2021

AWIC ALGOMA WORKFORCE INVESTMENT CORPORATION

Local Labour Market Planning Report

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Ontario

This Employment Ontario project is funded in part the Government of Canada and by the Government of Ontario

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EXECUTIVE SUMMARY

2020 was a year like no other. As a global phenomenon, COVID-19 disrupted lives and economies around the world, to the extent that people everywhere experienced many of the same challenges. However, the extent of the impact varied by locality, including the impact on Algoma's local labour markets.

Certainly, all sectors of Algoma's Labour Market were impacted immediately, but the hardest hit were Tourism, Accommodations, Small Retailers and Restaurants. AWIC conducted a series of Employer Impact surveys through 2020 and initially 40% of Algoma's workforce was laid-off. Thankfully government support programs cushioned the impact for both employees and employers. As restrictions eased, businesses adapted and re-opened – although a closed border cost many tourist operators their entire season. By the end of 2020, employment levels had returned to pre-pandemic levels and online job-postings exceeded those from the previous year.

As we closed out the year, Algoma was once again in lockdown, which has the greatest impact on the businesses that require human traffic - were Tourism, Accommodations, Small Retailers and Restaurants. Likely we will be living with COVID for the foreseeable future and employers will continue to need to adapt, but some will likely face difficult decision to close. AWIC will continue to work with community partners around Algoma to provide the most up-to-date COVID impact data as it relates to regions workforce. The latest information can be found on AWIC's website at AWIC.CA

Beyond COVID-19, Algoma's Labour Market continues to change and evolve. As we continue to deal with the economic and workforce impacts of COVID, the ongoing trends of an aging workforce, technological advancement and the changing nature of employment continue to have an impact on our local labour markets.

The first half of this report provides an overview of Algoma's Labour Market including:

- A summary of labour market characteristics
- Employment data by industry
- Canadian Business Count data for Algoma

The second half of the report offers an analysis of Employment Ontario (EO) programs including:

- Employment Services
- Literacy and Basic Skills
- Second Career
- Trades and Apprenticeships
- Canadian Ontario Job Grant

This information provides insights into how these programs are reaching and serving people entering or re-entering the labour force.

Finally, you will find an update on AWIC's activities around the region.

The data contained in this report is a 'snapshot' in time. For the most up-to-date data and analysis, please visit awic.ca

BACKGROUND

Both qualitative and quantitative methodologies were used to produce this report. In addition to an analysis of the data provided by Employment Ontario it includes the results of our continuous data analysis and our monitoring of emerging and critical workforce issues. We collect information from a wide range of stakeholders and in a variety of ways, such as feedback from consultations, surveys, research reports, industry groups and associations.

Unless otherwise noted, the information and data found in this report is derived from both primary and secondary sources of data including:

- Statistics Canada's 2016 Census data;
- An analysis of Statistics Canada's Canadian Business Patterns data for June 2019 and 2020, and comparisons to previous years;
- An analysis of data pertaining to clients of Employment Ontario services, for the fiscal year 2020-2021 and comparisons to the previous year, including observations arising from consultation with EO service providers;
- Labour Force Survey data;
- Taxfiler data;
- Vicinity Jobs tracking;
- Community Consultations.

The analysis of this data provides insights into changing employment patterns, trends relating to business establishments, and the characteristics and outcomes of individuals seeking employment services.

The purpose of this report is to provide an update on Algoma's labour market conditions, characteristics and trends. We hope that readers find the information relevant and applicable in the current context of our rapidly changing labour market. We are confident that this report will help service providers understand the usefulness and importance of the support they provide to Algoma's job seekers. Our Action Plan update illustrates how we engage with the issues identified through our research and consultations.

As with any report of this nature, the data included in the report represents a snapshot in time. Since the labour market in Algoma is always evolving, please use this report as guide to the overall trends that are impacting Algoma and visit awic.ca for the most up-to-date labour market research.

ABOUT AWIC

The Algoma Workforce Investment Corporation (AWIC) is Algoma's Workforce Planning Board. AWIC's goal is to provide access to easy-to-understand, quality assured Labour Market Information (LMI) for the Algoma region that allows individuals to make decisions about future careers, employers to plan and find talent and community stakeholders to inform policy and support local workforces.

Operating as part of the Local Boards Network of Ontario, AWIC is one of 26 Workforce Planning Boards that are funded by the Ministry of Labour, Training and Skills Development (MLTSD). We thank our sponsor for their support in publishing this report and our community partners for their generous participation in the research.

This report was prepared by Tom Zizys, Labour Market Analyst and Jonathan Coulman, the Executive Director of the Algoma Workforce Investment Corporation (AWIC).

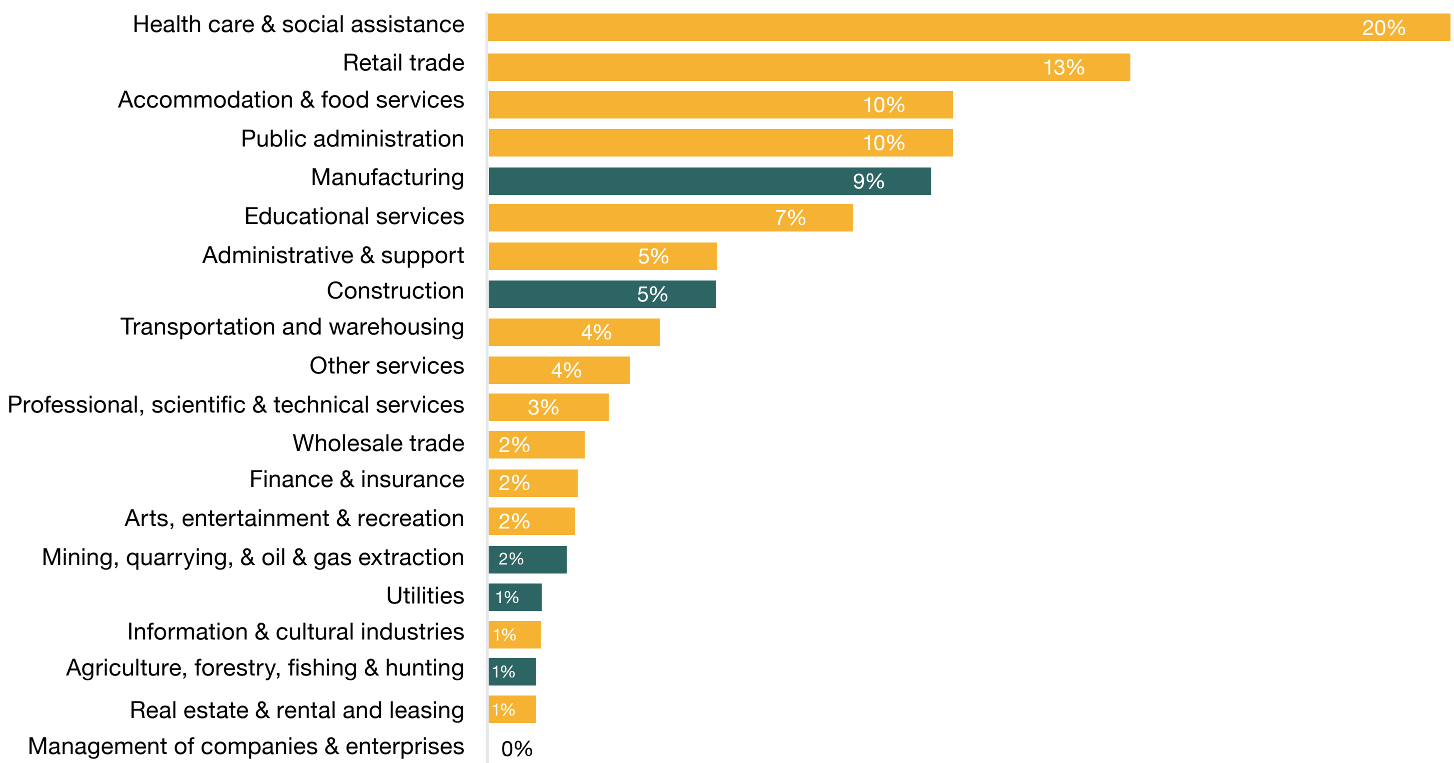
ALGOMA'S LABOUR MARKET SNAPSHOT

Employers are divided into broad types of sectors:

