

MUSKOKA LABOUR MARKET STUDY FINDINGS AND RECOMMENDATIONS

Prepared for: Simcoe Muskoka Workforce Development Board



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Executive Summary

This paper is the product of a four-month research inquiry, involving data analysis, interviews, surveys, focus groups and consultations, seeking to address concerns about labour shortages expressed by Muskoka employers. The project was undertaken by the Simcoe Muskoka Workforce Development Board, with financial support from the Ontario Trillium Foundation and with guidance provided by an advisory group of local stakeholders.

Muskoka is home to a growing seniors' population, both residents aging in place and older adults moving to the District. As a well-known cottage area, Muskoka also experiences a high demand for lower-skilled service sector workers during the summer months. These demographic and tourism features are the source of the local labour market pressures. The limited availability of affordable housing and of transportation options make it very difficult to attract workers from outside the area to address this demand.

There remains a pool of local residents who can meet local labour needs, with appropriate training and support from local service providers, and with human resources practices which enable these individuals to transition into the labour force. Such a solution requires a more coordinated effort between service providers, employers as well as educators, to create more effective pathways for individuals entering or re-entering the labour market.

This report outlines a local workforce development strategy and proposes several concrete activities to make it happen. The approach relies on addressing the distinct needs of different population segments, such as youth, older adults, individuals with disabilities, young mothers, and others with barriers to employment, ensuring that they receive the requisite assistance to prepare them for jobs, but also the appropriate support to help them retain employment, which necessarily also includes effective management practices on the part of employers.

In addition, the report encourages the push for more experiential learning opportunities, so that Muskoka's youth have a better idea of the work and career opportunities that are available locally, as well as introduce more employers to their future pool of workers.

The capabilities and resources to address these labour market challenges are present in Muskoka. They require a process for coordinating activities and for implementing solutions. We believe the proposed Muskoka Employment Partnership provides the appropriate platform for making this happen.

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INTRODUCTION

This study has been undertaken by the Simcoe Muskoka Workforce Development Board (SMWDB), a community-based, non-profit corporation, one of 26 local workforce planning boards funded by the Ontario Ministry of Training, Colleges and Universities. Workforce planning boards are mandated to research local labour market issues, to assemble and disseminate labour market data, and to convene and facilitate stakeholders in developing local solutions to specific employment and training challenges in their communities.

As part of their regular consultations with employers, it became apparent over a year ago that businesses in the District of Muskoka were becoming increasingly hard-pressed to find the quantity and quality of job candidates to maintain, let alone expand, their operations. As a result of these concerns, the Ontario Trillium Foundation agreed to fund a labour market study which would explore the reasons for this labour shortfall, particularly from the perspective of the resident labour force, and which would propose actionable solutions.

This report is the outcome of this study. It is based on a wide range of activities, most of which was carried out between October and December 2018, and consisted of the following:

- A literature review, involving a scan of reports undertaken locally relating to employment or economic development, as well as a scan of the broader literature relating to labour market challenges among smaller remote and rural communities;
- A data analysis, based primarily on Statistics Canada 2016 Census data, to understand population dynamics in Muskoka and various characteristics of the labour market;
- A review of the notes from the previous employer interviews which prompted this study;
- Key informant interviews with a variety of local stakeholders, from economic development offices to chambers of commerce, from employment service agencies to educators, to acquire a qualitative perspective on the issues;
- Focus groups with residents, primarily individuals receiving employment services or youth who were in youth employment programs, co-op programs or alternative education;
- A survey of residents, targeting the same populations as the focus groups.

In addition, it was fortuitous that SMWDB was conducting its annual employer survey during the period of the study. The questions which made up of that survey, administered to employers in both Simcoe and Muskoka, were framed to explore challenges relating to the recruitment and retention of workers, issues which were the primary focus of the Muskoka labour market study. The results of that survey thus also provided input to this report.

Finally, this study benefitted from discussions with the advisory committee to this project, which both helped frame the initial issues and also provided feedback as the findings and recommendations were starting to take shape.

This report is organized into three main parts:

1. The first section presents a highlight of the findings, focusing primarily on the data analysis, the key informant interviews, the focus groups and the two surveys;
2. The second section offers recommendations which can help address the labour market challenges faced by both Muskoka employers as well as local residents seeking employment;
3. The third section is a set of appendices which provide much more background information which was developed as a result of the project activities, notably an extensive data analysis, a summary of the themes from the resident focus groups and a report on the residents' survey. (This section is provided in a separate document from the main report.)

FINDINGS

This section provides a summary of the findings from activities involved in gathering data and opinions. As noted earlier, there are more detailed reports on certain of these activities, as follows:

Appendix A: Data analysis

Appendix B: Summary of resident survey findings

Appendix C: Summary of the focus group discussions

Data analysis

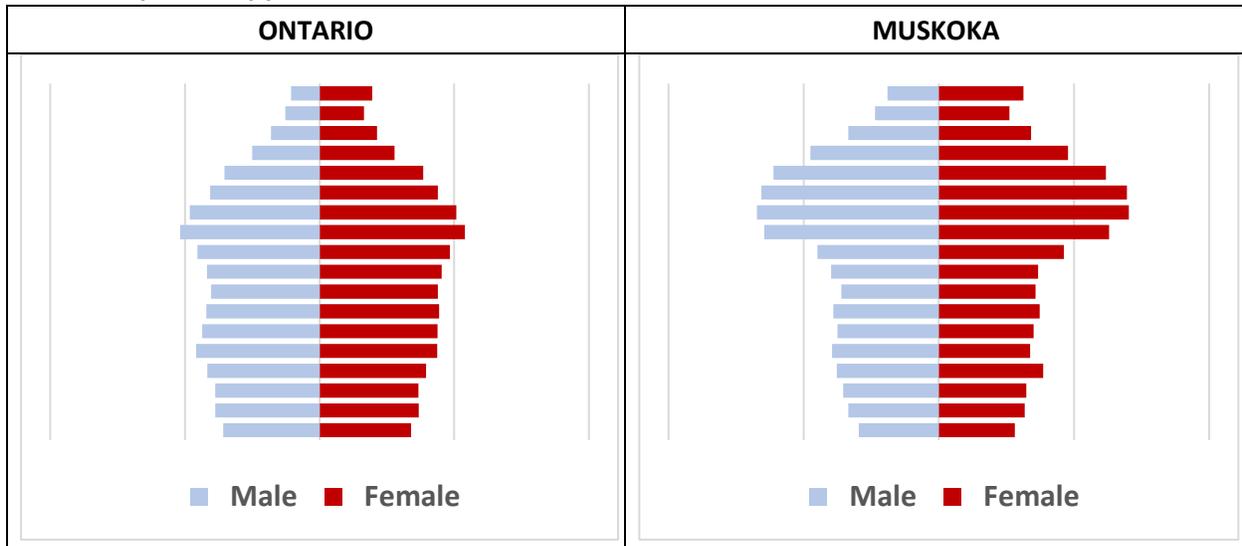
The ultimate story which emerges from the data analysis is as follows: like many communities in Ontario made up of smaller towns and hamlets remote from large urban centres, the resident population is aging, with only a trickle of immigrants from outside Canada coming to the area. The Muskoka population nevertheless is growing, thanks largely to the influx of older adults already resident in Canada seeking to retire here. In addition, there is a significant summer cottage population. Together, these migrants and cottagers create an extra demand for various services, but they themselves contribute little of the workforce that could be employed to deliver these various services. This, in a nutshell, is the immediate reason for this apparent shortage of workers. One further observation: many of the occupations involved in these services do not require higher levels of education, and the educational attainment of the resident population reflects this reality.

DEMOGRAPHICS AND POPULATION CHANGE. Chart 1 on the following page presents a side-by-side comparison of the population age pyramids for Ontario and Muskoka (from youngest at the bottom to oldest at the top). The blue bars represent the percentage of the total population of males by five-year increments (that is, 0-4 years old, 5-9 years old, and so on), while the red bars represent the corresponding figures for females.

