



Understanding Ontario's Food and Beverage Manufacturing Sector

A Food and Beverage Ontario Report

FOOD AND BEVERAGE ONTARIO

Food and Beverage Ontario is a not-for-profit leadership organization dedicated to advancing the interests of Ontario's food and beverage processors. The focus of the organization is on the success, prosperity and growth of the food and beverage processing sector through collaborative relationships across the food supply chain and with governments and educational partners.

Contents

Executive Summary	4
Key Provincial & Regional Data Analysis	7
Ontario & Regional Data Review — Processor Establishments	8
Manufacturing Sub Sector Analysis	11
Company Size & Employees by Region	12
Ontario Analysis: 5 Regions	14
Southern Ontario	14
Western Ontario	16
Central Ontario	18
Eastern Ontario	20
Northern Ontario	22
Current Labour Market	24
Employee Counts	24
Wages	26
Impacts on the Labour Market	27
Transit	27
Temporary Foreign Workers	27
Languages	28
Daycare	28
Housing & Inflation	29
Labour Challenges Effect on Production	31
Retirement	31
Age Demographics	32
Education	32
Secondary Schools	33
Post Secondary Schools	33
Career Colleges	33
Food Training Courses & Organizations	34
Sourcing People	35
Community Supports	36
Definitions	37



Executive Summary

EXECUTIVE SUMMARY

As part of Food and Beverage Ontario's initiative, Strategy for Jobs and Recovery in Ontario's Food and Beverage Manufacturing Sector, the organization completed the following report to assist in better understanding Ontario's food and beverage manufacturing industry.

This report provides key regional, provincial, company, and employment information to guide businesses and stakeholders in their decision making. Within the report readers will find valuable data necessary to shape new strategy, policy, and program development.

The report makes it clear that Ontario food and beverage processors are confronted with a number of obstacles to business growth including limitations due to current employment, future labour markets, and community supports. That said, there remains significant opportunity for businesses to plan for development and growth as the demand for food continues to rise globally.

Report Highlights

Key Provincial & Regional Data

- Ontario is home to 4,675 food and beverage manufacturing establishments.
- 43% of the provincial establishments are concentrated in Central Ontario with Toronto home to 24% or 1,123 establishments.

Manufacturing Sub Sector Analysis

- Bakery & tortilla is the largest subsector representing 29% or 1,314 of the provincial establishments.
- Of the total food and beverage businesses in Ontario, manufacturers make up 67% of all the businesses.

Company Size & Employees by Region

- 41% of Ontario businesses have no employees followed by 17% with 1 to 4 employees.
- 4,418 of Ontario businesses are considered small with less than 100 employees.

Ontario's 5 Regions

- Southern Ontario accounts for 19% of Ontario's food and beverage processors and the region employs 27,890 people.
- Western Ontario accounts for 27% of Ontario's food and beverage processors and the region employs 32,758 people.
- Central Ontario accounts for 30% of Ontario's food and beverage processors and the region

- Employs 32,059 people.
- Eastern Ontario accounts for 8% of Ontario's food and beverage processors and the region employs 11,589 people.
- Northern Ontario accounts for 3% of Ontario's food and beverage processors and the region employs 3,855 people.

Current Labour Market & Wages

- The Ontario food and beverage manufacturing sector currently employs 108,300 people or 37% of the Canadian market.
- In 2020, the Ontario food and beverage manufacturing sector employment grew 3%.
- From Food and Beverage Ontario's survey: 53% of respondents pay an average of \$18 an hour, 13% report paying a starting wage of \$21 an hour, and 7% of respondents indicated they paid \$22+ as a starting wage.

Employee counts

In total there are 108,3000 people employed by Ontario's food and beverage manufacturing industry. Central and Western Ontario are home to the majority of the employment at 30% or approximately 32,000 people in each region.

Of the total 4,675 processor establishments in Ontario, 41% have no employees followed by 17% with 1-4 employees and 13% with 5-9 employees. Only 1% of Ontario processors have greater than 500 employees.

Wages

From Food and Beverage Ontario's survey, 53% of respondents pay an average of \$18 an hour, 13% report paying a starting wage of \$21 an hour, and 7% of respondents indicated they paid \$22+ as a starting wage. 80% of respondents indicated that they provide benefits.

Impacts on the Labour Market

- | | |
|--|---|
| • Transit | • Education |
| • Temporary Foreign Workers | • Secondary Schools |
| • Languages | • Post Secondary Schools |
| • Daycare | • Career Colleges |
| • Housing & Inflation | • Food Training Courses and Organizations |
| • Labour Challenges Effect on Production | • Sourcing Workers |
| • Retirement | • Community Supports |
| • Age Demographics | |

Food and Beverage Ontario's CareersNOW! program was launched in 2021 to overcome workforce challenges and support employers in connecting with jobseekers and students for immediate jobs and future career opportunities.

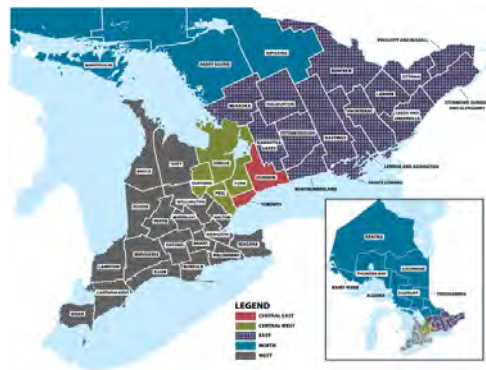
Key Provincial & Regional Data Analysis

Food and Beverage Ontario (FBO) analyzed three types of data to better understand the fundamentals of Ontario's food and beverage processing sector — provincial data, geographic regional data, and data on counties within each of the regions.

The information was sourced from OMAFRA's Ontario business, agri-food, and farm data profiles¹ (OMAFRA, 2022).

The following regions were assessed:

- Southern Ontario
- Northern Ontario
- Western Ontario
- Eastern Ontario
- Central Ontario



<https://www.ontario.ca/document/occupational-health-and-safety-enforcement-april-2016-march-2017/regions-and-offices>

Within these regions, FBO reviewed a total of 49 counties for the following data sets:

- Processor establishment counts
- Employee counts
- Sub sector representation
- Sub sector representation by region

Data was also collected across the regions within the following categories:

- | | |
|--------------------------|---------------------------------|
| • Community supports | • Food safety training services |
| • Daycares | • Food safety programs |
| • Elementary schools | • Processor training programs |
| • Secondary schools | • Immigration services |
| • Post secondary schools | • Population demographics |
| • Career colleges | |

¹ <https://data.ontario.ca/dataset/ontario-farm-data-by-county, 2022>

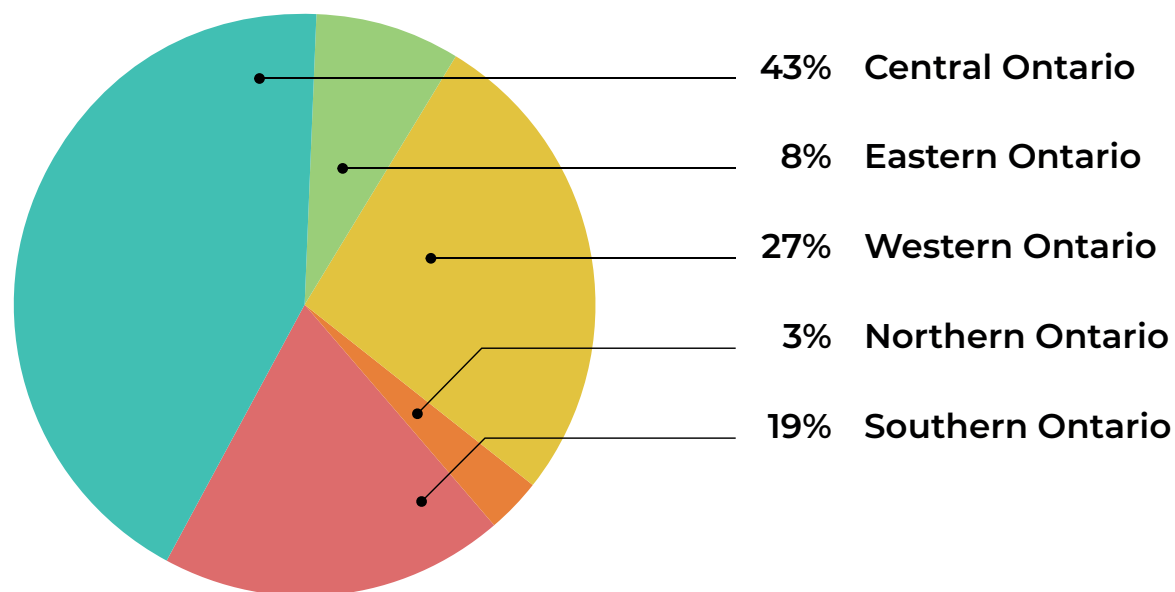
Ontario & Regional Data Review

— Processor Establishments

According to OMAFRA's Ontario business, agri-food, and farm data profiles² (OMAFRA, 2022), based on the 2021 census, Central Ontario accounts for 43% of all the processing companies in Ontario, followed by Western Ontario at 27%, Southern Ontario at 19%, Eastern Ontario at 8% and Northern Ontario at 3%.