Goods-Producing Sector – organizations that make things
Services-Producing Sector – organizations that provide services

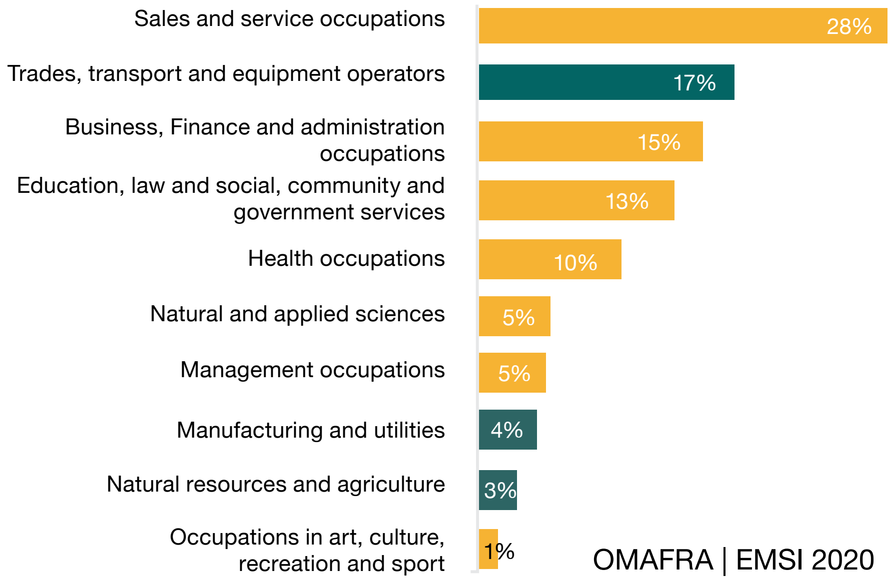
81% Of jobs in Algoma are in the Services-Producing Sector – which includes Healthcare, Retail, Education and all levels of Government (Shown in yellow).

19% Of jobs in Algoma are in the Goods-Producing Sector – which includes Manufacturing, Utilities and Construction (Shown in teal).



OMAFRA | EMSI 2020

Occupations by Job Classification

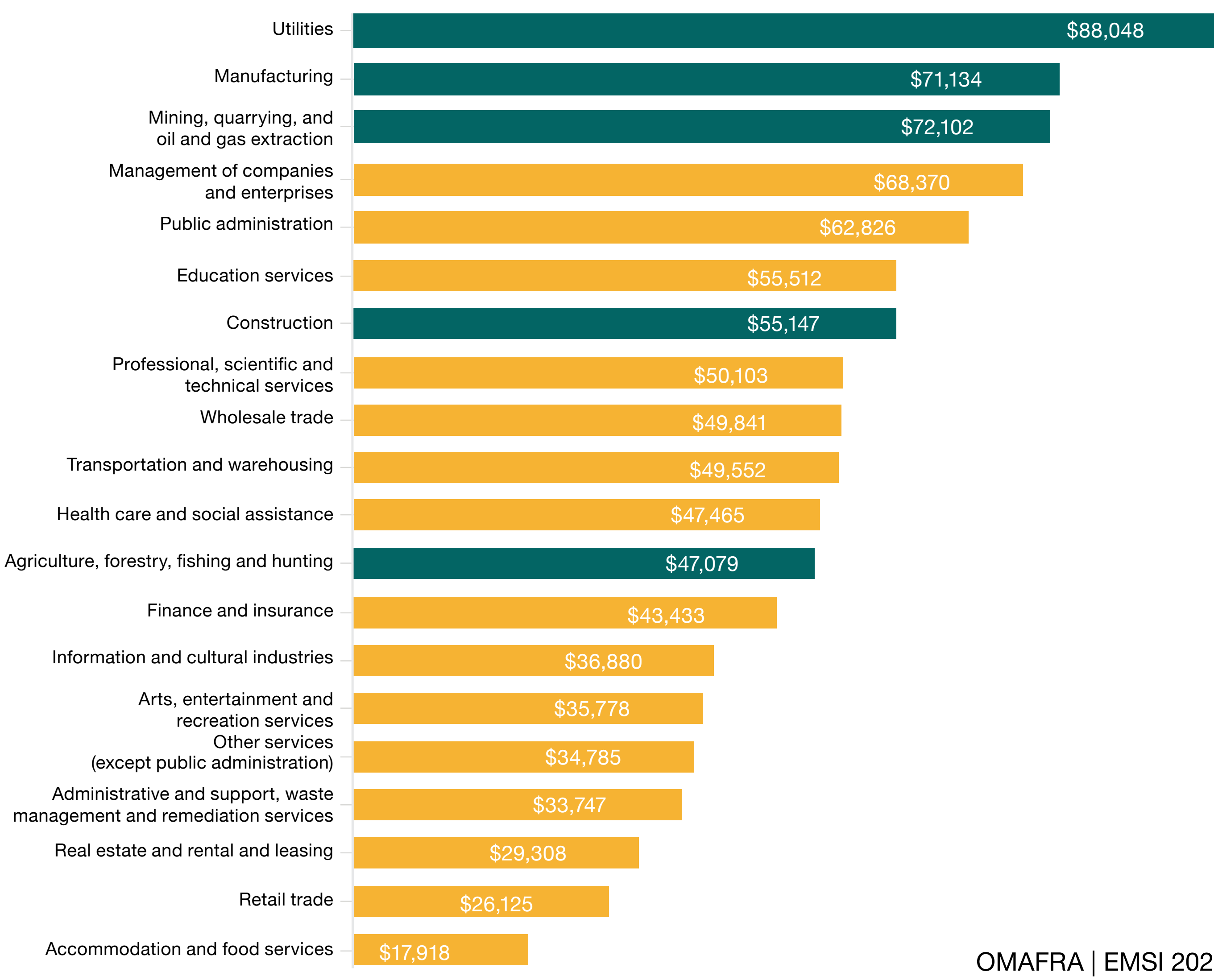


OMAFRA | EMSI 2020

As you might expect, the ranking of Occupations (by job classification) follows the same trends as the Industry make up in Algoma. Most people work in Sales and Service occupations, which are also the top occupations in the province. (Occupations associated with Services Producing Sectors shown in yellow. Occupations associated with Goods Producing Sectors shown in teal).

The highest paying sectors are the Goods Producing Sectors. These sectors have occupations that generally require specialized skills and training in order to work in them. (Services Producing Sectors are shown in yellow. Goods Producing Sectors are shown in teal.)

Highest Paying Sectors

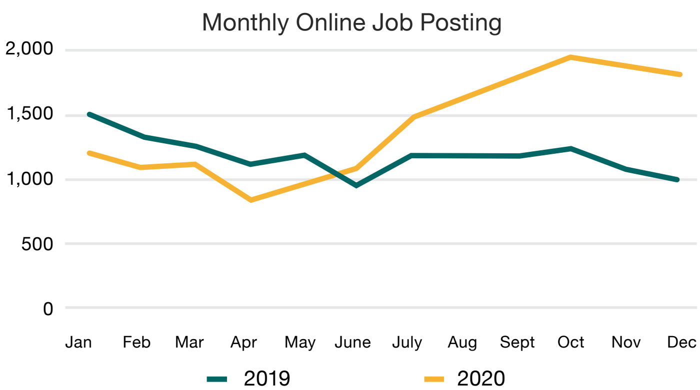


OMAFRA | EMSI 2020

Job Postings

AWIC tracks online job postings in Algoma as indication of the types of jobs and skills that are in demand.

As a result of COVID restrictions, Job postings dropped immediately in March and April 2020. However, as the restrictions loosened, job postings rose across the region and were actually significantly higher than then 2019 postings.