Ontario's age distribution reflects the bulge of the baby boom population roughly two-thirds of the way up the chart. While the population is smaller among succeeding five-year increments (below the bulge), the decline in the birth rate is tempered somewhat by the addition of immigrants to Ontario, the larger portion of whom are younger adults often arriving with children.

The same cannot be said of Muskoka's age distribution. The older age groups make up a larger share of the total population, resulting in a rather top-heavy age distribution, and proportionately fewer residents among the prime working age and youth populations. (These charts have had the age ranges removed so that they would fit side-by-side. The original charts with the age labels can be found in the Data Analysis appendix, together with age pyramid charts for each of the Muskoka municipalities.)

Chart 1: Population pyramids, Ontario and Muskoka, 2016



Statistics Canada, 2016 Census

An area’s population is affected by the birth rate, the death rate and movement in and out of the area. In the case of Muskoka, there is a net addition to the population across almost all age groups as a result of more people moving in than are moving out (Table 1). That net increase is especially pronounced among older adults (aged 45-64 years old). Yet even among youth (18-24 years old), there is only a slight net decrease from movement (although it is likely that more youth aged 20-24 years old leave for post-secondary, offset by larger numbers of younger youth arriving here with their parents).

Table 1: Migration change and population change by age, Muskoka, 2011-2016

MIGRATION FIGURES, 2011 to 2016				NET TOTAL POPULATION CHANGE, 2011 TO 2016	
	In-migrants	Out-migrants	Net-migrants		Net change
0-17 years old	2,335	1,786	549	0-19 years old	-685
18-24 years old	1,518	1,606	-88	20-24 years old	-95
25-44 years old	3,892	3,438	454	25-44 years old	-75
45-64 years old	4,180	2,454	1,726	45-64 years old	585
65 years & older	1,974	1,830	144	65 years & older	2,805
TOTAL	13,899	11,114	2,785	TOTAL	2,535

Statistics Canada, *Annual Migration Estimates by Census Division* (from tax filer administrative data); 2011 National Household Survey and 2016 Census

However, the net population change shows a decline in population among those under 45 years old, because as individuals age, they are not being replaced at the same rate by younger age groups because of a declining birth rate. Thus, while the net migration is largest among older adults, the net population change is greatest among retirees aged 65 years and older.

The impact of population change by age is felt differently by the larger towns (Bracebridge, Gravenhurst and Huntsville) than by the smaller townships (Lake of Bays, Muskoka Lakes and Georgian Bay). While both areas are experiencing roughly the same percentage increase in their older populations, the smaller townships are experiencing a greater decline in their younger populations (Table 2).

Table 2: Age population change, Muskoka municipalities, 2006 and 2016

AGE RANGE	LARGER TOWNS		CHANGE	PERCENT CHANGE	SMALLER TOWNSHIPS		CHANGE	PERCENT CHANGE
	2006	2016			2006	2016		
0-14	7,000	6,465	-535	-7.6%	1,720	1,125	-595	-34.6%
15-24	5,315	4,835	-480	-9.0%	1,315	1,120	-195	-14.8%
25-54	17,790	16,850	-940	-5.3%	4,510	3,710	-800	-17.7%
55+	14,870	19,980	5,110	34.4%	4,855	6,320	1,465	30.2%
TOTAL	44,975	48,130	3,155	7.0%	12,400	12,275	-125	-1.0%

Statistics Canada, 2006 and 2016 Census

Muskoka receives a very small number of recent immigrants to Canada. In each of the last three five-year periods (measured from census to census), Muskoka receives around 200 newly arrived immigrants, representing less than half of 1% of its population. (In 2001-2006, the number was 280 and was exactly 0.5%; in 2006-2011, the number was 185 and the percent was 0.33%; in 2011-2016, the number was 215, and 0.34%.) By way of comparison, recent immigrants represent 6.1% of the Toronto GTA population, and 1.6% of the population for the rest of Ontario.

In sum: the Muskoka population profile reflects aging in place and an influx of older adults, and the absence of new immigrants who would counter-balance the aging trend.

VISITORS. In addition to attracting retirees, Muskoka is well-known as an important part of cottage country. These visitors increase the local population, create demand for certain services, yet for the most part do not join the labour force to off-set this greater need for more workers to provide the services expected.

The latest tourism statistics from 2016 show that around 3.2 million visitors come to Muskoka during the year, and there are 2 million overnight stays, with 70% of these in private homes or cottages (mainly cottages). Almost 60% of the visitors come during the third quarter (July, August, September).

The data analysis presents a rough calculation of the impact of these high season visitors, estimating that on average during the third quarter, the population of Muskoka increases by around a third. In reality, far more of these visitors come on the weekend, meaning that the impact on the total population would be even greater during the weekend and lower during the weekday.

This has a considerable impact on the tourism workforce. Great variations in the number of person-visits from one season to the next requires a greater reliance on seasonal workers. Workers looking for year-

round work will be less likely to be attracted to these seasonal jobs, except perhaps as a stop-gap when unemployed. Each year employers need to recruit a new batch of workers, who may or may not return the following season. These workers may have less invested in their work because it is short-term, and employers may be less inclined to provide much training, knowing these employees will likely soon be gone.

EDUCATIONAL ATTAINMENT. Compared to the Ontario average, in most age and gender categories, Muskoka has higher rates of residents with no certificate, with a high school diploma, and with an apprenticeship or college certificate, and much lower levels of university graduates. Women in Muskoka are more likely to obtain a college or university certificate than men, who are more likely than women to obtain an apprenticeship certificate. Over time, more Muskoka residents are getting a high school diploma rather than not completing high school; women are increasing their levels of either college or university attainment; whereas among men, their levels of college or university attainment appear to be holding steady, while their levels of obtaining an apprenticeship certificate are dropping.

Muskoka youth, both 15-19 years old and 20-24 years old, have lower rates of enrolment in school. Around half of the youth who do not have a high school diploma and are not attending school are also not in the labour force (in 2016, there were slightly over 200 youth in this category).

Among adults aged 25-44 years old, somewhat smaller proportions of them enrol in educational programs compared to their counterparts in the rest of Ontario.

Table 3: Educational attainment levels of net-movers and non-movers, Muskoka, 2011-2016

AGE →	25-44		45-55		55+	
	NET MOVERS	NON-MOVERS	NET MOVERS	NON-MOVERS	NET MOVERS	NON-MOVERS
No certificate	15%	11%	6%	13%	1%	19%
High school	13%	31%	28%	29%	25%	29%
Apprenticeship	9%	9%	20%	10%	5%	11%
College	30%	30%	20%	29%	31%	21%
University	33%	19%	28%	18%	38%	20%

Statistics Canada, 2016 Census

There is a distinct difference between movers arriving to Muskoka and those already resident in Muskoka when it comes to educational attainment. Table 3 compares two groups: the “net-movers” – the outcome of subtracting those moving out of Muskoka from those moving in, between 2011 and 2016, and “non-movers” – those residing in Muskoka from 2011. In each of the age categories, there are large differences, highlighted in green for the net-movers and in red for the non-movers. The net-movers coming in typically have higher levels of university level attainment, while the non-movers have much higher high school attainment (among those 25-44 years old) and no certificate (among those aged 55 years and older).

EMPLOYMENT RATES. The employment rate represents the percentage of the adult population (aged 15 years and older) that is employed. Historically, Muskoka has experienced a lower employment rate than the provincial average, which dropped further for males after the 2008 recession with the loss of manufacturing jobs.

By age group, the youth employment rate is slightly higher than the provincial average, because fewer Muskoka youth stay in school and instead are working. Indeed, even among those aged 25-44 years and 45-64 years old, apart from in Gravenhurst and Georgian Bay, their employment rates tend to be a little higher than the provincial average. Similarly, if one looks at those 25-44 years old and examines their employment rates by educational attainment levels, Muskoka residents have higher rates of employment (Table 4).

