

Food Manufacturing in Grand Erie

Growing Jobs and Opportunities



Brant-Haldimand-Norfolk



Workforce Planning Board of Grand Erie
Commission de planification de la main-d'œuvre de Grand Erie

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Purpose of Study

Grand Erie's food processing industry is large, stable and exciting, but it attracts little attention. The time has come to take a closer look at this vital industry, especially as a food cluster continues to build in the Brantford area.

This study focuses on the economic importance of food processing and its workforce challenges and needs.

The study is based on interviews with more than a dozen food companies across Grand Erie. Firms represented came from Haldimand, Norfolk, Brantford and Brant. They included small to medium-sized family-run businesses to large multi-national corporations. Employee size ranges varied from less than a dozen to more than 600 permanent staff. Companies included importers and exporters, as well as firms that sell their products only locally or within Ontario.

Firms were chosen to cover major sub-sectors of the food industry.

These subsectors include:

- Poultry Processing
- Animal Slaughtering
- Ice Cream and Frozen Dessert Manufacturing
- Frozen Food Manufacturing
- Commercial Bakeries & Frozen Bakery Product Manufacturing
- Chocolate and Confectionary Manufacturing
- Milk Manufacturing
- Roasted Nut Butter Manufacturing
- Flour Milling
- Dog and Cat Food Manufacturing
- Other Animal Food Manufacturing

Executive Summary

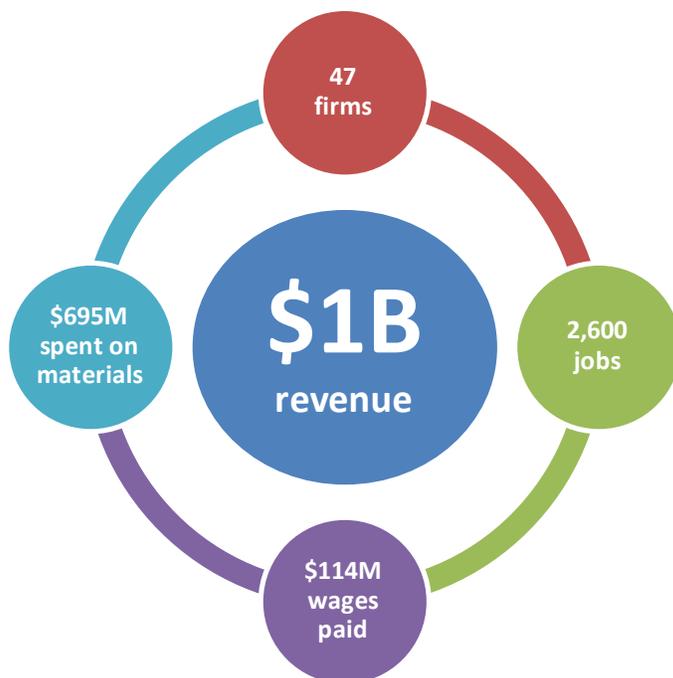
THE FOOD BUSINESS IS BIG BUSINESS

Grand Erie's food manufacturing industry is a \$1 billion plus a year business.

It's a sector of the local economy that has remained strong and stable, weathering the recession relatively well, with few plant closures. The saying that people always need to eat -- no matter the state of the economy -- still holds true. Many local food companies have invested millions of dollars to expand their operations recently. Other firms say they plan to grow in the next three years, which will create new jobs and opportunities.

Grand Erie's industry also has many strengths to build on. These strengths include: access to a large pool of talented employees; competitive wages; central geographic location close to major markets and highways; easy access to suppliers; and proximity to plentiful agricultural crops.

Besides \$1 billion in revenue, food processing also posts big numbers when it comes to jobs, incomes for families, money spent on materials and economic impact. These numbers will only get bigger as the industry thrives.



Grand Erie's food industry is big business

These 2009 numbers show the economic value and impact of food companies across the region. While 2012 statistics are not available, we know the number of jobs has grown by an estimated 500 permanent positions.

Source: Statistics Canada, Canadian Business Patterns and Manufacturing Principal Statistics.
Notes: Firms include companies with employees (does not include owner-operators). 2009 is the most recent year for full statistics.

MANY PRODUCTS

Grand Erie’s food manufacturing industry produces a wide range of products that people eat, from everyday staples to indulgent snacks and specialty products.