The types of jobs being posted were also influenced by COVID. Demand for Health Care occupations has always been strong, but we saw an increase in the number of postings for PSWs, Registered Nurses and Registered Practical Nurses. Security Guards were also in high demand in 2020 which was not the case in previous years.

Top 10 Online Job Postings for 2020

- Personal Support Workers
- Security Guards
- Registered Practical Nurses
- Registered Nurses
- Administrative Assistants
- Sales Associates
- General Laborers
- Customer Service Representatives
- Retail Sales Associates
- Support Workers

Top 10 Skills Listed in 2020 Online Job Postings

- Communications
- Customer Service
- Management
- Valid Driver's License
- Sales
- Interpersonal Communications
- Detail Oriented
- Problem Solving
- Operations
- Leadership

LABOUR MARKET DATA – ALGOMA

The COVID pandemic, together with the accompanying lockdowns and precautions, upended our economy and labour market in a way that we have not seen since the Great Depression in the 1930's. In this section, we will provide a picture of its impact based on the following Z

- Labour market characteristics (such as unemployment and participation rates) at the provincial level;
- Labour market characteristics at the local level;
- Employment data by industry.

Labour Market Characteristics at the Provincial Level

The impact of COVID was felt across the province, but its impact varied in a number of respects, by geography, by demographic category and by industry.

Unemployment rate. Table 1 provides the monthly unemployment rates for the Toronto Census Metropolitan Area (CMA)[1] and for the rest of Ontario minus the Toronto CMA numbers. On many labour market issues, the Toronto CMA is distinct from the rest of Ontario, as was the case with COVID, when restrictions were in place longer in the City of Toronto and Peel Region than in most other parts of the province. (These figures are illustrated in Chart 1.)

Through the first four months of the year, the unemployment rates for the rest of Ontario and for the Toronto CMA moved in tandem, with the rate for the rest of Ontario being slightly higher. As COVID was taking hold, the unemployment rate rose, starting with the lockdown announced in mid-March and spiked much higher for the Toronto CMA, with the Toronto CMA having an unemployment rate around 3% or more higher than the rest of Ontario for the rest of the year.

Chart 1: Monthly unemployment rates, Toronto CMA and the rest of Ontario, 2020

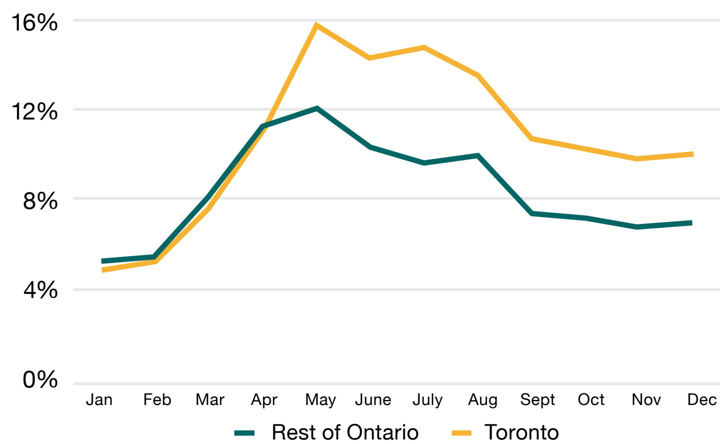


Table 1: Monthly unemployment rates, Toronto CMA and the rest of Ontario, 2020

JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
Rest of Ontario											
5.4%	5.6%	8.3%	11.4%	12.2%	10.4%	9.8%	10.1%	7.5%	7.3%	6.9%	7.1%
Toronto CMA											
5.0%	5.4%	7.8%	11.2%	15.8%	14.4%	14.9%	13.7%	10.8%	10.3%	9.9%	10.1%

Statistics Canada, Table 14-10-0017-01 and Table 14-10-0294-01

[1] The Toronto CMA encompasses the City of Toronto, York Region, Peel Region, all of Halton Region except Burlington, a portion of Durham Region (Pickering, Ajax and Uxbridge), together with New Tecumseth and Bradford West Gwillimbury (Simcoe County) and Mono (Dufferin County). York Region makes up 18% of the population of the Toronto CMA.

Participation Rate

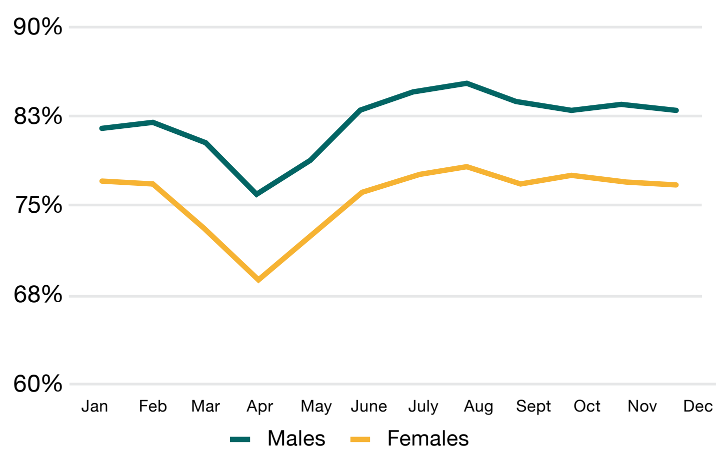
The participation rate measures the proportion of the potential working population (everyone aged 15 years or older) who are either employed or actively looking for a job. Table 2 provides the participation rate figures for males and females in Ontario over the last year for those aged between 15 and 55 years old (Chart 2 illustrates the data). The participation rate tends to increase through the summer and early fall as summer jobs and more economic activity increases employment.

Table 2: Monthly participation rate, males and females aged 15-55 years old, Ontario, 2020

JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
Male participation rate											
5.4%	5.6%	8.3%	11.4%	12.2%	10.4%	9.8%	10.1%	7.5%	7.3%	6.9%	7.1%
Female participation rate											
5.0%	5.4%	7.8%	11.2%	15.8%	14.4%	14.9%	13.7%	10.8%	10.3%	9.9%	10.1%
Difference between male and female participation rates											
4.6%	5.5%	7.5%	7.3%	6.7%	7.2%	7.3%	7.3%	7.1%	5.7%	6.7%	6.5%

The male participation rate is typically somewhat higher than the female participation rate, but that gap increased at the start of the pandemic. It is assumed that the female participation rate decreased more because several industries which have higher proportions of female workers were more likely to have to closed and because women took on more domestic and childminding functions as daycare centers and schools either closed or moved to on-line classes, necessitating more involvement from parents. Whereas the male-female gap in the participation rate was 4.6% in January, for many months it increased to over 7% and at the end of the year remained at 6.5% or higher.

Chart 2: Monthly participation rate, males and females, Ontario, 2020



Unemployment Rate by Age

Because of the industries most affected by the pandemic, youth typically work in these industries in greater numbers were especially affected. Table 3 and Chart 3 provide the monthly unemployment rates through 2020 for all youth (15-24 years old) and compare it to the unemployment rate for those aged 25 years and older.

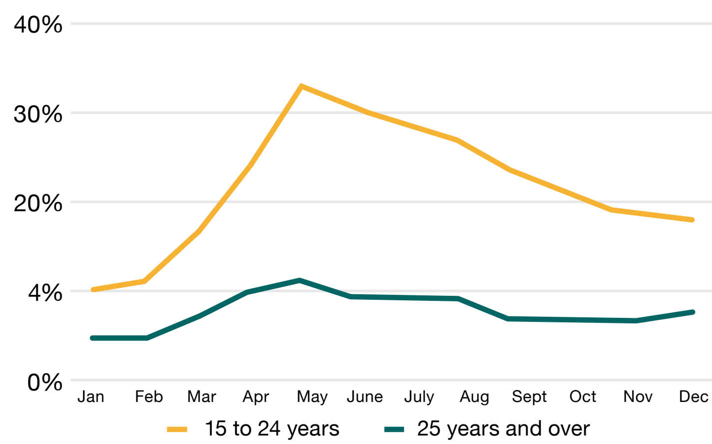
Table 3: Monthly unemployment rates by age groups, Ontario, 2020

JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
15-24 years old											
9.9%	10.9%	16.5%	23.9%	33.1%	30.5%	29.0%	27.0%	23.6%	21.3%	19.1%	18.3%
25 and older											
4.5%	4.7%	6.8%	9.6%	10.9%	9.1%	9.0%	9.0%	6.8%	6.8%	6.6%	7.0%
Ratio of youth unemployment rate to adult unemployment rate											
2.2%	2.3%	2.4%	2.5%	3.0%	3.4%	3.2%	3.0%	3.5%	3.1%	2.9%	2.6%

Statistics Canada, Table 14-10-0017-01

Historically, the youth unemployment rate tends to be around twice as high as the unemployment rate for adults. Through the early months of the year, that pattern held. But by May, the youth unemployment rate had more than tripled (from 9.9% to 33.1%), while the adult unemployment rate had more than doubled (from 4.5% to 10.9%) and through the better part of the rest of the year, the youth unemployment rate was three times that for adults.