The reason why overall Muskoka residents have a lower rate of employment compared to the rest of the province is because of the demographic mix: it has a larger number of older workers and a larger number of workers with lower levels of education, so that the overall result is lower. If Muskoka had the same population mix by age and by educational attainment as the rest of the province, then its employment rate would be higher.

Table 4: Employment rates by educational attainment and by gender, residents aged 25 to 44 years old, Muskoka and Ontario, 2016

	LEVEL OF EDUCATIONAL ATTAINMENT				
	No certificate	High school	Apprenticeship	College	University
MALES					
Muskoka	71%	86%	91%	90%	91%
Ontario	66%	80%	87%	89%	89%
FEMALES					
Muskoka	45%	70%	85%	82%	88%
Ontario	44%	66%	73%	81%	82%

Statistics Canada, 2016 Census

PLACE OF WORK. There are three main categories that describe where a person works, either at home, or going to a usual place of work, or having a job where one moves from one location to another (for example, a carpenter going to different worksites). In most Muskoka municipalities, there is a larger proportion of individuals working from home (especially Lake of Bays and Muskoka Lakes) as well as a larger proportion of people working in no fixed workplace (especially Muskoka Lakes and Georgian Bay).

INDUSTRY. Employment by industry among Muskoka residents features four prominent industries:

- Retail Trade (15.0% of employed residents)
- Construction (14.6%)
- Health Care & Social Assistance (11.2%)
- Accommodation & Food Services (9.2%)

The share of Muskoka residents employed in Health Care & Social Assistance is almost exactly the same as the provincial average. The remaining three industries account for 39% of Muskoka employment, whereas provincially they total 24%. This is a significant difference which frames the Muskoka labour market. No other single industry represents more than 6% of the workforce.

This concentration of employment is also reflected in the number of employers by industry. Among businesses with employees in Muskoka, almost half (48%) are found in these three industries, compared to the provincial average of 30%. Construction alone accounts for over a quarter (26%) of all businesses with employees in Muskoka, more than double the provincial average (11%). In some communities, Construction accounts for a third or more of such businesses (in Muskoka Lakes – 37%; in Lake of Bays – 32.6%).

EDUCATION AND OCCUPATIONAL SKILL LEVELS. Another view of employment looks at occupations. Occupations have a large number of distinct categories, but one way to sort them is by the skill level typically required to qualify an individual for that occupation, designated by the level of education expected for that job. One can then compare this distribution of occupations by the education levels required of those jobs with the educational attainment levels of employed residents.

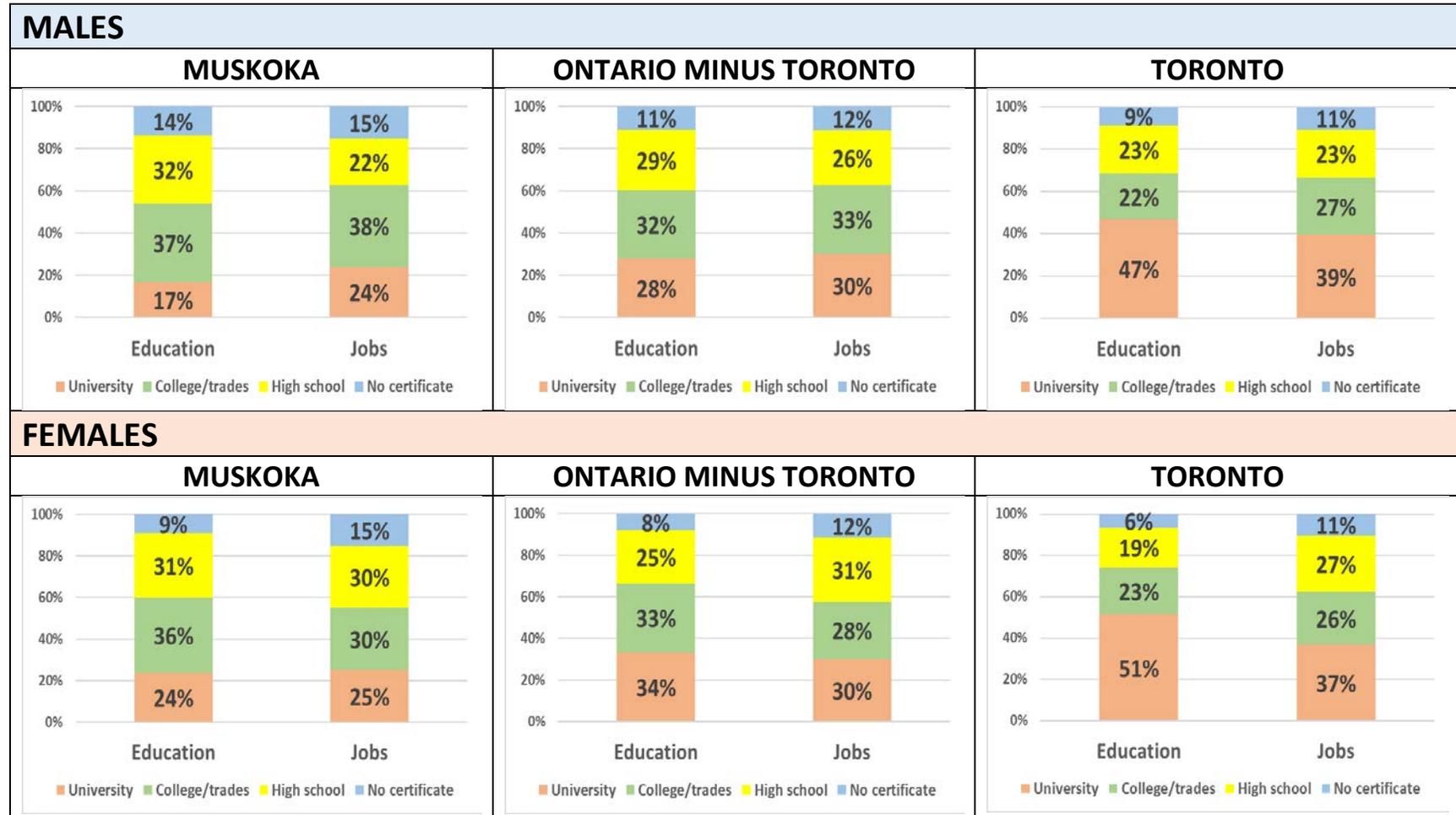
Chart 2 (on the following page) provides this comparison along several categories, firstly by gender as well as by geography. The geographies presented are: Muskoka; Ontario minus the City of Toronto; and Toronto. Toronto is separated from the rest of Ontario because it is a unique labour market, with a large number of jobs requiring a university degree because of the concentration of professionals working in Toronto.

The colour coding is as follows: the percentages of residents with a university degree and the percentage of the jobs they are employed in requiring a university degree (orange colour); and the same for college or trades/apprenticeship education versus jobs requiring that level of education (green colour); then high school education and high school level jobs (yellow); and no certificate/no requirement (blue).

Chart 2 demonstrates the following:

- Employed Muskoka females have considerably higher levels of university education than Muskoka males but they are employed in jobs that require a university degree at about the same rate as Muskoka males;

Chart 2: Education levels of residents and occupational skill levels of jobs they are employed in, Muskoka, Ontario minus Toronto and Toronto, 2016



Statistics Canada, 2016 Census

- Employed Muskoka females have about the same level of college or trades/apprenticeship education as Muskoka males but they hold a considerably lower proportion of jobs that require college or trades/apprenticeship education;
- As a general pattern, this is similar to the situation in Toronto as well as the rest of Ontario;
- The proportion of jobs requiring university degrees is lower than what is found in the rest of Ontario, and for both areas the proportions are much lower than the employment situation for Toronto residents;
- Even though there is a high proportion of Muskoka employed males with a high school degree, more of them find work in jobs that require a post-secondary level of education, while the Muskoka females are disproportionately employed in jobs that require no educational attainment, given their levels of education.

