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AGING WORKFORCE STUDY PROGRAM – FIRST PROGRESS REPORT

The Planning and Economic Development Committee recommends the adoption of the recommendation contained in the following report dated October 15, 2009, from the Commissioner of Planning and Development Services.

1. RECOMMENDATION

It is recommended that this report be received for information.

2. PURPOSE

This report updates Council on the progress to date on the Aging Workforce Study Program following Council approval on October 23, 2008 and highlights key research findings that impact labour supply and demand in the Region.

3. BACKGROUND

The 2005 Economic Strategy identified the complex interplay of demographic changes, economic trends and changing business conditions which is making it difficult to forecast supply and demand for workers. The Aging Workforce Study Program will provide a better understanding of York Region's workforce demographic impact on the economy and initiate actions to improve efforts to maintain effective and adequate skilled labour supply to meet the needs of the future workforce.

The Aging Workforce Study Program is an 18 month employer focused project funded by Employment Ontario, through the Ministry of Training Colleges and Universities (MTCU). The project is managed by the Economic Development Branch and is assisted by an Advisory Committee of stakeholders from private, public and academic sectors.

The Aging Workforce Study Program includes custom research to assess the unique economic impact of the aging workforce effects on York Region stakeholders. Three surveys engaging 1,000 youth, 1,000 older residents and 200 employers will provide information to forecast workforce gaps and trends in retirement and second careering of older workers.

Based on the results of jurisdictional and custom research, a series of employer workshops and a stakeholder conference will be coordinated. Economic Development will produce and distribute guides, employer tools and a final report to employers.

The aging workforce trend in York Region

In the next five to 10 years, aging baby boomers in the workforce will begin to retire in large numbers. This will create a loss of valuable knowledge from the intellectual capital of York Region and pose questions on succession planning at small entrepreneurial firms that comprise over 70% of firms in the Region. The aging workforce will challenge medium and large York Region employers with a significant reduction in the supply of qualified employees.

This trend will occur concurrently with the continued growth in York Region employment, which is forecasted to increase from 462,000 jobs in 2006 to 799,000 jobs by 2031 as identified in the Official York Region 2031 Population and Employment Forecasts.

Project Start-up Milestones

The following project start-up milestones were achieved.

Table 1
Project Start-up Milestones

Key Milestones	Key Dates
Council approval – Report 9	October 23, 2008
Submissions of MTCU Sponsorship Funding Application	November 20, 2008
MTCU Project Approval	January 1, 2009
MTCU/York Region contract agreement	March 23, 2009
Staff recruitment and hiring	February - May 10, 2009
Project start date	April 16, 2009

Aging Workforce Study Program Phases

The Aging Workforce Study project consists of five phases beginning April 2009 and ending November 2010. Work activities occur concurrently in multiple phases with different completion target dates.

Table 2

Aging Workforce Study Project - Key Milestones Revised

Project Deadlines	Completion Target
Phase 1 – research and analysis	October 2009
Phase 2 – custom research and reporting	March 2010
Phase 3 – employer workshops	May 2010
Phase 4 – employer tools and pilot program	September 2010
Phase 5 - final report prepared	November 2010

Economic Development will report on results of each phase and include highlights of aging workforce trends, jurisdictional impacts, and best practices in workforce planning. This is the first in a series of progress reports prepared for Council.

4. ANALYSIS AND OPTIONS

Program Launch - creating awareness among York Region employers

- The communication plan developed in June 2009 targeted multiple and unique York Region stakeholders. An Aging Workforce Study Program brochure was distributed to 1,700 employers and stakeholders by direct mail and emailed to 3,800 York Region employers.
- Marketing activities resulted in 200 organizations providing human resource contacts to receive Aging Workforce Study research and program information.
- Five organizations asked to participate in the employer pilot program to be developed this spring.
- The project attracted 14 executive directors, senior managers and human resource experts to participate as Advisory Committee members representing York Region private sector, trade associations, public sector and academia views. *Attached is the Advisory Committee member list.*
- Aging Workforce Study Program information, research findings, employer tools and employer events are posted on www.yorkeconomicinsights.ca.