Products include:

Milk	Frozen waffles	Bakery products
Dairy products	Ice Cream	Hot chocolate mixes
Poultry products	Ice Cream novelties	Flavoured coffee and tea powders
Meat products	Peanuts	Food entrees
Coconut and coconut products	Snack foods	Specialty oils & vinegars
Tic Tacs	Doughnuts	Nut butter
Nutella	Bread	Nutritional supplements
Ferrero Rocher chocolates		

In addition, the industry also produces bird seed, dog and cat food, and even drinking straws.

Tobacco manufacturing, wineries and brewers also operate in Grand Erie, falling under the broad banner of Food, Beverage and Tobacco Processing. However, these businesses are not part of this study.

SIZE, SCOPE AND CHARACTER

Grand Erie’s food industry is also diverse in the size and scope of the businesses that operate here – another strength.

There are owner-operator and small, multi-generation family-run businesses to large Canadian branches of international corporations making world-famous brands and products. Some firms have been in our community for more than 125 years, while others have built large operations here in the last few years. Some businesses blossomed from ideas from entrepreneurial farmers creating new or value-added products. Some companies sell and market their products in our own backyard, while others export to the United States and overseas.

It is an industry that doesn’t have a high profile, despite its large size, diversity and economic importance.

Companies are optimistic that as they expand, they will be hiring more people. This makes the food industry one that has strong potential employment growth. There are many opportunities for job seekers. Yet, it is also an industry that has had challenges promoting itself as a career destination.

WORKFORCE ISSUES AND NEEDS

Shifting Skills Needs

Grand Erie’s food companies say they have no trouble finding people to fill entry-level production, general labourer and packaging positions. Such positions account for 50% of more of all employees at some food companies. Such workers will always be needed. Several food companies said they find Grand Erie has a large pool of potential employees to draw on to fill these positions.

Companies do report growing difficulty filling more highly skilled or specialized positions, including some jobs in skilled trades, quality assurance and in management positions.

But even in the production process, a shift in the skill level required of employees is taking place. This is a shift that can't be ignored.

As in other forms of modern manufacturing, food firms are looking increasingly for higher skills and aptitude from existing employees and from new hires. High speed production and packaging lines, sophisticated and custom-made machines, around-the-clock production, and elaborate warehousing and logistics, demand more.

What Local Companies Are Looking For

Companies are looking for employees who have the ability to:

- Understand the production process
- Understand their role in the process
- Take ownership of their work
- Use critical thinking
- Identify potential issues
- Suggest improvements
- Problem solve and trouble shoot
- Do preventative maintenance
- Take initiative and show leadership

This “shopping list” is similar to one that the food industry communicated to Conestoga College when it did research in setting up its Institute for Food Processing Technology.

Employability skills	Desirable qualities
Computer and control panel knowledge	Flexibility
Conflict management ability	Adaptability
Understanding of cost structure	Accountability
Understanding of continuous improvement	Decision making
Creativity	Responsive to constructive criticism

(Source: Interview with Program Manager Mihaela Simion, Conestoga College, Institute of Food Processing Technology)

Workers with these “value added” skills and abilities are being increasingly prized by employers. Employers have looked at current employees and have identified those who show these qualities and promoted them, often to team leader or production lead hand. Companies have offered these employees additional training to handle their new roles. At the same time, firms are looking increasingly for new hires who match this description. Applicants who can bring more to the job will have an edge.

At least one firm, expressed worry about finding this “new type of worker” in the next few years from within Grand Erie.

It should be noted that many of these workforce issues, including the shift in the type of employees wanted and needed, are not new. They were identified years ago. In 2005, the Alliance of Ontario Food Processors commissioned the study *Workforce Ahead: A Labour Study of Ontario's Food Processing Industry*. One of the recommendations of that report was the creation of an institute to deliver a new human resources strategy for the industry. That recommendation eventually led to the creation of the Institute of Food Processing Technology.

RANGE OF OCCUPATIONS

Food companies offer a wide range of occupations, even though 50% or more are production jobs.

Some larger companies have as many as 20 different occupations, ranging from production to packaging, food safety, sanitation, quality assurance, skilled trades, sales & marketing, warehousing, as well as office and manager positions. Of these jobs, food safety, sanitation and quality control have all taken on heightened importance, especially as government regulation has become stricter to protect consumers.

In some cases, large companies have laboratories where they test their products for quality. The food industry also employs food scientists who help develop new products. This is more common at large, multi-national corporations and this function may be centralized at one location.