Part of the reason for these outcomes has to do with how Manager occupations are classified. Statistics Canada categorizes all Manager occupations as being ones which typically require a university degree. In Muskoka, a large proportion of university-level jobs are Mid-Management positions in construction, retail trade and accommodation and food services, and far more males occupy these positions than females (in retail and wholesale trade and customer services, 69% of the managers are male; in construction, 86% of the managers are male). It is also the case that over a third (35%) of these managers in Muskoka are 55 years of age or older. In Toronto, that figure is 20% and in the rest of Ontario it is 25%.

EMPLOYMENT INCOME. Table 5 compared the average employment incomes of all workers employed full-time and full-year, and provides a comparison, using the income of male workers in the rest of Ontario (excluding Toronto) as the baseline of “100%” and displaying the other incomes in relation to that figure.

Table 5: Average employment income of all male and female workers, Toronto, rest of Ontario and Muskoka, 2015

	TORONTO		REST OF ONTARIO		MUSKOKA	
	MALES	FEMALES	MALES	FEMALES	MALES	FEMALES
Average income	\$ 89,498	\$ 65,856	\$ 73,521	\$ 56,863	\$ 63,793	\$ 49,155
Ratio	122%	90%	100%	77%	87%	67%

Statistics Canada, 2016 Census

Not only are average employment incomes for Muskoka lower than those for residents of Toronto (which is not surprising, given the concentration of high income earners in Toronto), they are also at least 10 percentage points lower than the incomes for residents of the rest of Ontario.

These discrepancies do not hold in all occupational categories. Especially in categories which have a high proportion of public sector workers, Muskoka workers earn about the same as workers in the rest of the province (for example, health, education, social services and government). But in those occupations that are prominent in Muskoka, such as construction jobs and service sector jobs, Muskoka workers tend to earn at least 10 percentage points less than their counterparts in the rest of Ontario.

SOURCES OF INCOME. Employment income is only one source of income and in the context of a labour market study, it is one indicator regarding employment outcomes. But some other data relating the sources of income shed some light on labour market dynamics as well.

Table 6 presents some of these other sources of data. The total population considered in Table 6 are all residents aged 15 years or older who are living in private households (this excludes those living in institutions, primarily long-term care facilities). The data reports the percentage of these residents who received income under the following categories:

- Employment income (those who worked in 2015)
- As a subset of employment income, those who reported income from self-employment
- Canada Pension Plan (includes Quebec Pension Plan, and all categories: retirement, disability and survivor benefits)
- Employment Insurance (regular benefits for unemployed)
- Social assistance benefits (includes Ontario Works and Ontario Disability Support Program)

Table 6: Select sources of income, residents aged 15 years and older living in private households, Muskoka, Haliburton, Nipissing, Parry Sound, Toronto and rest of Ontario

	MUSKOKA	Haliburton	Nipissing	Parry Sound	Toronto	Rest of Ontario
Employment income	68.7%	59.1%	66.2%	64.6%	68.8%	71.0%
Self-employment income	13.4%	13.1%	7.9%	11.7%	12.3%	10.4%
Canada Pension Plan (CPP)	34.9%	45.0%	30.5%	37.9%	17.5%	23.5%
EI - Regular benefits	6.4%	5.7%	7.4%	8.0%	3.7%	4.8%
Social assistance benefits	5.0%	5.3%	8.8%	6.2%	5.8%	4.6%

CPP figures include retirement benefits, disability benefits and survivor benefits.

Statistics Canada, 2016 Census

Table 6 compares the Muskoka percentages with those of neighbouring districts such as Haliburton, Nipissing and Parry Sound, as well as with Toronto and Ontario minus Toronto. In most respects, the Muskoka figures fall within the range of the other geographies. It has higher proportions of residents who earn self-employment income or who receive CPP benefits (the latter because of its older population). The percentage of EI benefits is slightly higher than the Toronto or rest of Ontario figures, but in the range of that of its neighbours. The percentage of Muskoka residents receiving social assistance benefits is toward the lower end of the range.

UNEMPLOYMENT NUMBERS AND EMPLOYMENT ONTARIO DATA. The number of Muskoka residents who are unemployed and looking for work, as well as the number of residents making use of various employment services, provides a sense of the available labour pool in Muskoka. This is not an exact

calculation, because the data comes from different sources, timeframes and years, and may not entirely identify individuals who are either job ready or who have the appropriate skills which employers are seeking. But it provides an estimate of those who may be available for employment.

Table 7 provides the best data available on the number and composition of the unemployed population by age and education. The data is from the 2016 Census. While the numbers would be different for 2019, the percentage distribution (Table 8) would likely be similar. It should be noted that the definition of unemployed means that these individuals are not working but are looking for work. If they were not looking for work, they would be in a different statistical category, namely not in the labour force.

Table 7: Number of unemployed Muskoka residents, by age and level of educational attainment, 2016

	BY AGE					
	TOTAL	15-24	25-44	45-54	55-64	65+
ALL EDUCATION LEVELS	2175	670	585	290	465	170
No certificate	455	115	125	75	100	35
High school	900	385	215	100	145	50
Apprenticeship	165	20	25	30	65	25
College	430	80	155	75	90	35
University	220	60	55	25	65	15

Table 8: Percentage distribution of unemployed Muskoka residents, by age and level of educational attainment, 2016

	BY AGE					
	TOTAL	15-24	25-44	45-54	55-64	65+
ALL EDUCATION LEVELS	100%	31%	27%	13%	21%	8%
No certificate	21%	5%	6%	3%	5%	2%
High school	41%	18%	10%	5%	7%	2%
Apprenticeship	8%	1%	1%	1%	3%	1%
College	20%	4%	7%	3%	4%	2%
University	10%	3%	3%	1%	3%	1%

The total number of Muskoka unemployed in May 2016 (the time when the census was taken) was 2,175 individuals. Since then, the unemployment rate has stayed in around the same range, so that this figure likely applies to the present time.

In terms of population categories, 41% of the unemployed have a high school diploma, with both those without a certificate (21%) and those with a college diploma (20%) coming second and third. Youth aged 15-24 years of age make up the largest age group at 31%, followed closely by those aged 25-44 years old (27%) and then older adults (aged 55-64 years old) at 21%.

The two largest cross-tabulated categories were: youth aged 15-24 years old with a high school diploma (18%) and prime working age adults aged 25-44 years old with a high school diploma (10%).

A further perspective on this population can be acquired from the Employment Ontario client data. Each year, the Ontario Ministry of Training, Colleges and Universities makes available demographic and labour market data about the clients who use various Employment Ontario services.

Employment Services come in two forms: Unassisted Clients are those who make use of resources to be found at Employment Ontario agencies and may also be referred to other services in the community. Assisted Clients require more intensive services, such as consultations with employment counsellors and usually participation in various workshop-s that provide insight regarding the labour market and the job search process.

In 2017-2018 (April 1, 2017 to March 31, 2018), the following number of clients received employment services from Muskoka Employment Ontario agencies:

- Assisted Clients: 707
- Unassisted Clients: 1584

The total figure is around 2,300. This is an annual figure, whereas the unemployment number we had for May 2016 represents a moment in time when the census was administered. Someone who is unemployed in May might or might not be unemployed in June – length of unemployment varies. We do not have statistics on the number of distinct individuals who may be unemployed in a given year in a given area.

It is also worth referencing another Employment Ontario service, namely Literacy and Basic Skills. These services provide individuals with more basic skills, in order that they may further pursue either independent living, education or employment. In 2017-2018, another 262 individuals made use of these individuals, and around half of them identified employment as their learner’s goal path.