Processor Counts by Region

REGION	PROCESSOR COUNTS	% OF ONTARIO
Central Ontario	2,012	43%
Western Ontario	1,242	27%
Southern Ontario	909	19%
Eastern Ontario	379	8%
Northern Ontario	126	3%
Ontario	4,675	100%



Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

² <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Processor Counts by County

COUNTY	PROCESSOR COUNTS	% OF ONTARIO
Toronto	1,123	24%
York	525	11%
Peel	459	10%
Niagara	258	6%
Ottawa	194	4%
Waterloo	194	4%
Halton	176	4%
Hamilton	150	3%
Durham	132	3%
Essex	131	3%
Simcoe	127	3%
Middlesex	124	3%
Wellington	100	2%
Grey	54	1%
Haldimand - Norfolk	54	1%
Elgin	48	1%
Prince Edward	48	1%
Hastings	47	1%
Stormont Dundas Glengarry	46	1%
Oxford	45	1%
Perth	44	1%
Huron	43	1%
Brant	42	1%
Frontenac	37	1%
Thunder Bay	34	1%
Chatham-Kent	33	1%
Northumberland	32	1%
Peterborough	31	1%
Muskoka	31	1%
Lanark	28	1%
Leeds And Grenville	27	1%
Prescott And Russell	25	1%
Lambton	24	1%
Bruce	24	1%
Greater Sudbury	22	0%
Dufferin	21	0%
Kawartha Lakes	20	0%
Algoma	20	0%
Renfrew	17	0%
Parry Sound	14	0%
Cochrane	12	0%
Nipissing	11	0%
Haliburton	9	0%
Timiskaming	8	0%
Kenora	7	0%
Lennox Addington	5	0%

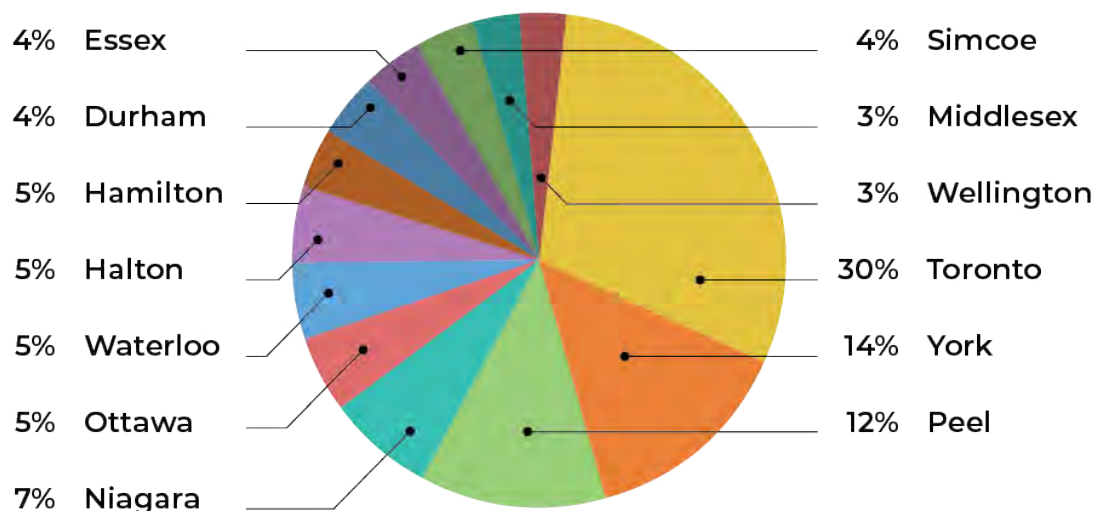
COUNTY	PROCESSOR COUNTS	% OF ONTARIO
Rainy River	4	0%
Manitoulin	4	0%
Sudbury	4	0%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

When looking at where food and beverage processors are located in the province, the largest concentration is within the Greater Toronto Area with Toronto, York, Peel and Halton, making up 49% of all processors in Ontario.

Concentration of Processors

COUNTY	PROCESSOR COUNTS	% OF ONTARIO
Toronto	1,123	24%
York	525	11%
Peel	459	10%
Niagara	258	6%
Ottawa	194	4%
Waterloo	194	4%
Halton	176	4%
Hamilton	150	3%
Durham	132	3%
Essex	131	3%
Simcoe	127	3%
Middlesex	124	3%
Wellington	100	2%



Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

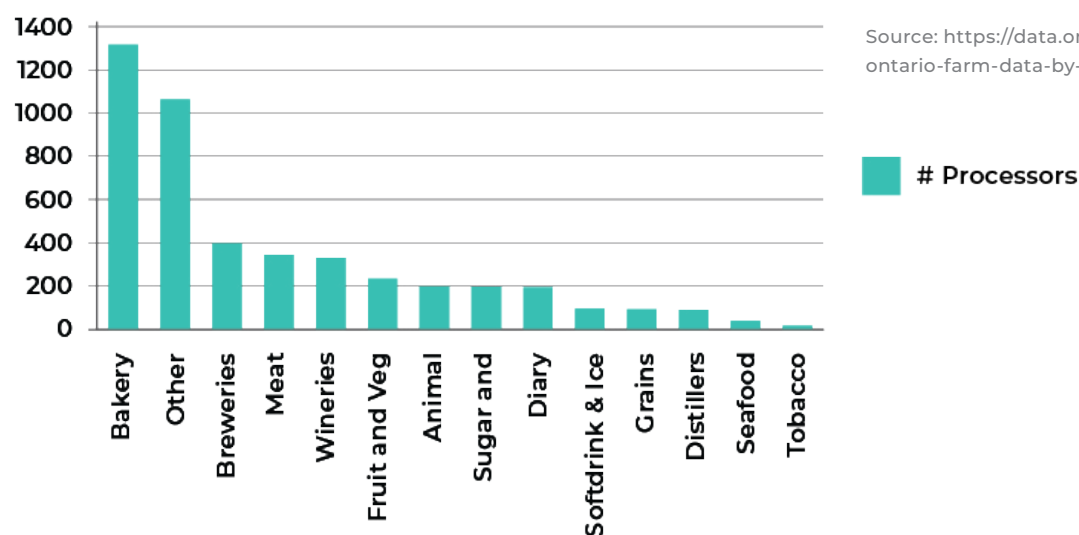
80% of all food and beverage processing companies are located in 13 regions across the province, the greatest concentration is in the Greater Toronto Area.

Manufacturing Sub Sector Analysis

FBO explored the concentration of processors by sub-sector with OMAFRA's Ontario business, agri-food, and farm data profiles³ (OMAFRA, 2022) which looks at NAICS codes at the third level (4-digit codes) and fourth level (5-digit codes), in addition to FBO data that went to level five (6-digit codes).

Percentage of Production by Third Level NAICS

MANUFACTURING SECTOR	# PROCESSORS	% OF PROCESSORS
Bakery & tortilla (3118)	1,314	29%
Other (3119)	1,068	23%
Breweries (31212)	395	9%
Meat (3116)	338	7%
Wineries (31213)	333	7%
Fruit and veg (3114)	226	5%
Animal (3111)	204	4%
Sugar and Confectionary (3113)	202	4%
Dairy (3115)	192	4%
Soft drink & Ice (31211)	95	2%
Grains (3112)	87	2%
Distillers (31214)	82	2%
Seafood (3117)	38	1%
Tobacco (3122)	17	0.4%



Within the Ontario food and beverage sector, food processing makes up 67% of the total companies and beverage processing totals 33%. Bakery and tortilla manufacturing (3118) make up 29% of all Ontario processors, followed by Other manufacturing (3119) at 23%, Breweries (31212) at 9% and Meat manufacturing (3116) at 7%⁴ (OMAFRA, 2022).

³ <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

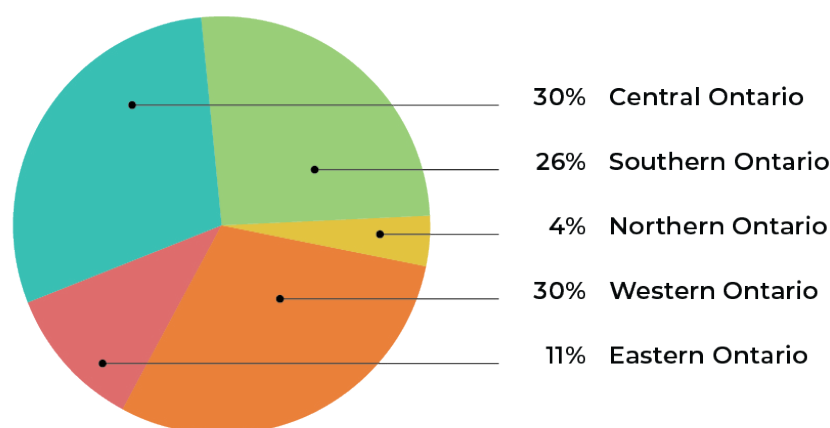
⁴ <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Company Sizes & Employees by Region

According to OMAFRA's Ontario business, agri-food, and farm data profiles⁵ (OMAFRA, 2022), based on the 2021 census, Central Ontario and Western Ontario each account for 30% of all the processing employees in Ontario, Southern Ontario at 26%, Eastern Ontario at 11% and Northern Ontario at 4%.

