions set the foundation to achieving a strong local and regional workforce, to achieve this requires stakeholders to see the strategy as a series of inter-connected steps, each with a key role to play in shaping the future of the region. It is also important to recognize that the implementation of this strategy does not happen in isolation of other strategic efforts being undertaken by the County of Elgin and the City of St. Thomas, as well as other key community stakeholders including the Elgin Business Resource Centre and the Elgin Middlesex Oxford Local Training Board.