Finally, another population group is those on social assistance. The source of income data referenced earlier would put the count of social assistance recipients at approximately 2,500 individuals in 2016. There are various barriers which this population may face in terms of their employability, including physical and mental challenges, the need for child care and transportation challenges. A very conservative estimate of the population which would be closer to employment would be around 400 individuals.

There is, of course, overlap between these three populations. For example, social assistance recipients may also be counted among Literacy and Basic Skills clients, and LBS clients may move on the Employment Services. But a rough estimate of the total unemployed population over the course of a year in Muskoka would be several thousand, and given the number of assisted clients, OW recipients and other program participants, one could probably estimate that potential candidates for entry-level occupations who could benefit from more intensive employment preparation during the year would probably number between 1,500 and 2,000 individuals.

Key informant interviews

Approximately 30 key informants were interviewed as part of the information gathering, representing a very wide cross-section of stakeholders, including municipal economic development offices, chambers of commerce, industry organizations, employment service providers, literacy and basic skills providers, various educational institutions and others.

Needless to say, the set of questions differed, depending on the focus of the organization represented by the interviewee. But for an interview whose focus was understanding the labour market dynamic in Muskoka, it was striking how often these informants, regardless of their field, brought up the issues of transportation, affordable housing and child care, oftentimes claiming that these were the most significant challenges affecting the ability of individuals to work.

For a community which is not overly large, there were evidently challenges experienced by some in connecting with other stakeholders, such as educational institutions being able to recruit employers for co-op placements or employers finding it difficult to recruit for job openings through the schools. Certainly, there were many examples of effective connections being made, but these were more often the result of individuals finding a right fit, such as when an employment counsellor places a job-seeking client and works with the employer to ensure successful on-boarding and job retention. There remain many employers who have a hazy idea of what services and resources may be available to help recruit job candidates or train workers. One certainly gets the impression that everyone, regardless of their role, feels very strapped for time, and so sometimes it is just not possible to put in the effort to develop these connections across organizations.

Many individuals had their own opinions about the challenges that Muskoka employers faced in recruiting for entry-level occupations. For some, the seasonal nature of the work, with a very work-intensive high season, resulted in some workers meeting their basic financial needs during the hectic summer months and then relying on intermittent, casual work in the off-season. For these interviewees, this dynamic explained why some residents were loosely attached to the labour force. But for others, the presence of high turnover rates suggested that employers were not creating attractive work environments and that more could be done to both accommodate workers as well as enhance their commitment to the job, primarily through more effective human resources practices.

The seasonality of the workload means that some employers are especially run off their feet during the busy months, which reduces their ability to train new job recruits or to undertake desirable management strategies, while in the off-season some either close shop or significantly reduce their operations.

On the other side of the equation, employers may be less aware of the impact that precarious work can have on employees who are juggling a number of challenges at the same time. Changing work schedules, securing child care, making arrangements for transportation, and cobbling together several jobs over the course of a year instils constant mental stress, where a crisis on one front, such as a child getting sick, has a cascading effect. The effort to constantly juggle all these separate issue results in what one informant called “precarious employment fatigue,” leading to eventual burn-out.

Several informants provided insight regarding specific portions of the Muskoka population. For example, among those enrolled in literacy and basic skills programs, up to 50% have some form of disability. (Indeed, the client data shows that 37% self-identify as persons with disabilities). Among those aged 45-64 years old who moved here for retirement, some find they may actually need to work, for financial reasons, or desire to work to engage in some activity. But among older learners taking such courses as office administration, many are finding it more difficult getting a job, even as younger students in their twenties and thirties are becoming employed.

Some interviewees commented on how the cottage population has changed and how that has impacted the labour market. In earlier decades, more cottagers spent longer stretches of time at their cottage with their children in tow, who, if teenagers, may often get a local summer job during their vacation stay. With shorter stays, these youth are less likely to work even if they come to the cottage. And summer-long cottagers would sometimes rent out a room to a youth who may be coming to Muskoka for a summer job. Now, with intermittent stays, these cottagers rent out their summer homes through AirBnB to others looking for a short-term holiday. As a result, there is both a decline in the summer workforce as well as a decline in the summer workforce rental stock.

Among the many recommendations which key informants provided, a prominent one was the need for more communication across different groups, in particular, that job seekers and employees needed to understand the constraints and pressures that employers operate under, and that employers need to be more sensitive to the challenges that employees face, in particular how the atmosphere in the workplace can affect their job performance and their job loyalty.

Focus groups

While many Muskoka employers describe the kind of labour shortage which is detrimental to their businesses, job seekers in Muskoka describe issues and challenges they believe prevent many Muskoka employers from using the full potential of the local labour force. Participants in six focus groups held as part of this study described what seems to be a shortage of viable job opportunities in the region as opposed to a shortage of labour. The viability of jobs, according to these focus groups, was affected by such challenges as people's ability to travel to work, the high cost of living and a shortage of adequately-paying year-round full-time jobs. The participants in these focus groups, who represented a range of ages, levels of education and different occupations, also described clashing with hiring managers and job supervisors on issues such as exclusion, stereotyping in hiring practices, and poor workplace and human resource management practices.

Elaborating on these issues as expressed by focus group participants:

- For Muskoka residents who do not own their own vehicles, their ability to work is dependent on either living close to their workplace or being able to access public or any other kind of affordable and flexible transportation that will allow them to move from home to work and back on a regular basis; the lack of transportation often keeps qualified job candidates from applying to jobs which they have no means of reaching on a routine basis;

- Many focus group participants described being unable to find affordable housing near desired places of work, which was how they hoped to deal with the lack of public transportation; they have found various way of dealing with the expensive housing market by living with friends, renting sublet single rooms they can afford or by renting an apartment and subletting some rooms to others;
- A common theme was complaints about stereotyping, whether it is coming from hiring managers, supervisors or co-workers, and is directed along gender lines, disabilities, race or age; these practices could also include being stigmatized for belonging to a particular family, where one wayward relative might give a bad reputation to everyone with the same family name;
- A broad consensus that the salary rates in Muskoka are too low compared to salary rates in other parts of Ontario, especially when taking the high cost of living in Muskoka into consideration; while participants in all the focus groups confirmed that salary was not the most important aspect of work, being able to earn a living wage is a necessity;
- The focus groups often brought up what they felt were poor management practices, particularly on the part of hired managers or supervisors, as opposed to owners themselves, citing being treated poorly, feeling disrespected and having little consideration regarding scheduling or the need at times to get time off;
- Most participants desired full-time employment and were not happy with the prevalence of shift work, which involved over-time in the busy season but meant only several three- to four-hour shifts in the low season;
- Participants claimed that when hired for a particular job, other tasks and even aspects of other occupations were often loaded on, beyond what had been the original job description;
- Participants claimed it was difficult to look for work when fewer employers posted job openings and when much hiring is still being done through word-of-mouth;
- Participants in youth-only focus groups echoed the same concerns and issues as their adult counterparts, adding that as far as life goes in Muskoka, there are few recreational facilities or even gathering places for older teens, noting that they are under-serviced compared to services and facilities which are geared to either families or to seniors.

Understanding the issues and challenges faced by Muskoka residents in the labour market can shed some light on how Muskoka employers can find ways to identify and retain good employees to deliver their businesses. Key recommendations which emerged from the focus groups were:

- Better transit / transportation
- More affordable housing
- Employers exercising more flexibility with staff
- Living wages
- Mutual respect
- Utilize people with special needs more effectively
- Working effectively with different generations of people
- Discontinue discriminatory stereotyping and practices
- Cultivating loyalty by building relationships, communicating well, understanding that loyalty is not always about money, building capacity, engaging young people creatively
- Advertising job openings publicly
- Tackle the need for full-time year-round work

Residents' survey

The survey was a combination of an on-line survey and a hard copy survey that was distributed through a number of partners in the Muskoka area from late November 2018 to mid-January 2019. The survey deliberately targeted youth and individuals who were seeking employment. The survey had a high completion rate: 296 individuals started the survey and 278 completed the survey.