Employee Counts by Region

REGION	EMPLOYEE COUNTS	% OF ONTARIO
Western Ontario	32,758	30%
Central Ontario	32,059	30%
Southern Ontario	27,890	26%
Eastern Ontario	11,589	11%
Northern Ontario	3,855	4%
Ontario	108,300	100%



Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

When looking at processors by size, 41% of all food and beverage processors in Ontario have zero employees. Companies with 1 – 4 employees make up the next largest group at 17% followed by companies with 5 – 9 employees at 13%⁶ (OMAFRA, 2022).

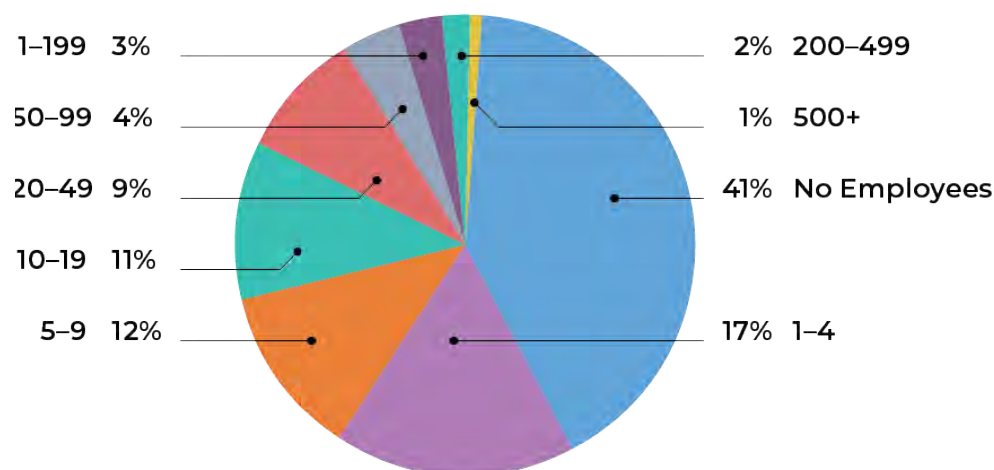
Processor Counts by # of Employees

TYPE	#	# OF TOTAL EMPLOYED
No employees	1,914	41%
1 – 4	786	17%
5 – 9	588	13%
10 – 19	529	11%

⁵ <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

⁶ <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

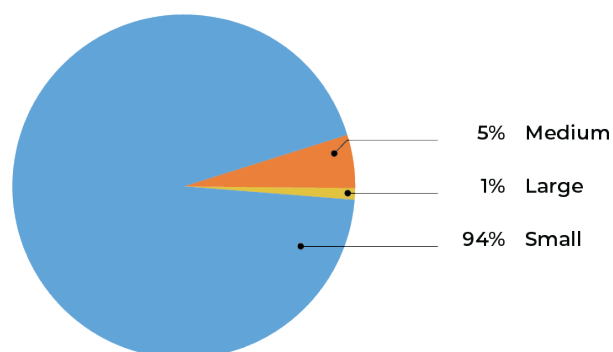
TYPE	#	# OF TOTAL EMPLOYED
20 – 49	413	9%
50 – 99	188	4%
100 – 199	129	3%
200 – 499	100	2%
500+	28	1%
	4,675	100%



Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county, 2022>

When looking at Statistics Canada's definition of small (1 – 99), medium (100 – 499) and Large (500+)⁷, (Statistics Canada, 2015) we found the breakdown as follows:

TYPE	#	# OF TOTAL EMPLOYED
Small	4,418	94%
Medium	229	5%
Large	28	1%
Ontario	4,675	100%



Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county, 2022>

96% of food and beverage processing businesses have less than 100 employees which compares with Canada's average of 91%⁸ (FPSC, 2021).

⁷ <https://www150.statcan.gc.ca/n1/pub/11f0027m/2011069/part-partie1-eng.htm>, 2015

⁸ At the Crossroads to Greatness, Food Processing Skills Canada, 2021

Ontario Analysis: 5 Regions

Southern Ontario

Southern Ontario accounts for 19% of Ontario's food and beverage processors and the region employs 27,890 people, which represents 26% of the total Ontario food and beverage processing sector⁹, (OMAFRA, 2022).

THE SOUTHERN ONTARIO ANALYSIS LOOKS AT THE FOLLOWING COUNTIES:

Brant	Hamilton
Chatham – Kent	Lambton
Elgin	Middlesex
Essex	Niagara
Haldimand-Norfolk	Oxford

Breakdown of Processors & Employee Counts

REGION	PROCESSOR COUNTS	% OF REGION	% OF ONTARIO	EMPLOYEE COUNTS	% OF REGION	% OF ONTARIO
Brant	42	5%	1%	1,398	5%	1%
Chatham-Kent	33	4%	1%	2,806	10%	3%
Elgin	48	5%	1%	1,742	6%	2%
Essex	131	14%	3%	3,406	12%	3%
Haldimand - Norfolk	54	6%	1%	2,166	8%	2%
Hamilton	150	17%	3%	2,937	11%	3%
Lambton	24	3%	1%	2,321	8%	2%
Middlesex	124	14%	3%	4,645	17%	4%
Niagara	258	28%	6%	3,750	13%	3%
Oxford	45	5%	1%	2,719	10%	3%
Southern Ontario	909	100%	19%	27,890	100%	26%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Food and beverage processing companies with less than 100 employees represent 93% of all companies in the Southern Ontario region. Companies reporting no employees represent 36% of the total companies within the region.

of Processors by Employee Counts – Southern Ontario

TYPE	#	% OF TOTAL COMPANIES
No employees	325	36%
1 – 4	139	15%

TYPE	#	% OF TOTAL COMPANIES
5 – 9	110	12%
10 – 19	118	13%
20 – 49	107	12%
50 – 99	45	5%
100 – 199	29	3%
200 – 499	28	3%
500+	8	1%
Southern Ontario	909	100%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Small Medium Large Processor Counts – Southern Ontario

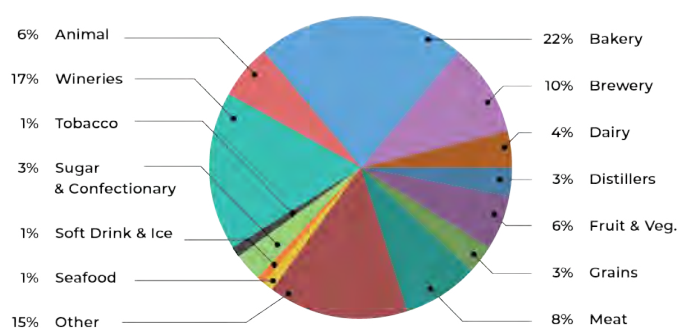
TYPE	#	# OF TOTAL EMPLOYED
Small	844	93%
Medium	57	6%
Large	8	1%
Southern Ontario	909	19%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

According to a 2019 Food Processing Skills Canada report (FPSC, 2019)¹⁰, food processing companies are the second largest employer in the Brantford, Hamilton and London area, with Ferrero, Maple Leaf Foods, Bimbo Canada, Cargill, Labatt Breweries, Nestle, Inovata Foods, Sofina, Mondelez and Pillers as some of the largest processors in the area.

Processors by NAICS

SECTOR	#	%
Bakery & tortilla	197	22%
Wineries	158	17%
Other	137	15%
Breweries	90	10%
Meat	73	8%
Animal	51	6%
Dairy	34	4%
Fruit and veg	50	6%
Sugar and Confectionary	28	3%
Grains	26	3%
Distillers	25	3%
Seafood	10	1%
Soft drink & Ice	9	1%



Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Bakery and tortilla manufacturing (311) were the largest number of processors followed by wineries (312) at 17%. With 158 wineries in the region, Southern Ontario has the largest number of wine processors at 47%¹¹ (OMAFRA, 2022).

Western Ontario

Western Ontario accounts for 27% of Ontario's food and beverage processors with 1,242 processors and the region employs 32,758 people, which represents 30% of the total Ontario food and beverage processing sector¹² (OMAFRA, 2022).