The breadth of jobs and career opportunities within the food industry is not well known in the community. This may point to a need for food companies and other organizations, such as industry associations, to do more community outreach and education on careers. There are opportunities for the industry to convey its message that there are rewarding, well-paying careers in food -- not just jobs.

WAGES

Food companies across Grand Erie pay a wide range of wages, from \$12 an hourly for some positions to over \$100,000 a year for senior salaried positions. Again, this kind of information is not well known in the community. In fact, food companies acknowledge there is a public perception problem, with people believing most jobs in the industry are low-paying, entry-level positions.

Wages for production, machine operator, packager and similar positions can vary widely, as the following chart shows:

Position	Low	Median	Hlgh
General Labourer/Production Worker	\$12.00	\$17.00	\$21.73
Machine Operator	\$14.45	\$18.85	\$23.25
Packager	\$15.93	\$19.14	\$22.35
Sanitation Labourer	\$14.45	\$18.24	\$22.03

Note: Information provided by a dozen Grand Erie food firms, including many of the largest employers, for permanent, full-time employees.

FOOD INDUSTRY TRAINING OPPORTUNITIES

Food companies rely almost exclusively on in-house training for both new and existing staff. There are exceptions to this, especially when it comes to skilled trades positions – millwright, refrigeration mechanic, for example – and for specialized and supervisory positions.

Yet, as food companies undergo a shift in the skill level they require for many occupations, in-house training may not be enough. Some firms have acknowledged this, and are exploring ideas of partnering with local colleges to help them train employees for these expanded responsibilities.

Food industry-specific external education and training does exist, but Grand Erie companies are generally not very familiar with such opportunities. Such education and training opportunities are relatively new, but were created at the request of the industry itself. More work can be done to match up companies with these external opportunities.

RECOMMENDATIONS:

- 1. Community Outreach:** Food companies have an opportunity to educate the community more about what they do, what types of jobs and careers they offer, and what wages and benefits they offer.
- 2. Food Careers Promotion:** Food companies have an opportunity to work more closely with secondary schools to promote careers in the food industry, both for those directly entering the workforce after Grade 12 and those planning to attend college or start apprenticeships. There are also opportunities to point out how food companies do need, albeit in limited numbers, people interested in food science and new product development.
- 3. Food Careers Promotion:** Food companies have an opportunity to communicate with Employment Ontario and other agencies about potential jobs and careers in the food industry. Few companies appear to turn to Employment Ontario agencies in the community when seeking new employees.
- 4. Education and Training Opportunities:** Food companies have an opportunity to better take advantage of existing education and training programs established deliberately to serve the current and future workplace needs of the food industry. This became evident when a number of major food companies in Grand Erie were not aware of such programs.



Grand Erie's Food Industry Size and Impact

Grand Erie's food industry is spread over two census divisions: Brant County and Haldimand-Norfolk. There is a particularly large cluster of medium to large sized firms located in Brantford. But there are firms of all sizes spread across the region.

Overall, the number of businesses in the food sector has shrunk modestly, from 2009 to 2012. However, existing companies report they are looking at growing -- not shrinking -- over the next few years, particularly as they add new product lines.

Figures for 2012 aren't available, but in 2009 Grand Erie's food industry had revenues topping \$1 billion, employed more than 2,600 people, and spent more than \$600 million on materials and supplies.

Since 2009, a number of food companies have expanded, such as Western Waffles and Ferrero Canada. Ferrero, for example, reported a 2012 workforce with about 625 employees, but that number doubles during the company's busy season with short-term hires. Estimates on the number of people employed by food companies in 2012 is pegged at 2,000, a number which does not count temporary employees (typically, those hired through a staffing agency).

GRAND ERIE'S FOOD INDUSTRY – ECONOMIC CHARACTERISTICS & IMPACT				
	Brant 2009	Brant 2012	Haldimand- Norfolk 2009	Haldimand- Norfolk 2012
# of Businesses with employees (1 to 500+ in size)	20	17	27	27
# of Employees (Production and Non-Production)	1,464	2,000 Estimated (not including seasonal hires)	1,137	NA
\$ Total Wages (Production and Non-Production)	\$67 Million	Not Available	\$48 Million	NA
\$ Cost of Materials and Supplies	\$397 Million	NA	\$208 Million	NA
\$ Revenue	\$720 Million	NA	\$314 Million	NA

GRAND ERIE OVERALL

In 2012, there were 59 food manufacturing businesses located in the Grand Erie region, down from 70 in 2009 (Source: Statistics Canada, Canadian Business Patterns and Manufacturing Principal Statistics). Almost all of the losses occurred in owner-operator businesses, with 8 closing, or in businesses with 1-4 employees, with two closing.