Around six in ten survey respondents were female; six in ten had either no educational certificate or a high school diploma; four in ten lived in Huntsville; around one-quarter were between 15-19 years of age, while each of those aged 25-34 years old and 45-54 years old represented 16%; almost half had been employed a least six months in a full-time job in the last 12 months; around 15% had received Ontario Works for at least six months in the past year and 13% had received Employment Insurance.

The survey respondents had highly varied employment experience. Around half had worked in a customer service capacity and one in five had worked in one of other service sector jobs, landscaping or construction. There was less experience with office-related jobs.

Respondents were asked what they looked for in a job. A series of features were presented and respondents were asked to rate them. The five most important features (in descending order of importance) were:

- Having regular, predictable hours
- Earning as much or more than previous job
- Job security
- Receiving training
- Having opportunities for advancement

Respondents were asked regarding issues which could serve as possible barriers to employment. A series of possible barriers were presented and respondents were asked to rate them using the following scale. For the purpose of comparing responses, a value was assigned to each rating:

- Very much a barrier (Value: 3)
- A barrier (2)
- Somewhat of a barrier (1)
- Not at all a barrier (0)

Table 9 provides the composite score for each item as well as the percentage of respondents who indicated that this item was “very much a barrier.”

Table 9: Scoring for potential barriers to employment

Item	Score	% “very much a barrier”
The likelihood of shift work, or work on evenings or weekend	1.10	16%
Finding somewhere to live that is affordable and somewhat close enough to the workplace	1.03	17%
Transportation to and from the workplace	0.93	17%
Having the confidence in myself that I can do the job	0.89	12%
The work skills necessary to perform the job	0.74	7%
Physical demands of the work	0.67	7%
Having to interact regularly with people	0.44	4%
Child care for my dependents	0.40	7%

From Table 9, one can see that only two items score slightly higher than a “1”, which represents “somewhat of a barrier.” Yet each of the top three items have 16-17% (one out of six) indicating that for them these issues are very much a barrier, namely the likelihood of shift work or work on evenings or weekends, finding affordable housing or transportation to work. Shift work is especially problematic for those aged 55 years and older, which transportation is particularly a problem for those aged 15-19 years old.

Respondents were asked regarding their interest in a range of occupations. Among this cross-section of individuals, one could always find a number of individuals indicating that they were “very interested” in a specific occupation.

When asked about their preferred rate of pay, the majority chose hourly rates in the \$15 to \$23 range. The distribution of preferred wages largely corresponded to age and level of education, with those aged 15-19 years of age or with no high school diploma more likely to choose \$14 per hour, or those with university degrees or aged 45 years or older more likely to choose over \$25 per hour.

Employers’ survey

For the past several years, as part of the preparation of its Local Labour Market Plan, the Simcoe Muskoka Workforce Development Board has undertaken an employer survey to seek the perspective of local employers on current workforce issues. While this survey was not formally part of the activities of this Muskoka Labour Market Study, the timing of the survey coincided with the data gathering period of

the study, and so SMWDB decided to align its survey questions to the issues which provoked the study, namely the recruitment and retention of job candidates.

Some of the key findings of the employer survey were:¹

- By far, the most significant issue facing all employers across Simcoe and Muskoka is the number and/or quality of job applicants; this was especially pronounced among larger firms (more than 20 employees) and in the Construction sector;
- When it comes to recruitment by occupation as well as for concerns regarding turnover of employees, employers express the greatest concerns in relation to technical/mid-skill jobs (usually requires a college diploma or apprenticeship certificate);
- In probing regarding the challenges in recruiting for entry-level positions, by far the single biggest reason is there are not enough job candidates; this was particularly the case in Muskoka;
- These challenges resulted in two kinds of impacts on businesses: it results in other staff working more overtime, (particularly among firms with 100 or more employees) and it contributes to mental stress in the workplace;
- Many employers already rely on various strategies to address these challenges, in particular, through providing workplace learning experiences to students, in being flexible regarding scheduling work hours and in offering retention bonuses;
- When provided with a list of possible solutions, employers scored them in the following way:
 - Muskoka employers felt very strongly that there was a great need to attract newcomers to come live and work in Muskoka, followed by a need for more financial support for training, then encouraging more students to participate in co-op and internship placements;
 - Simcoe employers rated three possible solutions more or less equally: ensuring that local high schools are better connected with employers, ensuring more local youth attend post-secondary education and encouraging more students to participate in co-op and internship placements.

¹ The analysis of the survey results may be found in the *2018-2019 Local Labour Market Plan*, Simcoe Muskoka Workforce Development Board, at its website: www.smwdb.com, under Labour Market Information.

RECOMMENDATIONS FOR MUSKOKA

Implications of the findings

The findings suggest the following implications:

- It is very unlikely that Muskoka’s labour shortage can be addressed by a large influx of external migrants moving into the District – the nature of the jobs to be filled and their wages, and the challenge of finding affordable housing locally, offers little incentive; the current pattern of migration, of older adults moving to Muskoka for retirement, is the dominant source of population growth;
- There exists a pool of Muskoka residents who could be recruited for a considerable proportion of these jobs, but it will often require:
 - i. Extra preparation for these residents to be job-ready;
 - ii. Employers who can support their transition into the workplace;
 - iii. Job retention assistance; and/or
 - iv. Addressing barriers external to the job itself (for example, transportation, child care).
- Employment services already aim to provide this kind of support, to job seekers and to employers, on a case-by-case basis; what is required is a wider recognition of the challenge and an engagement with a wider set of stakeholders which can help bring both attention to the solution as well as engage more resources, to support a larger number of residents to make the transition into the jobs that are available;
- The same can be said of the various educational institutions (high schools and the community college): a more systematic connection between employers and educational programs which supported more experiential learning opportunities would bring more employers in contact with youth as potential employees, as well as introduce more youth to potential career paths within the Muskoka labour market.

Labour shortage creates incentive

The initial catalyst for this labour market study was the complaint of Muskoka employers that they could not find adequate numbers of job candidates for their businesses. The data presented in this study provides a statistical explanation for this shortage (an imbalance in the local population, with a larger number of retirees and the large influx of cottagers and visitors in the summer months). The input from residents, via the focus groups and the residents’ survey, suggests a way forward.

While employers lament the lack of sufficient, qualified workers, residents complain about the lack of quality jobs. Their employment aspirations are not singularly defined by wages – they seek regular, predictable hours, job security, workplace training, opportunities for advancement and work environments where they are treated as respected members of a team. Their willingness to put in extra efforts at work is contingent on support and encouragement. Where employers desire conscientious workers, employees seek understanding managers.

In a labour market of worker shortages, the businesses that succeed will be those that attract and retain workers by providing places where employees want to work. That puts an extra burden on business owners and managers who already have more than enough to contend with, but it is the most viable solution to overcoming the equally debilitating handicap of being perpetually short of staff.

But in the same way that individuals can be assisted in acquiring the employability traits and soft skills that make them attractive job candidates, so too can businesses be helped in transforming themselves into employers of choice.

Increasing the level of training, whether for new employees, incumbent workers, supervisors or managers, not only raises the calibre of one's workforce, but also improves the bottom-line, as numerous studies indicate. Fewer errors or accidents, less absenteeism and turnover, more contented customers and an increase in return business, are just a few of the benefits that have been identified by the literature. That is not to say that training does not pose challenges to employers, who worry about the costs of training, how to identify precise training needs, which training provider to select and the possibility that improved workers may be lured away by poaching competitors. Many of these concerns, however, can be minimized where there is a broader training strategy involving many employers, assembling the necessary information and expertise and securing economies of scale for training programs.

Basic elements of the strategy

The essence of the strategy relies entirely on local assets, resources and capabilities. The goal is to increase the employment rate of Muskoka residents, by increasing the participation rate (those who are in the labour market) and by decreasing the unemployment rate.