THE WESTERN ONTARIO ANALYSIS LOOKS AT THE FOLLOWING COUNTIES:

Bruce	Peel
Dufferin	Perth
Grey	Simcoe
Halton	Waterloo
Huron	Wellington

Breakdown of Processors & Employee Counts

REGION	PROCESSOR COUNTS	% OF REGION	% OF ONTARIO	EMPLOYEE COUNTS	% OF REGION	% OF ONTARIO
Bruce	24	2%	1%	1,874	6%	2%
Dufferin	21	2%	0%	926	3%	1%
Grey	54	4%	1%	2,243	7%	2%
Halton	176	14%	4%	2,792	9%	3%
Huron	43	3%	1%	3,738	11%	3%
Peel	459	37%	10%	6,993	21%	6%
Perth	44	4%	1%	2,683	8%	2%
Simcoe	127	10%	3%	3,501	11%	3%
Waterloo	194	16%	4%	4,152	13%	4%
Wellington	100	8%	2%	3,856	12%	4%
Western Ontario	1,242	100%	27%	32,758	100%	30%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Food and beverage processing companies with less than 100 employees represent 93% of all food and beverage processing companies in the western Ontario region. Companies reporting “without employees” represent 42% of the total food and beverage processing companies within the region¹³ (OMAFRA, 2022).

11 <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

12 <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

13 <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Processors by Employee Size – Western Ontario

TYPE	#	% OF COMPANIES
No employees	515	41%
1 – 4	183	15%
5 – 9	146	12%
10 – 19	129	10%
20 – 49	123	10%
50 – 99	55	4%
100 – 199	43	3%
200 – 499	38	3%
500+	10	1%
Western Ontario	1,242	100%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Small Medium Large Processor Counts – Western Ontario

TYPE	#	% OF COMPANIES
Small	1,151	93%
Medium	81	7%
Large	10	1%
Western Ontario	1,242	100%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Processors by NAICS – Western Ontario

SECTOR	#	% OF PROCESSORS
Animal	87	7%
Bakery	319	26%
Breweries	96	8%
Dairy	60	5%
Distillers	19	2%
Fruit and veg	52	4%
Grains	31	3%
Meat	123	10%
Other	311	25%
Seafood	4	0%
Soft drink & Ice	34	3%
Sugar and Confectionary	51	4%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Central Ontario

Central Ontario accounts for 30% of Ontario's food and beverage processors and the region employs 32,059 people, which represents 30% of the total Ontario food and beverage processing sector¹⁴ (OMAFRA, 2022).

THE CENTRAL ONTARIO ANALYSIS LOOKS AT THE FOLLOWING COUNTIES:

Durham	Parry Sound
Haliburton	Peterborough
Hastings	Prince Edward
Kawartha Lakes	Toronto
Muskoka	York
Northumberland	

Breakdown of Processors & Employee Counts

REGION	PROCESSOR COUNTS	% OF REGION	% OF ONTARIO	EMPLOYEE COUNTS	% OF REGION	% OF ONTARIO
Durham	132	7%	3%	3,360	10%	3%
Haliburton	9	0%	0%	99	0%	0%
Hastings	47	2%	1%	1,073	3%	1%
Kawartha Lakes	20	1%	0%	1,062	3%	1%
Muskoka	31	2%	1%	384	1%	0%
Northumberland	32	2%	1%	1,051	3%	1%
Parry Sound	14	1%	0%	278	1%	0%
Peterborough	31	2%	1%	1,056	3%	1%
Prince Edward	48	2%	1%	438	1%	0%
Toronto	1,123	56%	24%	15,663	49%	14%
York	525	26%	11%	7,595	24%	7%
Central Ontario	2,012	100%	43%	32,059	100%	30%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Processors by Employee Size – Central Ontario

TYPE	#	% OF COMPANIES
No employees	857	43%
1 – 4	383	19%
5 – 9	251	12%
10 – 19	211	10%

¹⁴ <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

TYPE	#	% OF COMPANIES
20 – 49	148	7%
50 – 99	74	4%
100 – 199	50	2%
200 – 499	29	1%
500+	9	0%
Central Ontario	2,012	100%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Small Medium Large Processor Counts – Central Ontario

TYPE	#	% OF COMPANIES
Small	1,924	95.6%
Medium	79	4%
Large	9	0.4%
Central Ontario	2,012	100%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Processors by NAICS – Central Ontario

SECTOR	#	% OF PROCESSORS
Animal	55	3%
Bakery	672	34%
Breweries	128	6%
Dairy	66	3%
Distillers	28	1%
Fruit and veg	109	6%
Grains	21	1%
Meat	113	6%
Other	502	25%
Seafood	22	1%
Soft drink & Ice	43	2%
Sugar and Confectionary	101	5%
Tobacco	7	0%
Wineries	104	5%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Eastern Ontario

Eastern Ontario accounts for 8% of Ontario's food and beverage processors and the region employs 11,589 people, which represents 11% of the total Ontario food and beverage processing sector¹⁵ (OMAFRA, 2022).

THE EASTERN ONTARIO ANALYSIS LOOKS AT THE FOLLOWING COUNTIES:

Frontenac	Ottawa
Lanark	Prescott And Russell
Leeds And Grenville	Renfrew
Lennox Addington	Stormont Dundas Glengarry

Breakdown of Processors & Employee Counts

REGION	PROCESSOR COUNTS	% OF REGION	% OF ONTARIO	EMPLOYEE COUNTS	% OF REGION	% OF ONTARIO
Frontenac	37	10%	1%	993	9%	1%
Lanark	28	7%	1%	640	6%	1%
Leeds And Grenville	27	7%	1%	994	9%	1%
Lennox Addington	5	1%	0%	398	3%	0%
Ottawa	194	51%	4%	4,630	40%	4%
Prescott And Russell	25	7%	1%	1,174	10%	1%
Renfrew	17	4%	0%	1,018	9%	1%
Stormont Dundas Glengarry	46	12%	1%	1,742	15%	2%
Eastern Ontario	379	100%	8%	11,589	100%	11%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Processors by Employee Size – Eastern Ontario

TYPE	#	% OF COMPANIES
No employees	157	41%
1 – 4	62	16%
5 – 9	63	17%
10 – 19	51	13%
20 – 49	24	6%

¹⁵ <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

TYPE	#	% OF COMPANIES
50-99	10	3%
100-199	6	2%
200-499	5	1%
500+	1	0%
Eastern Ontario	379	100%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Small Medium Large Processor Counts – Eastern Ontario

TYPE	#	% OF COMPANIES
Small	367	96.8%
Medium	11	2.9%
Large	1	0.3%
Eastern Ontario	379	100%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Processors by NAICS – Eastern Ontario

SECTOR	#	% OF PROCESSORS
Animal	8	2%
Bakery	95	26%
Breweries	58	16%
Dairy	22	6%
Distillers	8	2%
Fruit and veg	14	4%
Grains	6	2%
Meat	20	6%
Other	91	25%
Seafood	0	0%
Soft drink & Ice	6	2%
Sugar and Confectionary	16	4%
Tobacco	1	0%
Wineries	16	4%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Northern Ontario

Northern Ontario accounts for 3% of Ontario's food and beverage processors and the region employs 3,855 people, which represents 4% of the total Ontario food and beverage processing sector¹⁶ (OMAFRA, 2022).

THE NORTHERN ONTARIO ANALYSIS LOOKS AT THE FOLLOWING COUNTIES:

Algoma	Nipissing
Cochrane	Rainy River
Greater Sudbury	Sudbury
Kenora	Thunder Bay
Manitoulin	Timiskaming

Breakdown of Processors & Employee Counts

REGION	PROCESSOR COUNTS	% OF REGION	% OF ONTARIO	EMPLOYEE COUNTS	% OF REGION	% OF ONTARIO
Algoma	20	16%	0%	553	14%	1%
Cochrane	12	10%	0%	366	9%	0%
Greater Sudbury	22	17%	0%	623	16%	1%
Kenora	7	6%	0%	246	6%	0%
Manitoulin	4	3%	0%	178	5%	0%
Nipissing	11	9%	0%	408	11%	0%
Rainy River	4	3%	0%	245	6%	0%
Sudbury	4	3%	0%	162	4%	0%
Thunder Bay	34	27%	1%	656	17%	1%
Timiskaming	8	6%	0%	418	11%	0%
Northern Ontario	126	100%	3%	3,855	100%	4%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Processors by Employee Size – Northern Ontario

TYPE	#	% OF COMPANIES
No employees	56	44%
1 – 4	17	13%
5 – 9	18	14%
10 – 19	19	15%
20 – 49	11	9%
50 – 99	4	3%

¹⁶ <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

TYPE	#	% OF COMPANIES
100 – 199	1	1%
200 – 499	0	0%
500+	0	0%
Northern Ontario	126	100%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Small Medium Large Processor Counts – Northern Ontario

TYPE	#	% OF COMPANIES
Small	125	99%
Medium	1	1%
Large	0	0.0%
Northern Ontario	126	100%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Processors by NAICS – Northern Ontario

