

Supplementary Information

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Terms of Reference

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Waterloo Region Talent Attraction, Retention, & Re-skilling Plan

[Click here](#) to read the Waterloo Region Talent Attraction, Retention & Re-skilling Plan.

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WREDS Alignment with the National Indigenous Economic Strategy (NIES): Recommendations for Economic Reconciliation

This appendix explores the alignment between the Waterloo Region Economic Development Strategy (WREDS) and the National Indigenous Economic Strategy (NIES). Both strategies share a common goal of fostering economic growth and prosperity.

The NIES outlines a comprehensive vision for Indigenous economic development across Canada, addressing key areas such as entrepreneurship, labour force, land, infrastructure, finance, and procurement through the lens of economic reconciliation. By examining the strategic statements within the NIES and identifying their parallels with the WREDS, we can highlight the potential for collaboration and the opportunities to advance Indigenous economic development within our region.

This analysis will demonstrate how the two strategies complement each other and provide a framework for developing targeted initiatives and policies that support Indigenous businesses, entrepreneurs, and communities in Waterloo Region while working towards the common goal of economic reconciliation.

People >< Talent / Quality of Life

Focus	Strategic Statement
Indigenous Entrepreneurship	Indigenous entrepreneurs have access to the information, tools, capital, and support systems to give them the best possible opportunities to build and grow successful businesses.
Leadership & Governance	Indigenous Peoples are certified as board ready and are actively participating on corporate boards, boards of Indigenous organizations, and not-for-profit boards.
	The voices of Indigenous Youth, Women, Elder, and LGBTQ2S+ inform the nexus of Indigenous and Western approaches to economic development.
	Indigenous intellectual property and traditional knowledge are protected from cultural misappropriation.
	Regional business schools have mandatory curricula on Indigenous economic development.
	Strengthen and support the Indigenous public service.
	A highly skilled, competitive, and world-class Indigenous labour force for local and Canadian markets.

Labour Force & Labour Markets	Indigenous Peoples have access to readily accessible culturally appropriate education at all levels, pre-kindergarten through post-secondary.
Social Capital	Build and strengthen the bonds and linkages among Indigenous and non-Indigenous Canadians; foster and grow the social capital of Indigenous Peoples.
	Indigenous Peoples see themselves as active and valued participants in the local economy.
	Proactive and meaningful approaches to eradicate systemic racism.
Workplace	Inclusive workplace strategies for Canadian employers that harness the human resource potential of all employees.

Lands >< Land Readiness

Focus	Strategic Statement
Land Sovereignty	Indigenous communities have the tools, information, and advocacy to affirm jurisdiction of their territories.
	Systemic barriers to Indigenous land sovereignty are removed.
	Indigenous communities have the capacity and resources to conduct traditional knowledge and land use studies and to reclaim the traditional stories, relationships, and governance that come from the land.
Land Management	Indigenous communities have the tools, resources, and knowledge to manage their jurisdiction over their traditional lands and territories.
	Indigenous communities have the right to develop their land for the purposes of building sustainable economies.
Environmental Stewardship	Indigenous groups are full participants at international climate change forums and committees.
	The inherent role of Indigenous Peoples is enshrined in law and policy as stewards of the land, water, air, and natural resources.

Infrastructure >< Land Readiness / Scaling Local Innovation

Focus	Strategic Statement
Physical Infrastructure	Indigenous communities have the physical and technological infrastructure to support healthy and prosperous communities.
	Indigenous communities have the capacity to participate and the opportunity to take the lead economic position and equity ownership in any infrastructure development.

	Involve Indigenous communities in all plans and decisions regarding physical and high-speed technological infrastructure, including Indigenous telecommunications spectrum sovereignty.
	Food sovereignty in Indigenous communities is supported by effective plans and legislation.
	Indigenous Peoples have access to sustainable housing and home ownership.
Institutional Infrastructure	Indigenous institutions are established to support all aspects of Indigenous economic prosperity.
	Indigenous Peoples guide development of policies and processes for mainstream public organizations.
	Systemic racism no longer enabled by institutional policies, processes, and practices.
	All Canadians are educated on the history of Indigenous Peoples in Canada through an Indigenous lens.
	Government, corporate, and institutional policies incorporate Indigenous economic prosperity.
Financial Resources for Infrastructure	Indigenous communities own and effectively manage infrastructure, trust funds, and settlements, and have the capacity to generate own-sourced revenues.
	Financial institutions view Indigenous communities, institutions, and businesses as viable investments.

Finance >< Scaling Local Innovation/Strategic Sector Support

Focus	Strategic Statement
Revenue Sources	Indigenous Peoples have an equal voice in the management of, and benefit from, natural capital.
	Systemic barriers to accessing capital are removed.
	Legislative barriers to accessing capital and business development are removed and replaced with appropriate legislative protocols in line with Indigenous terms.
	Indigenous Peoples receive the money owed to them from legal settlements.
	Indigenous Peoples are partners in all government approved projects.
Stimulus Funds	Robust mechanisms are in place to ensure economic prosperity for Indigenous Peoples.
	Incentives are in place to encourage investment in Indigenous economies.
	Indigenous Peoples are partners in all government approved projects.

Procurement	Industry’s social license to operate in the local resource sector is linked to Indigenous participation and economic inclusion in corporate procurement.
	Indigenous institutions work with governments and corporations on procurement processes.
	All levels of government and industry have mandatory Indigenous procurement targets.
	Indigenous Peoples control the definition of “Indigenous business.”
	Corporations adopt the principles of Environmental, Social, Governance, and Indigenous (ESGI).