- York Region newspapers and television reported on the Aging Workforce Study Program and aging workforce trends. Key messages encouraged employers to consider developing strategies to address labour supply shortages.

PHASE 1 – JURISDICTIONAL RESEARCH AND ANALYSIS

Aging workforce trends impact on York Region

Jurisdictional reviews of the aging workforce including trends and issues, demographic comparisons internationally, nationally and provincially were completed. The following table highlights key Aging Workforce Study trends and facts.

Table 3
Jurisdictional Research - Key Findings

Trends	Facts
Aging population is a global phenomenon	Globally, life expectancy will increase 10 years in G7 countries from 74.6 in 1981 to 84.8 in 2045¹ Canada is aging faster than comparable advanced economies: • Currently: 13.2% of Canada's population is over 65 • By 2031, Canada's 65+ year olds will comprise 23.4% of the population which is greater than the Organisation for Economic Co-operation and Development average of 21.8%² • By 2031, York Region's aging population will double to 20% (from 10% in 2006)³ Provincial context of aging:⁴ • By 2031, Canada's median age will be 44.3 (up from 39.6 in 2009) • By 2031, the Maritimes will have the oldest populations with median age of 48 (up from 42 in 2009) • By 2031, Ontario and Western Canada will have the youngest median age of 43 (up from 39 and 38)

Low fertility rates effect labour supply	Canada's fertility rate of 1.57 is below the replacement rate of 2.1⁵ Current global fertility rates:⁶ • World average fertility rate is 2.55 • India ranks 77th with 7.19 • Japan ranks 184th with 1.27 • Canada has one of the lowest fertility rates ranked 160th among 195 Organisation for Economic Co-operation and Development countries
Immigration has been key to population growth	Between 2001 and 2006, immigrants accounted for almost 60% of the Region's growth, representing 43% of the population⁷
Boomers are more highly concentrated in York Region	Boomers as percentage of population currently:⁸ • 31% Canada • 29% GTA • 33% in York Region
Boomers are retiring earlier and have longer retirement periods	Canada's current retirement ages:⁹ • Women 60.9 • Men 61.8 • Both sexes 61.4 Average retirement age by employment sector:¹⁰ • Public sector – 59.6 • Private sector – 62 • Self-employed – 65.4 Longer life expectancy after retirement (age 65):¹¹ • 1971 – 7.9 years • 2010 – 20 years

¹OECD Health Data 2009

²OECD Factbook 2009

³Canadians in Context – Aging Population; HRSDC, 2006

⁴Statistics Canada; Population Projections for Canada, Provinces & Territories, 2009

⁵United Nations World Population Prospects

⁶United Nations World Population Prospects, 2006

⁷York Region - Just the Facts About Your Community, 2007

⁸Statistics Canada – 2006 Population Projections & 2008 Ontario Min. of Finance, ON Population Updates

⁹Statistics Canada. Retirement age by class of worker and sex, 2009

¹⁰Statistics Canada, Retirement age by class of worker and sex, 2008

¹¹Economic and Social Affairs UN Secretariat, 2007; Statistics Canada Labour Force Survey (LFS), 2009

PHASE 2 – CUSTOM RESEARCH AND REPORTING

Custom research surveys will enable Economic Development to develop tools and resources customized to York Region employer needs.

Three workforce assessment surveys were developed targeting York Region youth, boomers and employers. Results of the surveys will be completed March 2010 and will be provided to employers at employer workshops, posted on the Aging Workforce Study website and included in a final report.