Chart 3: Monthly unemployment rates by age groups, Ontario, 2020

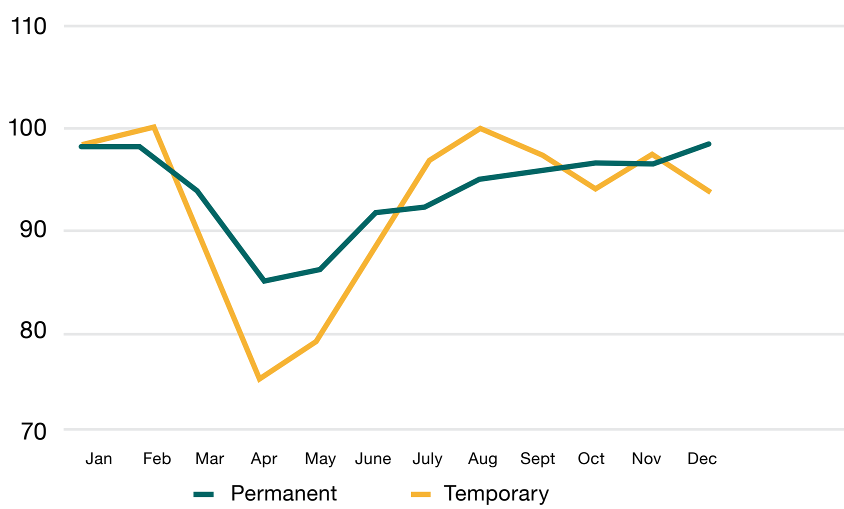


Job Permanency

Job permanency refers to two types of job arrangements: a permanent job has no pre-determined end date; a temporary job has a pre-determined end date and includes: seasonal; temporary, term or contract, including work done through a temporary help agency; casual job; and other temporary work. Approximately 12% to 13% of Ontario's workers over the last three years have been employed in temporary jobs (over 30% of youth are employed in temporary jobs and less than 10% of workers aged 25 years or older).

Chart 4 illustrates the relative changes in the number of permanent and temporary jobs during the pandemic. The number of jobs for each of the permanent and temporary categories in January is given a value of 100 and each subsequent month is given a value in relation to the number of jobs in January (for example, a value of 95 would mean that the number of jobs were 95% of the figure in January).

Chart 4: Monthly employment by permanent and temporary jobs, Ontario



(January = 100)

As one can see, there was a far greater proportional decline in the number of temporary jobs as opposed to permanent jobs at the start of the pandemic. In part, employers were more inclined to shed temporary workers rather than permanent workers, where they had the choice. The rebound in temporary worker employment may in part have been due to increased seasonal hiring in the latter part of the summer after restrictions were relaxed, as well as in part a consequence of employers engaged in tentative hiring, given the uncertain economic situation.

Long-term unemployment. The pandemic and its impact have induced a recession. During a recession, not only does unemployment increase, but the proportion of those who remain unemployed for a longer period of time increases and this circumstance continues for some time after a recession. Chart 5 illustrates the trend in long-term unemployment (that is, individuals being unemployed for six months or more) before and after the 2008 recession.

Chart 5: Percent of long-term unemployed (unemployed for six months or more), Ontario, 2006-2019

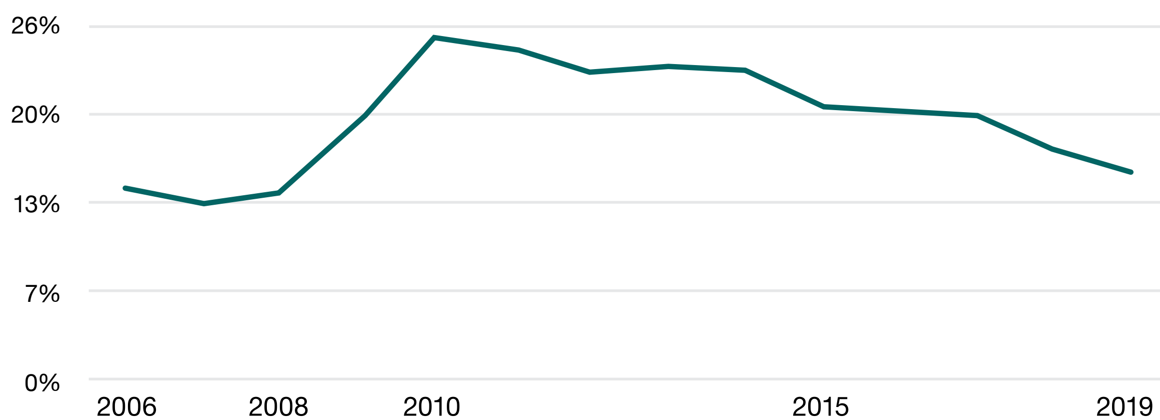
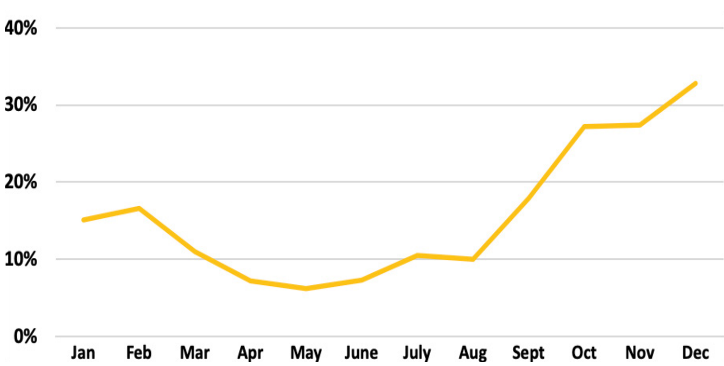


Chart 6 provides the data for long-term unemployed in 2020 for Ontario, from January to December. When the pandemic hit in March, such a large number of individuals became unemployed that in comparison, the percentage who had been unemployed for six months or more dropped, because this was now a smaller fraction. But within a few months, as the unemployment numbers started falling somewhat, the share of the long-term unemployed rose quite sharply starting in September, six months after March. In December, the proportion of long-term unemployed stood at 32.8%.

Chart 6: Percent of long-term unemployed (unemployed for six months or more), Ontario, January-December 2020



A Few Points to Consider:

1) At this stage, the number of long-term unemployed can be expected to increase during 2021, for even as a recovery takes hold, individuals who have been unemployed for a longer period of time will have challenges getting re-hired;
2) The experience of previous recessions shows us that it will take a number of years for the proportion of long-term unemployed to drop;
3) All of which means that employment service providers can expect to see a larger number of long-term unemployed among their clients in 2021 and beyond.