Achieving this goal requires engagement with and among four sets of participants:

<u>Those seeking employment</u>	Would receive more pre-employment preparation and job retention support, to enhance their employability and resilience to obtain and maintain employment
<u>Employment services</u>	Would build on their existing services and be would be connected with more employers by way of a broader community mobilization, a campaign to enlist employers and to share with them the benefits of what is being offered
<u>Employers</u>	Employers would learn more about available services, as well as the benefits of being an "employer of choice," and support in accessing human resources capacity building, in terms of procedures and well as training for supervisors and managers

Educational institutions

More effort would be invested in building more linkages between employers and educational institutions, so that employers can communicate what their skill and occupational needs are, and students can have more choices in terms of experiential learning opportunities and career advice

Making these linkages and strengthening these connections does not happen simply because it might be considered a good idea or because in principle individuals agree it should happen. Such as process needs to be intentional and facilitated. For this reason, we propose a Muskoka Employment Partnership.

Muskoka Employment Partnership

We propose a structured yet still informal process for enhancing collaboration across the various components of the Muskoka labour market. To improve communication across silos and to encourage more linkages, as well as to provide a mechanism whereby broader community strategies can be developed and pursued, we suggest a forum which is held at least annually, if not every six months in its initial stages, whereby the broad range of stakeholders can come together to become better known to each other, to find common interests, to deliberate on practical initiatives and to agree on actions each participant can undertake to achieve the desired goals.

Such a forum might consist of 50 or more representatives of organizations, and would include participants from the following categories of organizations:

- Municipal governments (most likely, the economic development offices)
- Chambers of commerce
- Employer organizations (such as Muskoka Builders' Association and the Regional Tourism Organization 12)
- District school boards/high schools (including alternate school, High Skills Majors programs and co-op placement programs)
- Georgian College
- Contact North
- Employment services agencies
- Literacy and basic skills services
- The local workforce development board
- Muskoka Futures Community Development Corporation
- Muskoka Small Business Centre
- Parry Sound Muskoka Community Network
- Other community agencies (for example, YWCA Muskoka or Lake Country Community Legal Clinic)

This is not an exhaustive list and can certainly be added to.

One could imagine a forum session taking an entire day. The broad agenda for bringing together such a group could include the following:

- Ensuring that everyone can know in what ways different sectors contribute to workforce outcomes (such as education, career counselling, workforce projects); perhaps at each forum, one sector could provide an extensive explanation of their function, services and the resources that they have available
- Providing some labour market data updates, so that all participants have a clear picture of current labour market issues
- Creating the opportunity to deliberate on a limited number of challenges (each successive forum can take on two or three “problems”), producing an action agenda for that item
- Securing broad consent and commitment to specific next steps
- Such next steps could include creating working committees to manage the follow-through on a particular issue
- Allowing for social networking to take place

Such an initiative requires some structure. It needs administrative support, a secretariat, which undertakes the organizing role, does the convening, maintains records and minutes, assembles data and research as necessary, and essentially provides the supportive role so that the partnership can function.

Such a structure also requires leadership. It would best be served by a steering committee, with a chairperson and a vice-chair. The chairperson should act as the spokesperson for the Muskoka Employment Partnership. The entire membership of the partnership performs an advisory role, but the steering committee is there to make executive decisions (for example, when to hold a forum, preparation of the agenda for the forum, and so on.)

The reason why such a structure is necessary is because our labour markets have become so fragmented. In decades past, careers were defined by advancement within firms, what were called internal career ladders. An individual would get hired for an entry-level position and over time, acquiring training and experience, would be promoted to successively higher-level skill occupations. Nowadays, far more adults can expect to work for several or more employers in their lifetime, access to a job depends on certification and qualifications, and the different stakeholders engaged with the labour market have more need to communicate across their silos. Similarly, students and job seekers can make better career choices where there is more local labour market information made available. Such multi-stakeholder processes are increasing common, and are especially prevalent in the United States, which has pioneered broad community-wide workforce development approaches.

The Muskoka Employer Database

An essential tool which could assist the work of the Muskoka Employment Partnership would be a full database of all Muskoka employers. It would be an employer census, and once put together, could be regularly updated on a two-year cycle (that is, every business is visited once every two years).

At the very least, such a database would include essential information: the name of the business, the contact person and contact details, the industry designation and the number of employees. The set of data collected would have to be manageable, and the actual format of data requested could be designed by the Muskoka Employment Partnership. Who houses the database, how open is access to

the database, and who collects the data would be questions that would have to be answered. Such an employer census is being undertaken by many municipalities and so there are many precedents for how this could be done.

But two features should be mentioned. A database would provide an on-going mechanism for communicating with employers. As well, a database could serve as a platform for announcing a job opening, or through this platform to be connected with a job board that targets the local area, such as Job Central Simcoe Muskoka. Also, such a platform could be used to identify experiential learning opportunities among specific employers, whether it involves hosting a co-op student, an intern, an apprentice or even a class tour of the workplace. While it would be important not to over-burden the database with functions (which could turn off employers who may be asked to answer too many questions), used effectively such a database could provide the solid foundation for a number of activities of the Muskoka Employment Partnership.

Support for employers

An essential role for the Muskoka Employment Partnership would be to provide support to local employers in addressing their workforce challenges. The partnership could facilitate others in the following activities:

- Assisting in identifying and recruiting potential job candidates for employers;
- Providing more employment preparation and soft skills training for individuals seeking jobs (making use of such local resources such as SMWDB's *Soft Skills Solutions*);
- Working with businesses to integrate different categories of job seekers into their workforces, such as youth, women, older adults, Aboriginal people, individuals with disabilities, as well as individuals who have been out of the labour force for a while;
- Finding appropriate resources and possibly funding for human resources training for supervisors and managers, to elevate local businesses into employers of choice;
- Enhancing connections with local high schools and Georgian College, with the goal of improving the future workforce.

With one in three managers among the most prominent industries in Muskoka being 55 years and older, businesses need to give more thought to succession planning, and this is an issue which also could be taken up by the employment partnership.

Other possible initiatives could include building on existing employee benefit plans which are available to local employers, for the purpose of distinguishing Muskoka businesses as employers of choice (this is something already offered through local chambers of commerce). A larger number of local employers subscribing to a specific employee-benefit plan may not only bring the subscription fee down but also brand Muskoka as a more desirable place to work.

A further area for possible collaboration: when it comes to recruiting higher-skilled candidates from outside Muskoka, one barrier which sometimes emerges is accommodating the job needs of the spouse of the prospective job candidate, who also is likely employed in a higher skilled occupation. Given that many Muskoka employers encounter this problem, there would be value in creating a network of

human resources directors, particularly among the larger employers, who would adopt a reciprocal understanding in relation to the circumstances of the “trailing spouse.” Such a practice could involve an informal agreement that employers who are part of the network would in principle provide informational meetings for trailing spouses, or even an interview, to facilitate their ability to learn about the local labour market, develop connections with human resources contacts and access a job.

Broader challenges

This report has proposed a process for bringing together the various stakeholders who have an interest in the labour market, to provide the space to learn about each other’s roles and to collaborate on supporting access to jobs, experiential learning and workplace training. However, as was apparent from the findings of this project, there are a number of broader issues which sit outside the realm of labour market interventions but which will need to be tackled so that the recommendations of this report can be truly effective. These challenges will be addressed in turn.

TRANSPORTATION. All smaller towns and remote communities struggle with the issue of public transportation services for their residents. Muskoka District and its various municipalities have invested in public transit services and in studies to improve them. The intention of this paper, to increase the employment participation of residents who have a more marginal attachment to the labour market, will certainly require ways to help these individuals to get to work, as fewer of them will have private transportation options.