SECTOR	#	% OF PROCESSORS
Animal	3	2%
Bakery	31	25%
Breweries	23	18%
Dairy	10	8%
Distillers	2	2%
Fruit and veg	1	1%
Grains	3	2%
Meat	9	7%
Other	27	22%
Seafood	2	2%
Soft drink & Ice	3	2%
Sugar and Confectionary	6	5%
Tobacco	0	0%
Wineries	5	4%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Current Labour Market

Employee Counts

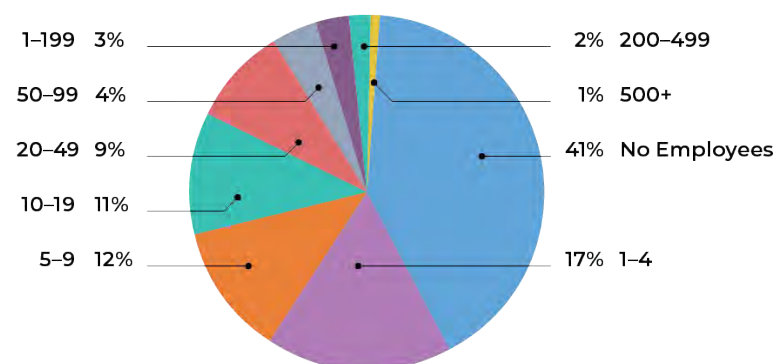
The Ontario food and beverage manufacturing sector currently employs 108,300 workers¹⁷ (OMAFRA, 2022). The following chart illustrates the employees by region across the province:

REGION	EMPLOYEE COUNTS	% OF ONTARIO
Western Ontario	32,758	30%
Central Ontario	32,059	30%
Southern Ontario	27,890	26%
Eastern Ontario	11,589	11%
Northern Ontario	3,855	4%
Ontario	108,300	100%

Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Employee Counts by Size of Processor

TYPE	#	% OF COMPANIES
No employees	1,914	41%
1 – 4	786	17%
5 – 9	588	13%
10 – 19	529	11%
20 – 49	413	9%
50 – 99	188	4%
100 – 199	129	3%
200 – 499	100	2%
500+	28	1%
	4,675	100%

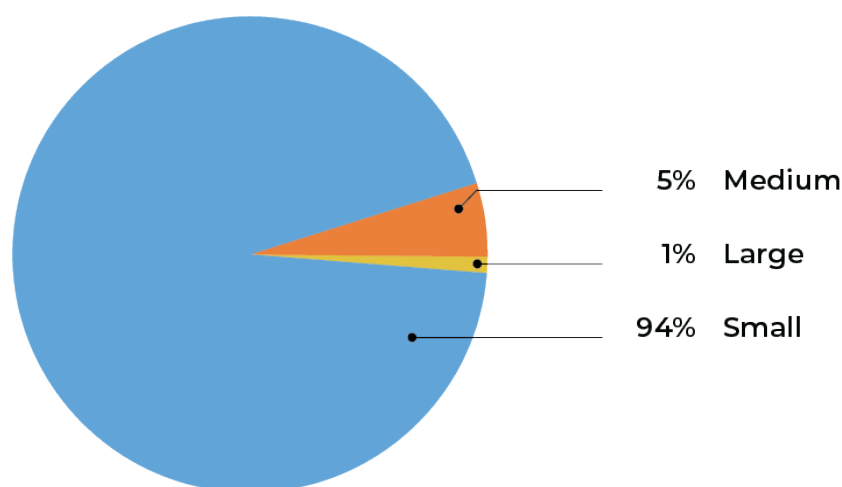


Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

96% of food and beverage processing businesses have less than 100 employees which compares with Canada's average of 91%¹⁸ (FPSC, 2021).

When looking at Statistics Canada's definition of small (1 – 99), medium (100 – 499) and large (500+)¹⁹, (Statistics Canada, 2015) we found the breakdown as follows:

TYPE	#	% OF COMPANIES
Small	4,418	94%
Medium	229	5%
Large	28	1%
Ontario	4,675	100%



Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county>, 2022

Agriculture and Agri-Food Canada²⁰ (Ag Canada, 2021) states there are 290,000 people employed in the Canadian food and beverage processing industry. Based on OMAFRA's latest data, Ontario currently has 108,300 employees or 37% of the Canadian market.

In 2020, the Ontario food and beverage manufacturing sector employment grew 3%²¹ (Statistics Canada, 2022).

Food Processing Skills Canada's report, At the Crossroads to Greatness²² (FPSC, 2021), estimates that Canada's food and beverage processors need to fill 35,000 jobs by 2025 (FPSC, 2021) just to maintain current production.

If processors are looking to grow to the targets set out by the Agri-Food Table for Canadian exports (FPSC, 2021), Canada will need an additional 56,000 workers, Ontario's requirement for workers

18 FPSC, At the Crossroads to Greatness, Food Processing Skills Canada, 2021

19 <https://www150.statcan.gc.ca/n1/pub/11f0027m/2011069/part-partie1-eng.htm>, 2015

20 Agriculture Canada, <https://agriculture.canada.ca/en/canadas-agriculture-sectors/food-processing-industry/overview-food-and-beverage-processing-industry>, 2021

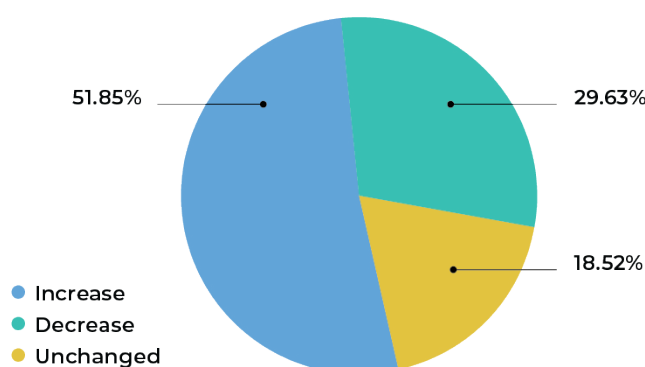
21 Statistics Canada, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410002301>, 2022

22 FPSC, At the Crossroads to Greatness, Food Processing Skills Canada, 2021

also proportionately climbs to 21,000²³ in this scenario (FPSC, 2021).

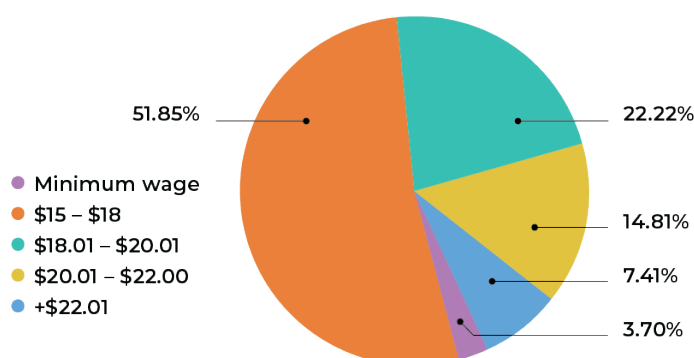
In FBO's Labour Survey conducted in 2021, 52% of survey respondents reported an increase in employees over 2020.

64% of survey respondents reported that the area where their need was highest at each location was with frontline workers followed by skilled trades.



Wages

FBO's 2021 survey revealed that only 6.6% of respondents start workers at minimum wage. 53% of respondents pay an average of \$18 an hour, 13% report paying a starting wage of \$21 an hour, and 7% of respondents indicated they paid \$22+ as a starting wage.



This compares to the national average of \$21 per hour starting wage²⁴ (FPSC, 2021). Food Processing Skills Canada's report, Crossroads to Greatness notes that wages for the food and beverage sector in Canada have risen by \$2.65 an hour over 2019²⁵ (FPSC, 2021).

Food and beverage processors have improved compensation to employees, increasing average weekly earnings by 15% between 2018 and 2020²⁶ (Statistics Canada, 2021). In the Farm Credit Canada publication, 2022 Food Beverage Mid Year Report²⁷ (FCC, 2022) it was noted that the latest employment figures show more vacancies than people available which is putting pressure on compensation. The report also notes that food and beverage manufacturers employees' weekly salary is up 11.5% in the first half of 2022 over a year ago²⁸ (FCC, 2022).

The FBO Labour Survey revealed that 80% of processors reported providing benefits.

23 FPSC, At the Crossroads to Greatness, Food Processing Skills Canada, 2021

24 FPSC, At the Crossroads to Greatness, Food Processing Skills Canada, 2021

25 FPSC, At the Crossroads to Greatness, Food Processing Skills Canada, 2021

26 Statistics Canada, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410020201>, 2021

27 FCC, <https://www.fcc-fac.ca/en/knowledge/economics/2022-food-beverage-mid-year-report.html>, 2022

28 FCC, <https://www.fcc-fac.ca/en/knowledge/economics/2022-food-beverage-mid-year-report.html>, 2022

Impacts to the Labour Market

Transit

FBO interviewed processors in London, Kitchener, Waterloo, and Hamilton to better understand transit as a barrier to employee recruitment and retention. A good portion of employees depend on local transit particularly plant workers. While urban centres have local transit, plants have often been built where public transit routes are yet to be planned or transit simply doesn't operate when needed for plant shifts.