Source: Statistics Canada, Canadian Business Patterns and Manufacturing Principal Statistics. Note: 2009 is the most recent year full statistics are available for.

The largest companies to close were the Bick's pickle plant in Dunnville and its related pickle tank farm in Delhi, costing about 150 full-time jobs. In late 2012, Brantford's Strub's pickle plant also closed, costing 43 jobs.

Community Satisfaction

A number of food companies participated in a survey, which included a question regarding their general impression of their community as a place to do business. Companies described their impression as either "good" or "excellent." One firm did mention that they felt they had unfairly earned a bad reputation in the community because of hiring temporary workers from staffing agencies to meet the seasonal needs of its business.

Other comments from firms included:

- That there was a reliable labour pool to draw on, and the location was close to the Toronto market and raw materials;
- That the company's parent American company liked the location and wage rates;
- That the company had only positive experiences.

BRANT COUNTY

Seventeen firms were listed as operating in food processing in Brant County in 2012, not including owner-operator businesses. Two food firms were in the 200 to 499 employee size range, accounting for 40 per cent of all manufacturing firms in this size range in the census division (It should be noted that one of these firms actually employs more than 500 employees). Brantford-Brant also had 4 firms with 100 to 199 employees.

In terms of revenue, food firms accounted for 25% of all manufacturing revenue in 2009 in Brantford-Brant. Moreover, in 2012, five food processing companies reported revenue of more than \$50 million – the only manufacturing firms to do so in the Brant County census division. This shows the importance of food manufacturing to the Brantford-Brant economy. Another five food firms reported revenue between \$10 million to \$50 million (Source: Statistics Canada, Canadian Business Patterns).

Food firms also accounted for 15% of production worker jobs.

Strong subsectors with multiple companies are:

- Poultry processing (5)
- Retail bakeries (3)
- Frozen food manufacturing (2)

Brantford-Brant's food cluster is diversified, with companies from 10 subsectors, including large firms such as Western Waffles, Aryzta – Maidstone Bakeries, and Maple Leaf Consumer Foods along with smaller ones such as Piller's Fine Foods and Dure Foods.

Also of note is Ferrero Canada, which falls under confectionary manufacturing, which is the local food industry's single largest employer, with about 625 regular employees. It's employment almost doubles during peak seasons.

HALDIMAND-NORFOLK

Haldimand-Norfolk has a higher number of owner-operator and small food processing companies than Brantford-Brant. Yet, food firms accounted for 29% of all manufacturing employment in 2009, despite only accounting for 6.6% of manufacturing revenue. The area's food industry is dominated by firms with between 5 to 49 employees, with only one large player (Unilever), with more than 400 employees.

Haldimand-Norfolk's food industry is well diversified, with firms spanning a wide variety of subsectors, from bird seed processing (Armstrong Milling) to dairies (Hewitt's Dairy) to ice cream making (Unilever). In all, 14 subsectors are represented. Top subsectors include:

- Animal slaughtering (4)
- Other animal food manufacturing (4)
- Fluid milk manufacturing (3)
- Poultry processing (2)
- Retail bakeries (2)
- Seafood product preparation and packaging (2)

THE FOOD INDUSTRY'S SPIN-OFF EFFECT

The slow, steady growth of the food manufacturing industry has sparked further economic development and benefits to Grand Erie.

In particular, a number of companies have sprung up to service and meet the needs of food firms. Some firms make specialized machines that food companies use, others provide packaging, while others provide warehouse and logistics services.

These include:

- **Abrigo Industrial Machines Inc.:** Opened in Brantford in 2005 in the footsteps of Ferrero and makes specialized automated systems for the food industry, focusing on packaging and bakery technology.
- **Sunrise Warehousing Company (Solis Foods):** Distributes brands of Mexican food products.
- **Hartmann North America:** The company makes molded fibre egg cartons from 100% recycled paper.
- **Massilly Group:** Opened in Brantford in late 2012. Manufactures metal food packaging products.
- **Ecopack Canada Inc.:** The Brantford-based firm makes packaging.