Labour Market Characteristics at the Local Level

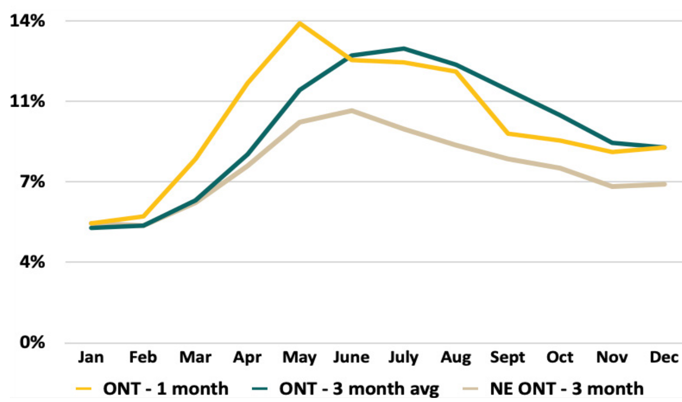
The data which informs this analysis comes from Statistics Canada's Labour Force Survey, which is a monthly national survey that tracks numerous indicators relevant to the labour market. Being a survey, it has a limited sample size and the smaller the geographic area being analyzed, the smaller is the available sample, which limits the ability to dissect the data by various categories.

To enlarge the sample size and strengthen the robustness of the results, Statistics Canada uses a three-month moving average when it provides data for smaller areas. For example, figures that are reported for May represent the average result for the three months of March, April and May. A three-month moving average will therefore have a time delay in terms of the impact of changes in any given month and it will also dampen the impact of any given month because that month's numbers are averaged with two other months. These are caveats to keep in mind when reviewing the following data, much of which relies on three-month moving averages.

For the local area, this analysis will present data for Northeast Ontario, which consists of the Districts of Algoma, Cochrane, Timiskaming, Sudbury, Manitoulin, Nipissing and Parry Sound, and the City of Greater Sudbury. As well, there is data for Sault Ste. Marie specifically, thanks to a custom purchase made by the Algoma Workforce Investment Corporation.

To illustrate the difference in results with the shift to three-month moving averages, Chart 7 shows the monthly unemployment rate for Ontario, the three-month moving average for Ontario and the three-month moving average for Northeast Ontario, for 2020.

Chart 7: Unemployment rate, Ontario monthly, Ontario 3-month moving average, Northeast Ontario 3-month moving average, January to December 2020



Statistics Canada, Table 14-10-0017-01 and Table 14-10-0293-01

Comparing the Ontario figures, one can see how the three-month moving average unemployment rate (orange line) lags the monthly figure (blue line), its peak comes later (July compared to May) and is not as high (12.8% compared to 13.9%), all because the reported figure for each month is the average of that month plus the two months preceding it.

The three-month moving average unemployment rate for Northeast Ontario (green line) is lower than that for Ontario throughout the pandemic, it peaks earlier (in June at 10.1%) and then declines, rising only in December.

It is possible to break down the labour force data to areas smaller than Northeast Ontario. Statistics Canada provides three-month moving average data for Greater Sudbury and data is also available for Sault Ste. Marie. One can subtract the figures for Greater Sudbury and for Sault Ste. Marie from the Northeast Ontario numbers to get a rough approximation of what was happening in the rest of the region outside these two urban centers. This sort of calculation produces only an estimate and it compounds any problems with the quality of the data, so it should be treated with caution. However, over a period of time it is suggestive of the relative trends across the areas being examined. Table 4 provides the three-month moving average unemployment rate for Sault Ste. Marie, Greater Sudbury and the rest of Northeast Ontario (minus these two cities), accompanied by Chart 4 illustrating the trends.

In January 2020, Sault Ste. Marie and Greater Sudbury accounted for almost half (49%) of the labour force in Northeast Ontario.

Table 4: Unemployment rate, three-month moving average, Sault Ste. Marie, Greater Sudbury and the rest of Northeast Ontario, January to December 2020

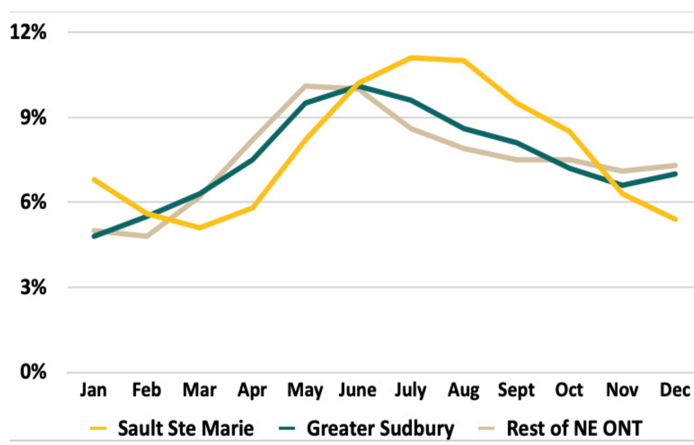
JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
Sault Ste. Marie											
6.8%	5.6%	5.1%	5.8%	8.2%	10.2%	11.1%	11.0%	9.5%	8.5%	6.3%	5.4%
Greater Sudbury											
4.8%	5.5%	6.3%	7.5%	9.5%	10.1%	9.6%	8.6%	8.1%	7.2%	6.6%	7.0%
Rest of Northeast Ontario											
5.0%	4.8%	6.2%	8.2%	10.1%	10.1%	8.6%	7.9%	7.5%	7.5%	7.1%	7.3%

Statistics Canada, Table 14-10-0293-01 and Table 14-10-0294-01

It would appear that the unemployment rate increased more slowly in Sault Ste. Marie in the early stages of the pandemic, however, it peaked later and higher than elsewhere, reaching a three-month moving average figure of 11.1% in July, around a percentage point higher than what had been the peaks in Greater Sudbury (10.1% in June) and in the rest of Northeast Ontario (10.1% in May). At the same time, the unemployment rate has fallen more quickly in Sault Ste. Marie, so much so that by December, the three-month moving average had dropped to 5.4%, at least one-and-a-half percentage points below either Greater Sudbury (7.0%) or the rest of Northeast Ontario (7.3%).

The continuing drop in the unemployment rate for Sault Ste. Marie between November and December runs counter to the trend in the larger areas, namely Ontario as a whole or Northeast Ontario. It remains to be seen how these trends play out in the early months of 2021.

Chart 8: Unemployment rate, three-month moving average, Sault Ste. Marie, Greater Sudbury and the rest of Northeast Ontario, January to December 2020



Employment Trends At The Local Level

In this section, the number of employed residents will be compared through the months of 2020, both in terms of the total numbers and analysis by industry categories. The figures for Sault Ste. Marie will be compared to those for Greater Sudbury and for Northeast Ontario, to provide a context. In order to make for easier comparisons, the January figure for each data set with be given the value of 100 and each subsequent month for that area will be assigned a value as a proportion of 100.

In terms of the total number of employed residents, Northeast Ontario did not lose jobs in the same proportion as Ontario during the course of the pandemic (Chart 9). Sault Ste. Marie lost a larger proportion of jobs than Northeast Ontario in the spring and early summer, however, the data indicates that Sault Ste. Marie rebounded strongly and has had higher employment levels through the latter part of the year. In Northeast Ontario, following a recovery in late summer, the employment numbers in the last three months of the year have been slightly below what they were in January.