Temporary Foreign People

Temporary Foreign Workers (TFW) are an option to address employment gaps that many Ontario processors have not utilized. FBO completed a survey in 2021 that asked processors if they had used or were planning on using TFWs in the future and what challenges they faced. The survey respondents were from small, medium and large processors.

- 54% of the respondents noted that they were currently using TFWs and 94% responded that they would be using TFWs in 2022.
- 40% of the companies that responded planned on hiring 1 – 20 TFWs and 33% planned on hiring 21 – 50 TFWs.

When asked how processors planned to use TFWs, 75% reported that they would be accessing TFWs on a seasonal basis and 31% responded they would do so annually, 14% noted they would do both scenarios.

When asked what challenges processors are experiencing with the TFW program, 65% reported Labour Market Impact Assessment processing times as the most challenging. The limitations in moving TFWs between plants and caps being too low were noted as challenges as well.

FBO also assessed the countries of citizenship that Canada uses for TFWs and found an increase in 2021 of TFWs coming into Canada on a temporary basis of 12% over 2020 and 15% over 2019.

Mexico	26,678	25,467	24,139	27,065	6%	12%
Guatemala	10,288	9,780	11,286	14,377	47%	27%
Jamaica	9,402	8,447	8,165	8,685	3%	6%
Thailand	1,056	1,008	1,118	1,622	61%	45%
Philippines	1,348	1,304	1,550	1,758	35%	13%
Trinidad and Tobago	826	759	514	526	-31%	2%
India	1,464	1,812	2,825	2,340	29%	-17%
Honduras	498	479	537	708	48%	32%
Saint Vincent and the Grenadines	297	278	305	336	21%	10%
Nicaragua	340	307	254	374	22%	47%
Ukraine	540	466	457	440	-6%	-4%

COUNTRY OF CITIZENSHIP	2018	2019	2020	2021	CHG 2021 VS 2019	CHG 2021 VS 2020
St. Lucia	249	197	242	230	17%	-5%
Vietnam	218	255	428	544	113%	27%
Barbados	163	137	119	96	-30%	-19%
Grenada	74	76	105	123	62%	17%
Other countries	3,478	2,833	3,127	2,511	-11%	-20%
Countries, total	56,919	53,605	55,171	61,735	15%	12%

Statistics Canada. Table 32-10-0221-01 Countries of citizenship for temporary foreign workers in the agricultural sector

Below is a list of resources available to processors to assist in hiring TFWs.

- <https://www.cic.gc.ca/english/helpcentre/answer.asp?qnum=210&top=17>
- <https://www.canada.ca/en/employment-social-development/programs/temporary-foreign-worker.html>
- <https://www.jobbank.gc.ca/temporary-foreign-workers>

Languages

FBO interviewed twelve of the organization's processor members participating in the Workplace Languages program delivered in partnership with the YMCA and Mohawk College. All of the respondents indicated that languages in the workplace was an issue and help was needed. One company noted that 14 different languages were spoken within their facility.

In addition to the challenge of employing individuals with limited English language skills, processors do not necessarily have the tools to gauge English proficiency of their employees.

All of the companies consulted by FBO indicated that they employ individuals that converse in English but have language skill limitations which interferes with production and task completion. Two processors noted they hire translators, which has added to the cost of business.

As part of FBO's Workplace Languages program, the project assessed performance of an on line classroom with six different companies. Of the 54 employee registrations, only 50% of the students graduated due to job responsibilities and tasks that interfered with training time necessary to complete the program.

Daycare

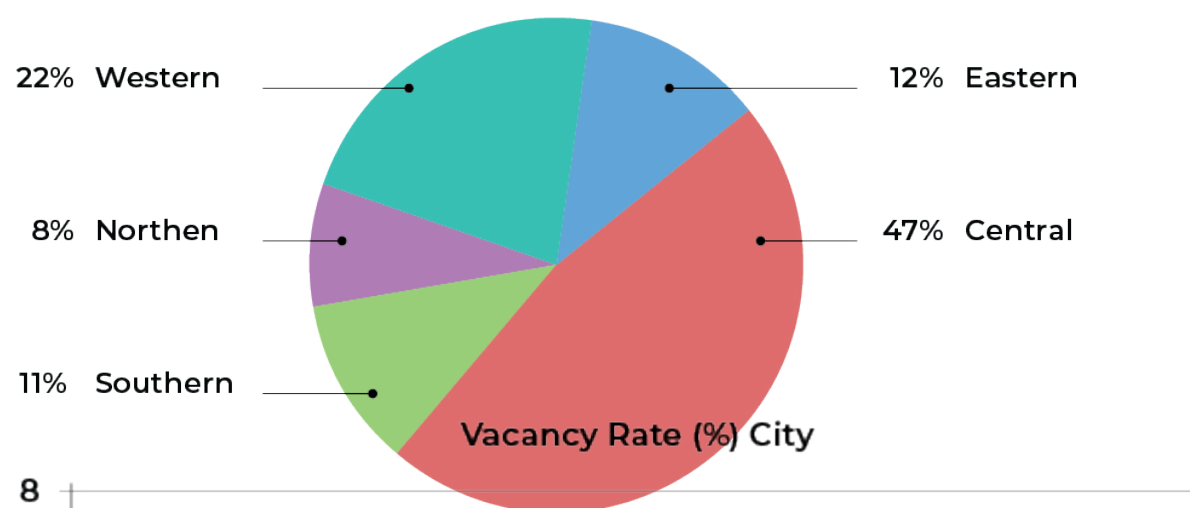
As of 2020, there were 5,565 licensed daycares in Ontario providing 462,802 spaces²⁹ (Ontario, 2021).

In interviews with FBO members, daycare regional availability and hours of operation were identified as primary challenges. Shift work at some processor businesses require employees to make arrangements for pre and post-school care; this is an obstacle in many situations.

In an article by the Canadian Press, Gordon Cleveland, a childcare policy expert and associate professor emeritus at the University of Toronto, said he expects the province will need an additional 200,000 daycare spaces by 2025³⁰ (CTV News, 2022).

In a report from Policy Alternatives on daycare in Canada, Brampton, Kitchener, London and Hamilton, were considered childcare deserts³¹ (Policy Alternatives, 2018). Their definition of a daycare desert is any city that has a coverage rate below 33%.

FBO assessed daycares by region and found that Central Ontario has approximately 47% of the licensed daycares in the province, Western Ontario has 22%, Eastern Ontario has 12%, Southern Ontario has 11%, and Northern Ontario 8%.



Source: <https://data.ontario.ca/dataset/ontario-farm-data-by-county, 2022>

Housing & Inflation

FBO assessed housing and food expenditures for each Ontario region and while home prices have come down in recent months since the publication of this report, consumers are subject to inflation with their day-to-day expenses.

The Greater Toronto Area, which is the province's largest region for food and beverage processing, has a housing vacancy rate of 1.8% down from a high of 6.4% the same time last year³² (Urban Nation, 2022).



30 CTV News, <https://toronto.ctvnews.ca/ontario-needs-over-86-000-child-care-spaces-to-meet-demand-with-lower-fees-advocates-1.5839811>, 2022

31 Policy Alternatives, <https://policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2018/06/Child%20Care%20Deserts.pdf>, 2018

32 Urban Nation, <https://www.urbanation.ca/news/342-rental-vacancy-rate-continues-decline-q1, 2022>

Source: <https://www03.cmhc-schl.gc.ca/hmip-pimh/en/TableMapChart/Table?TableId=2.1.31.2&GeographyId=35&GeographyTypeId=2&DisplayAs=Table&GeographyName=Ontario#>

Canada Mortgage and Housing Corporation (2021) data indicates that 32 Ontario cities are at, or below, the 2% housing vacancy rate, Ontario has an overall 3.4% vacancy rate³³ (CMHC, 2021).

Employees are also dealing with rising prices. Food prices as an example, have risen 9.8% across Canada³⁴ (Statistics Canada, 2022).

The cost of living increase has put pressure on processors to increase wages. As noted earlier, between 2018 and 2020 processors raised wages by 15%³⁵ (Statistics Canada, 2022)

Labour Challenges Effect on Production

It is estimated that for every open position, it costs food and beverage manufacturers \$190 per day³⁶ (FPSC, 2021) which for the Ontario industry represents a loss of \$2.4M per day. The same report also notes that in 2018, the employment vacancy rate for the food and beverage processing sector was 25% higher than it was for the manufacturing sector in general.