Addressing this challenge could possibly benefit from a wider constituency, especially one that includes employers. Both in Muskoka and elsewhere, employers have enlisted vans to help ferry workers to their jobs, but there may also be other ways that employers could help, notably in the scheduling of work hours. A broader transportation solution for job commuters may be helped by a coordination of work hours, which might allow for a service that has steady business through the work day. But these options are less likely to be part of the conversation if all stakeholders are not present at the discussion.

AFFORDABLE HOUSING. Unlike the transportation issue, where businesses could possibly have a direct impact on a solution, in the case of affordable housing their impact might have to be more indirect. That does not make it less important. The cost of housing is partly related to such regulatory matters as zoning and density provisions. Affordable housing is sometimes opposed at planning hearings because of desires to maintain the character of an existing community or simply to resist change. These public deliberations would benefit from other inputs, such as community groups and business associations, who could articulate the harm to the local economy arising from not having sufficient affordable housing to accommodate the workers needed to fill local jobs.

What could help with respect to this issue is a specific study that examined to need for seasonal housing to accommodate the surge in seasonal staff who come to Muskoka to take-up the increase in jobs created by the surge in summer visitors. Such a study could not only attempt to quantify this housing

need, but also explore some options, such as head-leases² held by resort operators who require these extra staff, as well as the case which could be made for staff housing, and what form that could take.

CHILD CARE. Another similar issue is the need for more child care. While this may affect a smaller proportion of the potential workforce seeking employment, as the resident survey indicated, this was a significant barrier for 7% of the respondents, one out of fourteen.

Needless to say, this would particularly affect younger moms. Investing in child care makes economic sense. The introduction of low-fee day care in Quebec resulted in a measurable increase in the labour market participation rates of single mothers with children under the age of sixteen years old. Where those rates had been below those for Ontario single moms, they actually rose to surpass the Ontario figures. Studies have shown that the increased revenues accruing to governments derived from income taxes and consumption taxes collected from more women working, coupled with the decline in social assistance expenditures, actually exceeded the increased cost of the day care to government. Of course, given how these various programs are funded and who collects the tax revenues, this would not benefit Muskoka directly, but the principle still holds: it makes economic sense to facilitate the participation of more women in the labour force.

ECONOMIC DEVELOPMENT. As noted in the data analysis, Muskoka has an imbalanced labour market, with a disproportionately larger share of its employment in occupations requiring only a high school education or less. The focus of any local economic development strategy should aim to diversify the local employment base, in terms of industries, types of occupations and less seasonality in employment.

While the goal may be to generate more jobs that require a post-secondary degree, such as an apprenticeship certificate, a college diploma or a university degree, it should be emphasized that a larger proportion of Muskoka residents possess apprenticeship certificates or college diplomas than university degrees.

One area to explore may be in the health services fields, especially in relation to the large elderly population, many of whom are still living in their homes. Given the greater distances and the challenges home support services have in staffing, this might be an area to experiment with greater reliance on technology and how it could complement home services. Such an approach may also require home support workers with higher-level skills (computer literacy and digital skills), which would attract higher wages and possibly make these occupations more attractive.

Another avenue is taking advantage of the Muskoka brand. Artisanal and craft industries provide a match, something already evidenced by Muskoka's craft breweries and woodworking businesses.

However, this is not an economic development study. The primary advice to local economic development policy makers from the labour market perspective would be the obvious: look beyond the

² By head-lease is meant that an employer enters into the lease agreement with the landlord and then sub-leases the apartment to its employees. It is claimed that this provides landlords with some assurance that the tenants will be on their good behaviour as tenants, because they must also answer to their employer as well as to the landlord for any transgressions.

four current largest industries in Muskoka, aim higher in terms of occupational skill levels, and seek to promote full-year economic activities.

Other initiatives

Several other ideas had been put forward through the interviews and focus groups that warrant mention because they represent concrete projects which could be undertaken with the right set of resources, opportunities and community leadership. Each of them would contribute to a labour market solution.

AFTER SCHOOL PROGRAMS. It was noted that there was a dearth of after-school programs or clubs, for upper-year grade schools and for high schools, and that what would be attractive would be programs where youth could make things, from robotics to coding to 3-D printing, activities which could introduce them to advanced skills.

PLACES FOR YOUTH. As well, youth complained that there were few places where youth could gather, both to socialize or to engage in some activity. Such an initiative may provide an extra reason for an older youth to stay in Muskoka longer. Many youth cited social isolation as a significant issue.

SOCIAL ENTERPRISES. Social enterprises are businesses which seek to earn revenue, but which also serve a social purpose. Such businesses may not always make a profit, however, they have multiple “bottom-lines,” because achieving their social goal is as important as breaking even. A social enterprise could be a café or a retail store which carries on its business, but which also provides a place for individuals who are more distant from the labour market to gain work experience. The value of such a setting is that managers and supervisors are investing more of their time to train these individuals so they can transition to jobs in the private sector. Such a supportive work environment can be more forgiving to individuals still acquiring basic workplace skills and often life skills as well. Because of these other functions, a social enterprise may need to be subsidized, but the subsidy is required not because they may not be a properly functioning business but because they are carrying out more than one purpose.

One such social enterprise in Muskoka is the *Impact Café* in Gravenhurst, an initiative of the District’s Community and Social Services. The café is a community kitchen where individuals experiencing barriers to employment get training and work experience in the hospitality industry, as well as the support they need to move forward with their employment, education and other life goals. The revenue generated through the café helps pay for supplies as well as honorariums for participants.

Creating another social enterprise with the same purpose in a different sector would provide another platform for supporting the transition of individuals into the workforce.

ATTRACTING INTERNATIONAL STUDENTS. One potential source for entry-level workers could be reliance on international students who could be recruited to the Bracebridge campus of Georgian College. International students enrolled in full-time programs can work part-time during the school

program and full-time during holiday periods. While the number of such students would be limited, they could contribute in a limited way to the staffing squeeze, particularly during the summer months.

CONCLUSION

This report has relied on considerable quantitative and qualitative research to define the current labour market challenges in Muskoka. The statistical data makes clear that the older population profile and the influx of summer visitors generates a demand for services, and thus more workers, while adding little to the available labour force. The profile of lower-paying jobs, and the difficulties posed by few transportation options and limited affordable housing, makes it harder to attract workers to consider moving to Muskoka. However, there remains a potential labour pool among current residents, and it bears highlighting just who is represented in this group.

The participants in the focus groups included unemployed youth, adults returning to school or seeking help through EO Employment Services, individuals with permanent disabilities or health challenges, some who were clients of the Ontario Disabilities Support Program and some who were not, people receiving employment insurance as well as people who do not, individuals who are employed but looking for secondary work, a healthy gender balance and an age range spanning from 16 to over 60. Some had spent their entire lives in Muskoka, others had moved to Muskoka mid-life, while some had been born in Muskoka and returned after a long absence.

Among the professions and skills levels represented in the groups were people with education or experience in the IT sector, business administration, nursing and personal support work, cooks, retail sector, trucking, rail work, restaurant workers (front- and back-of-the-house) and bartending, construction, dog grooming, recreational programming, entrepreneurs including web-based ventures, the plumbing sector, cleaning and housekeeping, property maintenance, laundry services, real estate development, lawn maintenance and general contracting, automotive work, industrial mechanics, childcare workers, managers, consultants, community support work, individuals with less than a high school education, with a high school diploma and individuals with university degrees.

The capabilities are present, and with the recommendations of this report, they can be made available for local employers.

While Muskoka faces multiple labour market challenges, the good news is that many of these issues can be addressed at the grassroots level. This will require a more concentrated effort based on better communication and coordination across a number of local stakeholders, primarily employers, educators, and employment services and community agencies. This report has recommended a process to facilitate that effort and a number of specific activities which could help shape its focus.

A step-by-step community approach to these labour market challenges can move the situation forward and create a momentum to tackle even larger issues over time.

It is hoped that this report can provide a means for taking the first steps.