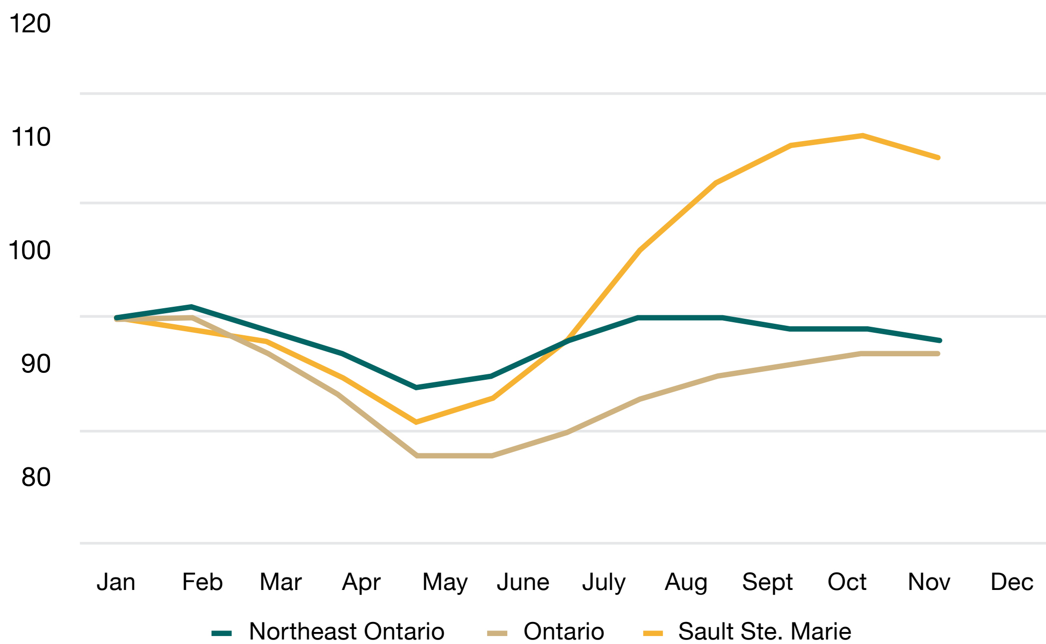
As one dissects the data further, one decreases the quality of the data, because the sample size becomes smaller. To generate comparisons regarding employment by industry, we have chosen to profile two broad sectors:

The Goods-Producing Sector - Manufacturing; Construction; Agriculture; Forestry, Fishing, mining, Quarrying, Oil and Gas

The Services-Producing Sector - (everything else), which accounts for 76% to 80% of all jobs in Sault Ste. Marie, Northeast Ontario and Ontario.

The employment trends for these two sectors in the three areas are illustrated in the following charts, Chart 10 for the goods-producing sector and Chart 11 for the services-producing sector. Both charts are designed to the same scale so that there is an easy comparison between trends.

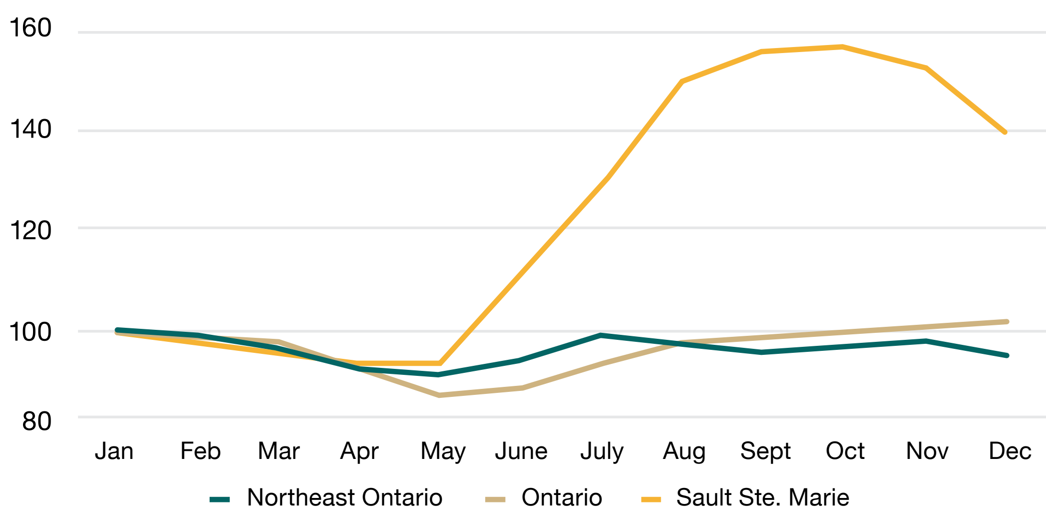
Chart 9: Ratio of employed residents, three-month moving average, Sault Ste. Marie, Northeast Ontario and Ontario, January to December 2020



(Employment level in January = 100)

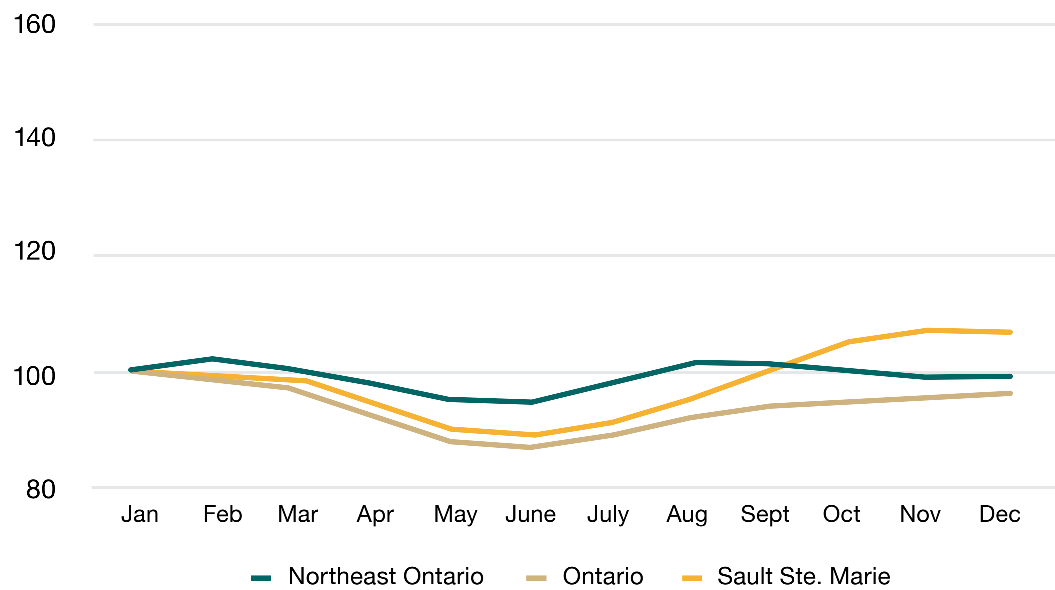
It is very evident that the employment trend for the goods-producing sector in Sault Ste. Marie is very distinct from any of the other trends in either chart. Further digging into these numbers show that this great increase is entirely a consequence of a huge increase in manufacturing employment, more than doubling the number for January in the latter months of 2020. This appears highly improbable and is likely a sampling issue. In any survey, based on the sample size, one can predict a range for the error (such as plus or minus 3.5%), as well as a likelihood of the sample falling within that range (as one often hears in political preference polls, "19 times out of 20"). It is likely that this particular reported figure is the dreaded one time out of twenty. A household selected to be part of the Labour Force Survey remains part of the survey panel for six months, so that a sampling imbalance could affect the survey results for some time.

Chart 10: Ratio of residents employed in the goods-producing sector, three-month moving average, Sault Ste. Marie, Northeast Ontario and Ontario, January to December 2020



(Employment level in January = 100) Statistics Canada, Table 14-10-0091-01

Chart 10: Ratio of residents employed in the services-producing sector, three-month moving average, Sault Ste. Marie, Northeast Ontario and Ontario, January to December 2020



(Employment level in January = 100)

If we set aside the results for the goods-producing sector in Sault Ste. Marie, the following observations can be made:

- In Ontario, both sectors were equally affected at the start of the pandemic, but through the summer and the rest of the year, the goods-producing sector recovered more than the services-producing sector, so that in the last three months the level of employment in the goods-producing sector was at or slightly above the level of employment present in January, while the service-producing sector was still slightly below its January level;
- In Northeast Ontario, the impact of the pandemic was not as severe, however, the goods-producing sector was slightly more affected and has lagged more from its January level than the services-producing sector;
- In Sault Ste. Marie, by June the services-producing sector had contracted to 89% of its January employment level, but since then it has had a stronger recovery and has performed better than the comparable figures for Northeast Ontario and Ontario.

It is also possible to analyze the employment data by occupations, however, here as well there is need to exercise caution, because as the occupation categories get smaller, the data quality diminishes. Reviewing the results over 2020, one can make some tentative comments regarding trends. Table 5 highlights some larger occupations which had either notable growth or loss in Northeast Ontario.