FBO's 2021 Labour Survey indicated that 52% of respondents reported a reduction in sku production over 2020 and 41% expect a further reduction through 2022.

In BDC's report, How to Adapt to the Labour Shortage Situation, it was noted that 64% of manufacturing businesses indicate growth has been limited due to labour issues³⁷ (BDC, 2021).

Retirement

In FBO discussions with processors, the challenge of an aging workforce is clearly significant. FBO consulted with processors as part of the organization's 2021 Labour Survey regarding the percentage of their workforce they expect to retire over the next five and ten years. The graph illustrates the results.

Statistics Canada data reveals that the population aged 65 and above has increased by 108,000 people since 2016³⁸ (Statistics Canada, 2022).

According to a Study on Labour Shortages by BDC, the participation level for employment dropped

33 CMHC, <https://www03.cmhc-schl.gc.ca/hmip-pimh/en/TableMapChart/Table?TableId=2.1.31.2&GeographyId=35&GeographyTypeId=2&DisplayAs=Table&GeographyName=Ontario#>, 2021

34 Statistics Canada. Table 18-10-0004-03 Consumer Price Index, monthly, percentage change, not seasonally adjusted, Canada, provinces, Whitehorse and Yellowknife — Food, 2022

35 Statistics Canada, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410034001>

36 FPSC, At the Crossroads to Greatness, Food Processing Skills Canada, 2021

37 BDC, How to Adapt to the Labour Shortage Situation, 2021

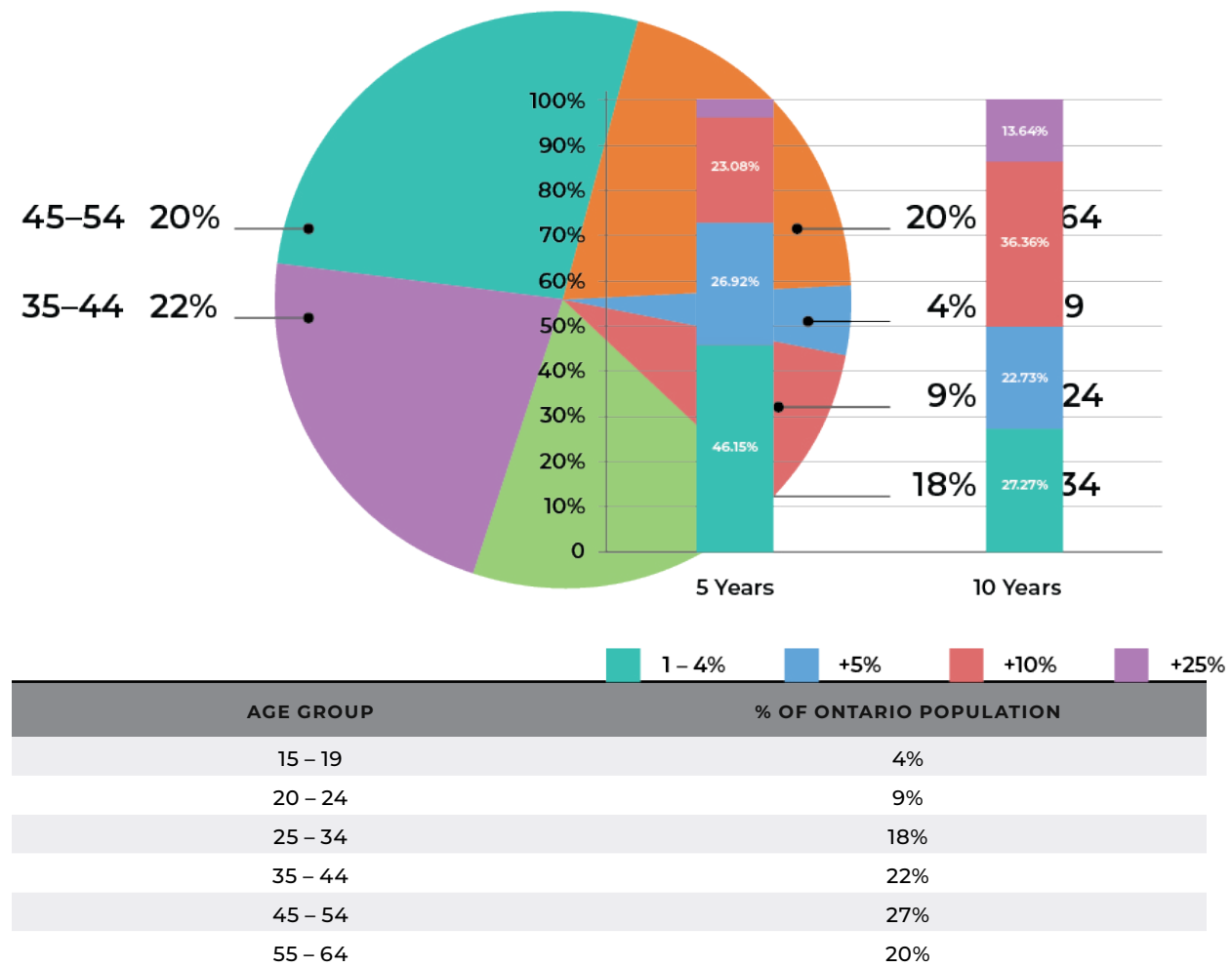
38 Statistics Canada, <https://www12.statcan.gc.ca/census-recensement/index-eng.cfm>, 2022

to 65.2% in 2021 and by 2031 will drop to 63.4%³⁹ (BDC, 2022).

The report also notes that retirements are projected to stay high until 2026⁴⁰ (BDC, 2021).

Age Demographics

From the 2016 census, (Statistics Canada, 2016) 47% of food and beverage processing employees in Ontario are 45 years and older, with 20% between 55 and 64 years old approaching their retirement years⁴¹ (Statistics Canada, 2016).



Source: Statistics Canada: <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/dt-td/Rp-eng.cfm?TABID=2&LANG=E&APATH=3&DETAIL=0&DIM=0&FL=A&FREE=0&GC=0&GK=0&GRP=1&PID=111853&PRID=10&PTYPE=109445&S=0&SHOWALL=0&SUB=0&Temporal=2017&THEME=124&VID=0&VNAMEE=&VNAMEF=, 2016>

TABID=2&LANG=E&APATH=3&DETAIL=0&DIM=0&FL=A&FREE=0&GC=0&GK=0&GRP=1&PID=111853&

PRID=10&PTYPE=109445&S=0&SHOWALL=0&SUB=0&Temporal=2017&THEME=124&VID=0&VNAMEE=&VNAMEF=, 2016

Education

³⁹ BDC, How to Adapt to the Labour Shortage Situation, 2021

According to the Government of Ontario (Ontario, 2022) there were 871 schools with 631,217

⁴⁰ BDC, How to Adapt to the Labour Shortage Situation, 2021

students enrolled in the 2020/21 school year. Statistics Canada also indicates that 73% of Canadians

⁴¹ <https://www12.statcan.gc.ca/census-recensement/2016>

have earned a postsecondary degree⁴² (Statistics Canada, 2021).

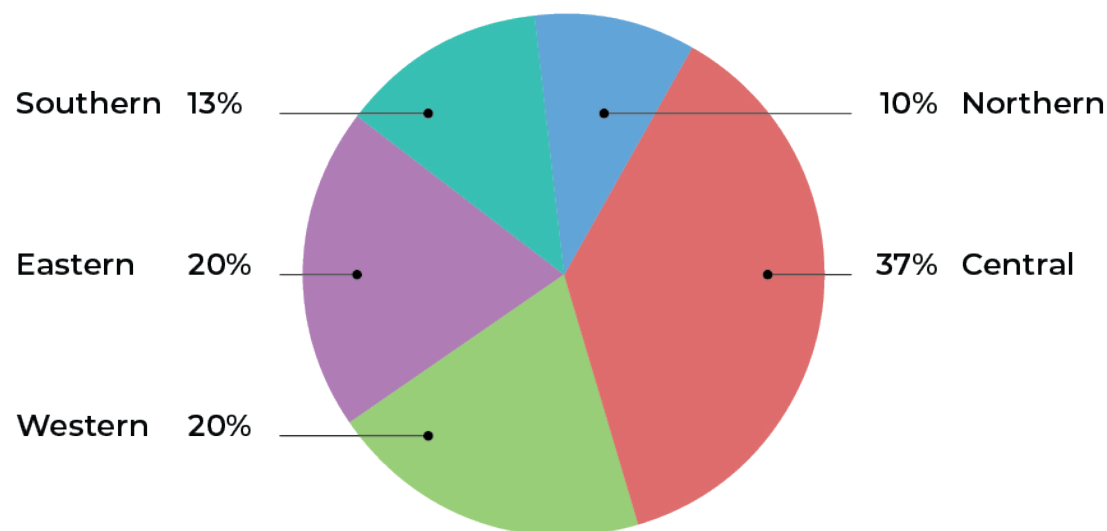
Secondary Schools

There were 871 secondary schools in Ontario with 631,217 students⁴³ for the 2021/22 school year. Of those students, 183,742 students were in grade 12⁴⁴.