Workforce Issues

Like any industry, the food manufacturing has a number of workforce issues.

These issues include:

- ▶ Growing need for more highly skilled employees;
- ▶ Filling specialized jobs in their companies;
- ▶ Technology changing the skill level of staff;
- ▶ Hiring staff to meet seasonal needs;
- ▶ Staff turnover and absenteeism;
- ▶ Succession planning to replace older staff.

NATURE OF THE FOOD INDUSTRY'S WORKFORCE

At least half of all jobs in the food industry, in Grand Erie and elsewhere, revolve around the production and packaging of products. Production workers, general labourers, machine operators and packagers form the majority of workers at food firms.

When asked to rate the overall skill level of their workforce, on a scale of 1 to 5 (with 5 being the most skilled), most picked the middle (or 3).

As workers gain skills and demonstrate aptitude and leadership, they have a chance to become production team leaders or lead hands, and move into supervisory positions.

The food industry in general has acknowledged in the past that it has had problems convincing people there are good careers – and not just jobs – available in the industry. It is an ongoing challenge.

CONSENSUS ON GROWING SKILLS NEED

There was a strong consensus among food companies interviewed that the skill level needed for entry level positions is growing. Companies still need people to work on production and packaging lines but more is being asked of them.

Technology is also changing jobs. Companies have and are investing millions of dollars in new machines, technology and high-speed production and packaging lines. The machines aren't being introduced to replace people, but to mechanize more processes and enhance production capacity. Companies are able to produce more products with the same number of staff.

Companies are looking for staff who are suited to this new, faster, more technological way of production. They are looking for and

NATURE OF THE WORK

There's no doubt about it. The nature of work in the food industry can be hard and demanding. Conditions vary from company to company, depending largely on the product being produced.

At some firms, such as those that process meat or poultry or make frozen food, temperatures on the factory floor are kept low for food safety reasons. Production workers and machine operators often wear heavy rubber boots, thick jackets and hair nets. Other workplaces operate ovens to bake or par-bake goods.

Working on some packaging lines requires manual dexterity, quickness and the ability to stand for long periods of time. Other workplaces may require lifting heavy objects, manually or with forklifts.

Safe food handling and working safely is a priority at all times.

prize staff who are able to troubleshoot on the production line, spot problems, and suggest better ways of doing things. In some cases, companies are looking for workers who have the ability to do preventative maintenance that will avoid costly breakdowns. With many larger companies running 24/7, avoiding a breakdown is more important than ever before.

AVAILABILITY OF TRAINING

Food companies in Grand Erie rely almost exclusively on in-house training programs to train new and existing employees in their job duties. This is particularly true for new hires. Generally speaking, companies do not expect nor require new hires to have previous experience working in the industry. Firms believe new employees can be trained through their in-house programs and on the job – sometimes with an informal buddy system -- especially for general labour, production worker, packaging and sanitation labourer positions.

When a new machine, production line or technology is introduced, companies will have the machine manufacturer train staff on how to operate it.

Because so much training is done in house, food companies traditionally do not send employees to educational facilities for training. There are exceptions. Some larger companies do use apprenticeship programs to develop skilled tradespeople, particularly millwrights, electricians and industrial refrigeration mechanics.

Some companies also send senior salaried staff to specialized courses related to their business. An example of this is that Simcoe-based Unilever has sent staff to the Ice Cream Technology Course offered by the University of Guelph.

AWARENESS OF EXTERNAL EDUCATION AND TRAINING

Grand Erie food companies show only moderate awareness of external education and training programs related to their industry. Yet, the food industry, through various associations – including the Food Processing HR Council -- has been for years promoting the value of more formal educational training for prospective and current employees.

As mentioned, a number of companies have sent senior staff to specialized, short-term courses offered related to the products they produce. Only a few companies have heard of the new Institute of Food Processing Technology at Conestoga College in Cambridge. At the time this study was being conducted, not a single company in Brantford-Brant, Haldimand-Norfolk had an employee taking a course at the Conestoga program. One company has now enrolled an employee in an apprenticeship program there.

At a time when companies are looking to upgrade the skills of existing employees to handle more advanced technology or high-speed production lines – or where they are looking for employees to be problem solvers and troubleshooters – it would appear the answer would be to take advantage of new educational courses.