Table 5: Notable increases and decreases among occupational sub-categories in Northeast Ontario, January to December, 2020

Occupations Which Had Notable Increases In Northeast Ontario	Trend In Ontario
Professional occupations in nursing Nursing coordinators and supervisors, registered nurses	Also increased
Technical occupations related to natural and applied sciences Technical occupations in sciences, engineering, as well as computer and information systems	Also increased
Occupations in manufacturing and utilities. Supervisors, central control operators, machine operators, assemblers and labourers	Declined but generally recovered

Occupations Which Had Notable Decreases In Northeast Ontario	Trend In Ontario
Office support occupations General office workers and clerks	Declined but generally recovered
Professional occupations in business and finance Accountants, investment professionals, HR and business service professionals	Increased somewhat
Supervisors and technical occupations in natural resources, agriculture and related production Supervisors and contractors in logging and mining, underground miners, logging machine operators, agricultural service contractors	Increased

CANADIAN BUSINESS COUNTS – LABOUR MARKET INDICATORS

Introduction

Statistics Canada maintains an on-going count of business establishments across the country, relying on administrative data (corporate income tax and GST files) and surveys of businesses. This census of businesses is called Canadian Business Counts, which Statistics Canada releases every six months, in June and December. This analysis relied on the June 2020 data.

With the closure of many businesses as a result of the pandemic and its aftermath, Statistics Canada has issued the following qualification regarding the June data:

"The June 2020 counts cannot be used to measure the impacts of the COVID-19 pandemic. These figures continue to include most businesses that closed in the months since the crisis began. Those that close permanently will eventually cease to be included, once business wind-down and closeout procedures are completed and confirmed, which can take several months."

Number of Businesses, by Size of Establishment and by Industry

Table 1 provides the summary data for all businesses located in the District of Algoma for June 2020. The table provides two different counts:

1) Classified businesses: The major part of the table provides the data for all businesses for which the industry classification is known and shows the breakdown by number of employees as well;
2) All businesses, classified and unclassified: The last three rows of the table present the distribution of all businesses (classified and unclassified) by number of employees; roughly 8% of the total counts in Algoma represent businesses that are unclassified, considerably lower than the provincial average of 11%. This simply means that for these businesses, Statistics Canada was unable to identify which industries these businesses belonged to.

Explanation for specific columns in the tables:

- The second-to-last column in each table shows the percentage distribution of all classified businesses by industry;
- The last column shows the ranking of the total number of classified businesses by industry, from the largest (1) to the fewest (20) number of businesses. The five industries with the most classified businesses have their ranking numbers bolded in red;
- The highlighted cells identity the three industries with the largest number of firms for each employee-size category;
- Where under the percentage distribution a cell shows 0%, it does not mean there are no firms in that category, only that the number of firms, when expressed as a percentage of the total, is below 0.5% of the total and has been rounded down to 0%. Also, where the total is slightly less or more than 100%, this is due to rounding of the component percentages.

TABLE 1 – ALGOMA NUMBER OF BUSINESSES BY EMPLOYEE SIZE RANGE, JUNE 2020

INDUSTRY SECTOR 2-DIGIT NAICS	NUMBER OF EMPLOYEES								%	RANK
	0	1-4	5-9	10-19	20-49	50-99	100+	TOTAL		
11 Agriculture	202	63	18	6	1	1	0	291	4	9
21 Mining	4	2	2	1	0	2	2	13	0	20
22 Utilities	15	4	3	3	5	1	2	33	0	19
23 Construction	329	172	83	50	34	5	3	676	10	4
31-33 Manufacturing	59	28	14	17	17	3	9	147	2	12
41 Wholesale Trade	51	28	19	28	10	2	1	139	2	13
44-45 Retail Trade	224	150	163	99	53	17	11	717	10	2
48-49 Transportation/ Warehousing	169	35	15	17	13	5	2	256	4	10
51 Information & Cultural	33	23	17	3	8	1	0	85	1	15
52 Finance & Insurance	322	48	25	17	16	3	0	431	6	7
53 Real Estate, Rental, Leasing	1173	80	21	8	3	2	0	1287	19	1
54 Professional Scientific Tech	291	116	44	25	11	4	0	491	7	6
55 Management of Companies	50	4	1	0	0	2	0	57	1	16
56 Administrative Support	110	53	36	17	8	4	4	232	3	11
61 Educational Services	26	10	3	3	3	0	4	49	1	17
62 Health Care & Social Assist	339	175	56	41	48	9	19	687	10	3
71 Arts, Entertainment & Rec	79	19	14	11	5	2	3	133	2	14
72 Accommodation & Food	165	57	69	71	47	14	6	429	6	8
81 Other Services	331	207	58	30	17	2	2	647	9	5
91 Public Administration	2	3	6	7	16	5	6	45	1	18
CLASSIFIED BUSINESSES	3974	1277	667	454	315	84	74	6845		
Percentage of all classified & unclassified business	60%	19%	9%	6%	4%	1%	1%	100%		
Cumulative percentage	60%	78%	87%	94%	98%	99%	100%			
Ontario percentage of classified & unclassified businesses	70%	18%	5%	3%	2%	1%	1%			

Some observations:

- Number of small firms: Businesses are by far made up of small establishments. 60% of the classified and unclassified firms in Algoma have no employees[3], and another 19% have 1-4 employees; Algoma has fewer solo establishments (60%) among its businesses compared to the Ontario average of 70% (the last row of the table);
- Highest number of firms by industry: The second to last column provides the percentage distribution of all firms by industry. The five industries with the largest number of firms in Algoma are Real Estate, Rental, & Leasing, accounting for 18.8% of all firms (last year: 18.7%); the second largest, Retail Trade, represents 10.5% (last year: 10.7%), whose share has been dropping the last few years; moving into third place, Health Care & Social Assistance, with 10.0% (up from 9.5% last year); fourth place is Construction, at 9.9% (same as last year); and in fifth place, Other Services (such as auto repair stores, hairdressers, nail salons and so on) at 9.5% (same as last year): by way of context, the five largest industries by number of firms in Ontario are: Estate and Rental & Leasing (20.7%); Professional, Scientific and Technical Services (13.8%); Construction (9.8%); Health Care & Social Assistance (7.2%) and Retail Trade (6.5%);
- Highest number of firms by size and industry: The three largest industries by each employee size category have also been highlighted. The table demonstrates how the very large number of firms in the no employee size category drives the total numbers (especially for Real Estate and Rental & Leasing and, to a lesser extent, for Construction as well as Other Services). In the mid-size ranges, firms in Retail Trade, Health Care & Social Assistance, and Accommodation & Food Services come to the fore. Among the largest firms, three industries are prominent: Manufacturing; Health Care & Social Assistance; and Retail Trade.

Table 2 illustrates the distribution of establishments by locations with higher numbers of firms, together with the distribution by number of employees. Sault Ste. Marie accounts for almost two-thirds (64%) of all establishments in Algoma, followed at a distant second by Elliot Lake with 7%. A further four communities each have 4%.

The larger firms are even more concentrated in Sault Ste. Marie, with 75% of Algoma firms with 100 or more employees located there.

Most of these municipalities experienced very little change in the number of firms compared to June 2019, increasing or decreasing by 1%. The exceptions were Huron Shores, which decreased by 7%, and Algoma, Unorganized, North Part, which decreased by 5%.

[3] This actually undercounts the number of self-employed individuals. The Statistics Canada's Canadian Business Count database does not include unincorporated businesses that are owner-operated (have no payroll employees) and that earn less than $30,000 in a given year.

Table 2: Distribution of firms by number of employees by select locations, Algoma, June 2020

	NUMBER OF EMPLOYEES						PERCENT OF ALL FIRMS
	NONE	1-4	5-19	20-99	100+	TOTAL	
Algoma	3962	1255	1073	377	77	6744	64%
Sault Ste. Marie	2550	741	713	263	58	4325	7%
Elliot Lake	261	117	76	28	3	485	4%
Blind River	181	61	41	14	3	300	4%
Algoma, Unorganized, North	178	51	39	10	2	280	4%
Laird	189	43	28	4	0	264	4%
Huron Shores	142	65	25	15	2	249	

Statistics Canada, Canadian Business Counts, June 2020

Drilling down further, by industry sub-sector, the large number of firms in the Real Estate and Rental & Leasing category is largely driven by establishments with no employees. This is due to the very large number of landlords of residential buildings and dwellings, landlords of non-residential buildings and dwellings and real estate agents.