Custom research will assess key workforce variables

- Forecast employment growth in York Region by sector and occupation
- Identify York Region labour gaps arising from retirement plans and youth career aspirations
- Quantify labour supply shortage specific to York Region
- Identify best practices to increase qualified labour supply of older workers

Two market research surveys of 1,000 youth and 1,000 boomers in York Region are being conducted during October - November 2009 with analysis reports expected December 2009. In addition, 200 employers in York Region will be surveyed in January - February 2010 and the results reported March 2010.

PHASE 3 – EMPLOYER WORKSHOPS

Employer workshops planned for February – March 2010

Research findings will be presented at a series of four geographically dispersed employer workshops. Employers will increase their awareness, access tools and resources and initiate actions to respond to the aging workforce trends. Economic Development will coordinate with local Economic Development Officers on the employer invitations to the workshop.

PHASE 4 – EMPLOYER TOOLS AND PILOT PROGRAM

Pilot programs begin April 2010

Economic Development will coordinate testing of employer tools, resources and human resources best practices with York Region firms from April - October 2010. Results will be reported as case studies and presented to employers at the stakeholder conference.

Five medium to large size employers are interested in participating in pilot programs. More employers may be recruited to test strategies and tools yet to be identified and developed.

PHASE 5 – FINAL REPORT

Final report to be released at a Stakeholder Conference

The final report will provide employers with aging workforce research, employer tools and resources to develop workforce action plans. The final report and the pilot program results, case studies, and human resources best practices will be presented at the conference.

5. FINANCIAL IMPLICATIONS

Funding application accepted to cover Aging Workforce Study Program costs

Employment Ontario approved \$518,000 funding for the Aging Workforce Study Program. Direct costs covered include: dedicated project staff; research; employer guide and tools development; pilot program coordination; delivery of workshops and stakeholder conference; and production and distribution of a final report.

There are no direct financial implications for York Region. The program operates in the York Region Administrative Centre with indirect office and equipment costs covered by the Economic Development Branch.

6. LOCAL MUNICIPAL IMPACT

Addressing the aging workforce trend will have an economic impact on all nine municipalities by uncovering strategies that can be acted on to support workforce development to the year 2025. Municipal Economic Development Officers were briefed on the Aging Workforce Study Program June 12, 2009 and presented with jurisdictional research on October 9, 2009.

7. CONCLUSION

The Aging Workforce Study project has been successfully launched and is on-track to be completed by November 2010. Jurisdictional research has generated meaningful insights and the project includes opportunities for ongoing regional stakeholder input.

For more information on this report, please contact Patrick Draper, Director Economic Strategy and Tourism at (905) 830-4444 Ext. 1503 or Susan Bergman, Aging Workforce Study Program Coordinator at Ext. 1492.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is attached to this report).



AGING WORKFORCE STUDY – ADVISORY COMMITTEE 2009-2010		
Advisory Committee Member	Title	Organization
Susan Edwards	Director, Human Resources	Canada's Wonderland
Ian Turnbull	President	Human Resources Professionals for York Region
Diana Harper	Senior Development Officer	Ministry of Training, Colleges and Universities
Jon Olinski	Coordinator, Workforce & Succession Planning	Seneca College
David Cox	Director, Human Resources and Occupational Health and Safety	South Lake Regional Health Centre
Alan Ward	VP - Human Resources	Staples
Dave Gordon	VP – Human Resources	State Farm
Deborah Bonk	President & CEO	Vaughan Chamber of Commerce
Lynda Coulter	Superintendent of Human Resources	York Catholic District School Board
Sylvia Patterson	General Manager, Housing & Long Term Care Branch	York Region
Elizabeth Gordon	Manager, Recruitment and Retention Services	York Region District School Board
Al Wilson	Executive Director	York South Simcoe Training & Adjustment Board
Patrick Shaw	Executive Director	York Technology Association
Dr. Rhonda Lenton	Associate Vice-President Academic	York University
Patrick Draper	Director, Economic Strategy	York Region
Susan Bergman	Program Coordinator – Aging Workforce Study Program	York Region