There may be reasons why food companies have been slow to take advantage of food industry training. For smaller firms, it is difficult to take a good employee off the plant floor to send them away for training – an issue a number of local companies identified. Another reason is that some multi-national firms use company-specific training. However, the fact that in-house training is such an ingrained tradition in the food industry, companies may be slow to reach outside their doors.

Yet, several companies interviewed talked about exploring partnering with colleges to provide training for hard-to-fill positions. One company, for instance, was looking into the possibility of using their plant as a training facility to train butchers, with a college providing in-class hours. Another firm was exploring working with a college to upgrade the skills of production line operators so they can problem solve and troubleshoot (for example, learn how to take apart a pump so they realize how important having a functioning pump is in their production process).

It is clear that food companies have an opportunity to take advantage of more outside education and training programs, especially as they look for higher skilled employees.



Existing Educational Opportunities

CONESTOGA COLLEGE, INSTITUTE OF FOOD PROCESSING TECHNOLOGY

This Cambridge-based institute was created in conjunction with the Food Processing HR Council, with input from the food industry which saw a need for formal training to elevate skill levels of existing staff and create career opportunities for job-seekers.

Courses include:

- Process Operator – Food Manufacturing apprenticeship program, which includes 300 hours of in-class hours and 4000 apprenticeship hours. This is a 3-year Ontario College Certification Program aimed at people currently employed in the food processing industry.
- Food Safety Level 1
- Food Processing Supervisor: A part-time program, consisting of 10 courses, aimed at people working in the food industry, especially in a leadership role.
- Food Processing Advanced Sanitation Practices: A part-time program, consisting of 8 courses, aimed at people working in the food industry.
- Food Processing Techniques: A one-year Ontario College certificate program designed for people interested in a career in the food and beverage manufacturing industry. Accepts students with their secondary school diploma, or equivalent, and those with mature student status.
- Food Processing Technician, Co-op: A 2-year Ontario college diploma for people interested in a career in the food industry. Includes a co-operative education placement in industry.

UNIVERSITY OF GUELPH, DEPARTMENT OF FOOD SCIENCE

The university offers a number of short-term, industry focused courses that are unique.

- Ice Cream Technology Course: This 5-day course, offered once a year, is the only one of its kind in Canada. Aimed at ice cream manufacturing professionals and entrepreneurs, people come from around the world to attend this intensive, hands-on learning program.
- Cheese Making Technology: This short course teaches the scientific and technological principles of cheesemaking, mixing lectures with hands-on work in the laboratory. The course, also offered once a year, is aimed at managers of dairy processing companies and dairy production workers.
- Fundamentals of Wheat Flour Properties: This is a specialized, 4-day workshop that combines lectures and hands-on laboratory activities for people working with flour, typically in commercial bakeries.
- Sausage and Processed Meats Course: An industry-focused course on sausage making and other processed meats.

Hiring Issues

In general, food manufacturing companies report little difficulty in hiring people to fill entry-level positions such as general labourer and packagers. Companies have enough applicants and can fill positions from within the community and its sizeable workforce.

However, with such a diverse industry, some companies do have difficulty filling specialized roles. These roles can be of various skill levels and both hourly and salaried positions.

Some examples:

Butchers

Meat processing companies, especially those that operate abattoirs, report difficulty hiring meat cutters and butchers. In one case, a Norfolk-based family-run firm says it is having trouble meeting demand for its products because of this human resources issue.

These firms are currently exploring whether they can bring in skilled foreign workers to do these jobs. They find that local workers are not interested in starting to learn the trade, possibly for a number of reasons: the hard work involved, the modest wages. Family-run firms have also trained new staff only to see them leave to work in a supermarket, which can offer better wages.

The Ontario Independent Meat Processing association, which surveyed companies, has identified butchers and meat cutters as the most difficult positions to fill.

One company is also considering making their factory a training centre, possibly in collaboration with a community college.



Bulk tank milk graders

This job involves picking up goat milk from farmers, grading it for quality, and delivering it to the plant. Hewitt's Dairy, a 125-year-old business based in Hagersville, has difficulty filling a specialized job at its operation: bulk milk grader and truck driver. This job involves picking up milk from farmers and delivering it to the plant.



Supervisory or specialized salaried positions

Some companies report difficulty in filling supervisory positions.

One firm noted there's no difficulty in filling hourly positions locally, but there is a smaller talent pool to draw on for salaried staff.