In Ontario, the provincial government offers a program called the Specialist High Skills Major in several streams, one being food processing. FBO's Ontario Labour Market Information report published in 2019, references four secondary schools offering the SHSM in food processing in the province⁴⁵.

Post Secondary Schools

According to Food Processing Skills Canada, there are 124 food and beverage programs being offered at 22 colleges and universities across the province⁴⁶ (FPSC, 2019).



When reviewing the locations of schools, Central Ontario and Western Ontario make up 57% of the schools that provide food programs which aligns with concentrations of processors businesses.

Career Colleges

According to the Ontario government's database of career colleges, there are 80 food related

42 Statistics Canada, <https://www150.statcan.gc.ca/n1/daily-quotidien/211004/dq211004c-eng.htm>, 2021

43 Ontario (<https://www.ontario.ca/page/facts-about-elementary-and-secondary-education>, 2022

44 FPSC, At the Crossroads to Greatness, Food Processing Skills Canada, 2021

45 Ontario LMI Report, Food Processing Skills Canada, 2019

46 Ontario LMI Report, Food Processing Skills Canada, 2019

programs at roughly 32 schools across the province providing both in person and on line education⁴⁷ (Ontario, 2022).

Some of the courses offered at career colleges in Ontario include the following.

- Food Service Worker
- Certificate Food Worker
- Certificate Food Service Worker Online
- Diploma Food and Edible Technology, Safety and Quality
- Diploma in Food Technology, Safety and Quality
- Diploma in Food Technology, Safety and Quality Online
- Post Graduate Certificate: Cannabis – Operations, Quality & Edibles
- Diploma: Cannabis – Management, Quality & Edibles
- Post-Graduate Diploma Food and Edible Technology Safety and Quality
- Post-Graduate Diploma Quality Assurance and Regulatory Affairs – Food, Pharma, and Cosmetics
- Post Graduate Diploma Quality Assurance & Regulatory Affairs – Food, Pharma, & Cosmetics – Online
- Post-Graduate Diploma in Research and Development – Food and Pharma

Food Training Courses and Organizations

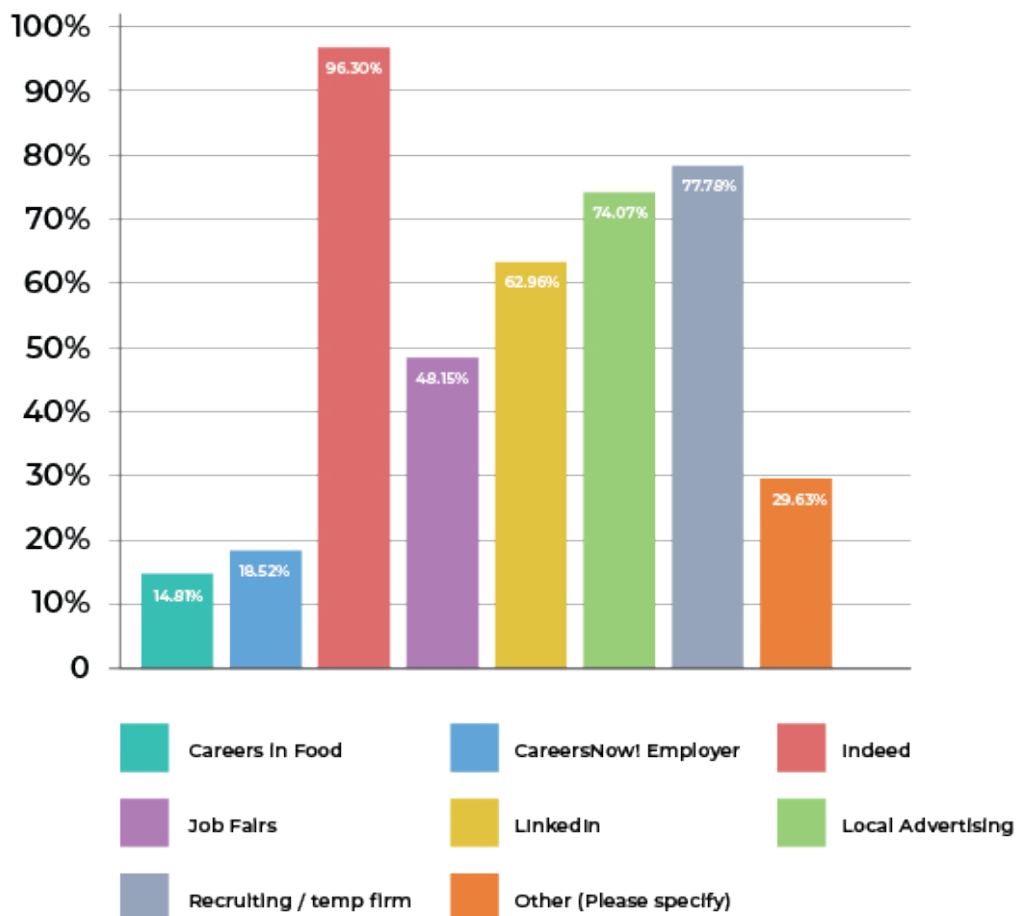
FBO collected data on training courses for food and beverage processors and found 39 organizations providing training in Ontario. These training organizations offer both on line, in person classes, and in facility training.

Food Processing Skills Canada is a not for profit organization for Canada's food and beverage manufacturing industry that offers 58 courses ranging from human resources and leadership to professional development.



Sourcing Workers

93% of FBO survey respondents reported Indeed as their primary form of recruitment followed by temporary agencies at 47% and local advertising at 47%.



To engage jobseekers and youth planning for their future careers, Food and Beverage Ontario launched the CareersNOW! program in 2021.

This initiative, supported by the Skills Development Fund, is leading a series of activities — virtual job fairs, mentorship, employment matching, job coaching and career profiling — to engage individuals in immediate job availability and career development opportunities.

Community Supports

There are several community support available to families and individuals across Ontario. The following lists by province and region have been developed by FBO.

- List of daycares across the province (5,565 locations)
- List of elementary schools across the province (3,962)

- List of secondary schools and their locations (871)
- List of immigration supports (138 locations)
- List of employment supports for employers (68 locations)
- List of YMCA's that offer community supports (31 locations)



NAICS: North American Industry Classification System: The North American Industry Classification System (NAICS) has been developed by the statistical agencies of Canada, Mexico and the United States. However, Statistics Canada has created 5 cannabis industries that are unique to NAICS Canada 2017 Version 3.0⁴⁸ (Statistics Canada, 2021)

311 Food Manufacturing: This subsector comprises establishments primarily engaged in producing food for human or animal consumption.

3111 Animal foods: This industry group comprises establishments primarily engaged in manufacturing food and feed for animals, including pets.

3112 Grain and oilseed milling: This industry group comprises establishments primarily engaged in milling grains and oilseeds; refining and blending fats and oils; and making breakfast cereal products.

3113 Sugar and confectionary manufacturing: This industry group comprises establishments primarily engaged in manufacturing sugar and confectionery products.

3114 Fruit and vegetable preserving and specialty food manufacturing: This industry group comprises establishments primarily engaged in manufacturing frozen fruits and vegetables; frozen entrées and side dishes of several ingredients, except seafood; and fruits and vegetables preserved by pickling, canning, dehydrating and similar processes.

3115 Dairy product manufacturing: This industry group comprises establishments primarily engaged in manufacturing dairy products. Establishments primarily engaged in manufacturing substitute products are included.

3116 Meat product manufacturing: This industry group comprises establishments primarily engaged in manufacturing meat products.

3117 Seafood product preparation and packaging: This industry group comprises establishments primarily engaged in canning seafood, including soup; smoking, salting and drying seafood; preparing fresh fish by removing heads, fins, scales, bones and entrails; shucking and packing fresh shellfish; processing marine fats and oils; and freezing seafood.

3118 Bakery and tortilla manufacturing: This industry group comprises establishments primarily engaged in manufacturing baked goods. Establishments primarily engaged in manufacturing bakery products, for retail sale, but not for immediate consumption, are included.

3119 Other food manufacturing: This industry group comprises establishments, not classified to any other industry group, primarily engaged in manufacturing food.

312 Beverage and tobacco manufacturing: This subsector comprises establishments primarily engaged in manufacturing beverages and tobacco products.

3121 Beverage manufacturing: This industry group comprises establishments primarily engaged in manufacturing beverages.

31212 Breweries: This industry comprises establishments primarily engaged in brewing beer, ale,



Definitions

Acknowledgement

Food and Beverage Ontario thanks the Ontario Ministry of Agriculture, Food and Rural Affairs for providing funding to complete this report as part of the project, A Strategy for Jobs and Recovery in Ontario's Food and Beverage Manufacturing Sector.