Table 3 shows the ten industry sub-sectors with the highest number of establishments with employees in Algoma (industry sub-sectors are designated by 3-digit NAICS numbers, as opposed to the 2-digit numbers for the industry level used in Table 1). This is not entirely a proper comparison. Some industries have a large number of sub-sectors, such as Manufacturing, with 21. Others, such as Professional, Scientific & Technical Services, have only one sub-sector, and many others have only three or four. (There are further sub-categories at the 4-digit level.) Nevertheless, these sub-sectors do highlight prominent sub-sectors and illustrate varying distribution of firms by number of employees.

Table 3: Top ten industry sub-sectors by number of firms with employees, Algoma

3-DIGIT NAICS INDUSTRY SUB-SECTOR	NUMBER OF EMPLOYEES				
	1-4	5-19	20-99	100+	TOTAL
621 - Ambulatory health care services	155	60	13	7	235
238 - Specialty trade contractors	98	90	25	3	216
541 - Professional, scientific and technical services	116	69	15	0	200
722 - Food services and drinking places	33	96	49	2	180
813 - Religious, grant-making and civic organizations	90	36	7	2	135
561 - Administrative and support services	49	51	10	4	114
236 - Construction of buildings	65	34	8	0	107
445 - Food and beverage stores	17	62	16	5	100
531 - Real estate	76	19	3	0	98
811 - Repair and maintenance	55	29	8	0	92

Statistics Canada, Canadian Business Counts, June 2020

Ambulatory health care services include physicians' and dentists' offices, as well as medical laboratories.

Specialty trade contractors represent all the skilled trades contractors involved in the range of construction activities.

Professional, scientific and technical services include offices of lawyers, accountants, engineers, management consultants, IT professionals and advertising and public relations professionals.

Change in the Number of Firms by Industry, June 2019 to June 2020

Changes in the number of employers are experienced differently across the various industries. Table 4 highlights the changes in the number of firms by industry and by employee size between June 2019 and June 2020 for Algoma. The table also lists the total number of firms in each industry in June 2020, to provide a context. The colour-coding of the tables (green where there is an increase, orange where there is a decrease) helps to illustrate any pattern.

It should be noted that Statistics Canada discourages comparisons of this sort, on the grounds that their data collection and classification methods change. At the very least, these comparisons can provide the foundation for further inquiry, tested by local knowledge about changes in industries.

It also bears repeating that Statistics Canada made clear that the June 2020 counts cannot be used to measure the impacts of the COVID-19 pandemic, because there would be a delay in the time it takes for a business to close and the administrative paperwork to be completed to register that event, such that the June figures would not be a timely representation of the degree of possible business closures.

The figures in Table 4 warrant some unpacking. While there has been a net decrease of 86 in the total number of establishments, that is entirely driven by the loss of 108 firms with no employees. On the other hand, there are total net increases among firms with 1-19 employees (plus 9), 20-99 employees (plus 8) and 100 or more employees (plus 5). This would strongly suggest that there has been a net increase in employment overall. This follows a positive trend in the previous year, when there were 65 more firms with employees in June 2019 compared to June 2018, with 17 of those firms having 20 or more employees.

While there are quite a few cells which are coloured orange (denoting a decrease), most of these are among smaller establishments, which then result in a decline in the total number of establishments for that industry. But for some industries, the loss of firms is across most establishment sizes, from which one can infer that employment losses have resulted.

These industries are:

- Agriculture, forestry, fishing and farming
- Retail trade
- Transportation and warehousing

On the other hand, employment increases would most likely be the case in the following sectors:

- Construction
- Professional, scientific and technical services
- Health care and social assistance
- Accommodation and food services

Table 4: Algoma, Change In The Number Of Employers, by Industry and by Firm Size, June 2019 To June 2020

INDUSTRY	FIRM SIZE (NUMBER OF EMPLOYEES)					TOTAL NUMBER OF FIRMS JUNE-20
Agriculture, forestry, fishing and farming	-12	-2	-1	-1	-16	291
Mining and oil and gas extraction	-4	-1	0	0	-5	13
Utilities	-1	0	2	-1	0	33
Construction	-11	1	0	1	-9	676
Manufacturing	-6	5	-3	2	-2	147
Wholesale trade	-12	4	0	0	-8	139
Retail trade	-25	0	-2	-1	-28	717
Transportation and warehousing	-6	-1	-3	0	-10	256
Information and cultural industries	10	-1	1	0	10	85
Finance and insurance	-2	-6	2	0	-6	431
Real estate and rental and leasing	-6	-6	2	0	-10	1287
Professional, scientific and technical services	-33	16	1	-1	-17	491
Management of companies and enterprises	3	-2	1	0	2	57
Administrative and support	-3	-2	-2	2	-5	232
Educational services	-6	0	1	0	-5	49
Health care and social assistance	10	9	8	2	29	687
Arts, entertainment and recreation	3	-6	0	1	-2	133
Accommodation and food services	2	4	1	0	7	429
Other services	-8	-6	2	1	-11	647
Public administration	-1	3	-2	0	0	45
TOTAL	-108	9	8	5	-86	6845

Statistics Canada, Canadian Business Counts, June 2019 and June 2020

UPDATE ON AWIC ACTION ITEMS

Priority One - Provide Relevant and Current Labour Market Information

QUARTERLY ONLINE JOB POSTINGS REPORT	The report provides a quarterly LMI portrait of unoccupied positions in the District and helps assess the degree of labour shortages and demand within the labour market.	Ongoing
LABOUR MARKET NEWSLETTER	Weekly roundup of Labour Market News is relevant here in Algoma and around Canada	Ongoing
MONTHLY LABOUR FORCE SURVEY SUMMARIES	Each month AWIC provides a summary and analysis of the month Labour Force Survey data provided for Sault Ste. Marie.	Ongoing

Priority Two - Ensure The Algoma Workforce Meets the Needs of Our Current and Emerging Economy

PATHWAYS TO THE TRADES	As a follow up project to the In-Demand Skill Trades survey conducted in 2019/2020, AWIC will produce 'real world' pathways to the trades which will highlight the many different ways individuals can move towards the trades regardless of where they might be starting from – from a student to someone changing from their career.	March 2021
REGIONAL COMMUNITY FOCUS	AWIC will continue to consult with communities around the region and provide localized data and reports that have a regional focus.	March 2021
FUTURE OF WORK IN ALGOMA	AWIC is hosting a series of online webinars in which subject matter experts will share their insights and perspectives on what the Future of Work could look like in their field. Topics include Future of Work in Education, Mining, Manufacturing and Health Care.	February 2021
ENGAGING A YOUNGER WORKFORCE	AWIC created a series of articles and a summary report on the impacts of COVID on younger members of the workforce. AWIC has also created student surveys to gather students' perspectives on careers and Algoma's labour market.	March 2021
COVID -19 SURVEY/REPORTS	Originally not a Partnership Project, we added this as a project since it is both necessary and requires resources. AWIC's primary role is to gather information from employers about the impacts of COVID on their workforce. COVID and the response to COVID has had unprecedented impacts on Algoma's employers and workforce. AWIC is playing a role in gathering relevant information directly from employers so that all levels of government and community partners can help address the issues and plan support recovery projects.	March 2021

Priority Three – Strengthening Connections

REGIONAL PRESENCE	AWIC attends and hosts regular meetings around the Algoma region. The goal is to continually improve communication and coordination of projects and programs related to workforce development within each region and across the district.	Ongoing
SPONSORSHIPS	AWIC supports support non- profit organizations that hold events and activities that will have a positive effect on workforce development within the Algoma District such as Local Economic Development Programs that create jobs, Career Fairs, Labour Market Research, Business/ Employer Outreach, Promoting Apprenticeships	Ongoing