Quality Assurance positions are also hard to fill. Companies prefer candidates who have worked in the food industry, but will hire those with QA experience from other industries. They can then train to apply their knowledge to the specific needs of a company.

Finding millwrights with experience in refrigeration – who have a refrigeration ticket – to deal with ammonia is also a niche occupation that is sometimes hard to fill for food companies.

A number of companies use headhunter firms to fill salaried positions.

Seasonal Nature of Business

Some food companies have a seasonal nature of their business, meaning they are busy at certain times of year and not so busy at other times. This impacts the number of employees at various times of the year.

Companies affected by seasonal factors include:

- Ferrero Canada. Makes Tic Tacs, Nutella and Ferrero Rocher chocolates at its Brantford plant. It hires up to 600 extra people to cope with its busy season leading up to Christmas. It relies mainly on external staffing agencies to hire for these temporary positions.
- Unilever Canada. This Simcoe-based manufacturer of ice cream and ice cream bars hires extra staff from Feb. 1 to the end of August. It also hires college students, usually from technical programs at Mohawk College, in the summer to offset summer vacations.
- Armstrong Milling. This Haldimand-based bird seed processor sees its business slow down between February to May, resulting in layoffs of about one-third of their employees. Some of those laid off will return once business picks up again, but the company also hires to replace ones who don't come back.

USE OF TEMPORARY WORKERS

There is a general perception that food companies rely relatively heavily on people hired through staffing agencies for short-term work. This belief is voiced most heavily in Brantford. However, interviews with food companies do not support this conclusion.

Several companies across Grand Erie acknowledged they had tried hiring through staffing agencies, but they didn't like the experience. One company even spoke about the practice damaging company morale. Other firms had a corporate policy of only hiring permanent employees, feeling this gave them a more reliable and stable workforce create a better team, with less absenteeism and staff turnover. Several unionized food firms also did not hire temporary workers.

One food company hires a large number of workers though staffing agencies to meet seasonal demand for workers while a couple firms hire small numbers on an as-needed basis.

Issues Affecting Business Growth

During interviews with a dozen food companies, two main issues were identified as affecting current and future business growth: Human Resource issues and Energy Costs.

HUMAN RESOURCES

Issues mentioned, included:

- Attracting and retaining skilled workers;
- Hard to find good workers;
- Hard to find workers with a good work ethic;
- High absenteeism rates.

ENERGY COSTS

High energy costs were second to Human Resources as an issue affecting business growth.

Several companies have taken major steps to reduce energy bills.

These efforts include:

- Unilever as a corporation has signed up with Bullfrog Power, a Green energy provider;
- Some food companies belong to an energy-buying consortium as part of their membership in Excellence in Manufacturing;
- Ferrero Canada has received a government grant to make its plant more energy efficient;
- Companies can also tap into energy rebates offered by local utilities if they replace lighting, motors and other systems.



Conclusion

MANY OPPORTUNITIES

With many companies saying they plan to expand in the next 3 years, Grand Erie's food industry has great potential to thrive and grow. A strong cluster of companies have sprung up in the area, especially in Brantford, as have related companies that service their needs.

Grand Erie food growers and processors could also be helped if new legislation is introduced in Ontario to promote local food. Such legislation was proposed in late 2012 by the Liberal government of the day, but did not become law when the legislature was prorogued. Such legislation may still be on the horizon.

A large workforce is already in place for food companies to draw talent from, but there are opportunities to build on this. In particular, there are opportunities to "up-train" existing employees to meet food manufacturers' needs for more highly-skilled employees. This up-training can take place partially in-house, but there are also opportunities that are currently not being used to get help from outside specialized food education and training facilities. There are also opportunities to send employees to these facilities, either for short-term training or to start food industry-specific apprenticeships. There are also opportunities for Grand Erie firms to take co-op students or hire graduates from these programs.

There are opportunities to train workers laid off from manufacturing and other jobs to fill the needs of the food industry.

There are also opportunities to work with local school boards to educate high school students about potential careers in the food industry. This can be taken a step further, working with schools to take students on co-ops or even setting up a Specialist High School Major field of study for the industry.

Opportunities and more opportunities. There are many.

Grand Erie's workforce has the potential to meet the needs of the region's food industry as it continues to grow and expand. But it will require some innovative thinking, creativity, collaboration and communication to ensure everyone's needs are met.





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