Strategic Pillar inclusions Source: https://niestrategy.ca/wp-content/uploads/2022/12/NIES_English_FullStrategy_2.pdf pages 20-

Waterloo Region Economic Overview

Economic Growth and Inflation

The region's economic growth has experienced a significant slowdown since its peak in 2021. Real GDP expanded by 1.3% in 2023, compared with the strong 5.5% and 3.8% growth rates observed in the previous two years. This deceleration is expected to persist in the near term, with GDP projected to grow at a rate of 1.3% in 2024. However, a gradual recovery is anticipated, with growth rates forecast to rise to 2.8% in 2025 and stabilize at 3% from 2026 to 2028. The region has also benefited from Canada's decreasing inflation rates. The Consumer Price Index (CPI) stood at 3.8% in 2023, down from 6.8% in 2022. It is estimated to further decline to 2.8% in 2024 and 2.1% in 2025.

Sector Performance

Waterloo region has a diverse industry base across key clusters including advanced manufacturing, agri-food, automotive, and technology. The highest performing sectors include:

- **Manufacturing:** The manufacturing sector remains a significant contributor to the regional economy, generating 18% of local GDP in 2023, nearly double the Canadian average. Despite a 1.9% increase in output in 2023, this figure falls short of the 5.0% growth seen in 2022 and pre-pandemic levels. However, the sector is poised for a recovery, with output projected to grow by 2.5% after 2024. Significant investments, such as the nearly \$70 million injected by auto parts manufacturers PWO Canada and Dana Canada last year, are expected to further bolster the sector's growth.
- **Professional and Technical Services:** This sector experienced a slowdown in 2024, with output growth decreasing to 1.7% from 6.0% in 2023. This represents a three-year low. A recovery is anticipated, with output forecast to grow by 3.3% in 2025 and mid-3% from 2026 to 2028.
- **Retail:** Retail sales growth decelerated to 0.6% in 2023, a significant drop from the double-digit growth rates observed in 2021 and 2022, which were driven by post-pandemic consumer spending. However, a rebound is expected, with sales growth forecast to reach 2.1% in 2024, 3.4% in 2025, and around 4% from 2026 to 2028. Retail sales output is expected to mirror these growth trends.
- **Finance, Insurance, and Real Estate:** Output growth in this sector slowed to 1.4% in 2022 and 1.0% in 2023. The average resale value in real estate has declined significantly, from nearly \$1 million in early 2022 to approximately \$760,000 in 2023. Output growth is forecast to be a mere 0.6% in 2024, the lowest level since 2009, excluding the pandemic years. A modest recovery is anticipated, with growth projected to reach 3.1% in 2025 and stabilize at around 3% from 2026 to 2028.

Housing and Construction

The region's housing market has exhibited a notable slowdown in recent years. The annual ratio of housing starts to population growth, a key indicator of housing market activity, fell to 0.2 in both 2022 and 2023. This figure is significantly below the historical average of 0.5 over the past two decades, suggesting a decline in housing demand and construction activity. Construction output declined by 1.8% in 2023, but is expected to rebound, reaching 1.9% in 2024 and 2.5% in 2025.

Labour Market

The labour market has weakened over the last 12 months. Employment growth, which reached a strong 3.0% (10,100 jobs) in 2023, decelerated to a mere 0.9% (3,100 jobs) in 2024. This represents the lowest level of job growth since 2018, excluding 2020. As a result, the unemployment rate climbed to 7.1% in 2024, reaching its highest point since 2013, again excluding 2020.

Looking ahead, the majority of employment gains in the next year are anticipated in manufacturing, professional and technical services, and healthcare services, with 3,500, 2,100, and 2,100 new jobs respectively. This positive trend is expected to contribute to a decline in the unemployment rate to 6.1% in 2025.

Climate Change Considerations for the Waterloo Region Economic Development Strategy

Climate Change Will Impact the Economy

The challenge facing society in addressing climate change presents both opportunities and threats. As we consider the Economic Development strategy for the Region, we must integrate these opportunities of diversifying the economy, reducing energy use, creating energy sovereignty, and strengthening the attraction potential of the community to foreign direct investment. At the same time, we must consider the economic impacts of the changing climate, the risks this poses to individual businesses, the region and its infrastructure, and to citizens overall.

Climate Change Poses Economic Risks Across Canada and for the Waterloo Region

The economic damages associated with a changing climate are significant and will worsen unless there is a coordinated global effort to reduce greenhouse gas emissions to net zero levels. There is also a need to prepare infrastructure, social and natural systems for the reality of a warming planet and the extreme weather this brings. A recent study estimated that the cost of a 1-degree Celsius rise in global temperature would lead to a 12% decline in global Gross Domestic Product (GDP)¹. Under a 2-degree Celsius warming scenario (aligned with the global Paris Agreement), this would lead to a 30 – 50% decline in global GDP, relative to the predicted baseline². This means that the economic cost of a changing climate is unavoidable; however, there is a significant opportunity to mitigate the risk of ‘how bad’ these damages become.

The Canadian Climate Institute found that by 2025 climate impacts will be slowing Canada’s economic growth annually by \$25 billion, which is equal to 50% of the projected GDP growth³. Overall, this study found that:

- All households will lose income, and low-income households will suffer the most;
- Climate change will result in significant job losses; and,

¹ Bilal A, Kanzig D, 2024: The Macroeconomic Impact of Climate Change: Global Vs Local Temperature cited in Harvard Magazine October 2024: [What is the Economic Impact of Climate Change on Global GDP? | Harvard Magazine](#)

² Ibid.

³ Canadian Climate Institute 2022: [Economic Impacts Of Climate Change - Canadian Climate Institute](#)

- Reducing GHG emissions and preparing for the impacts of extreme weather will reduce economic losses by 3 quarters.

These dramatic costs highlight the need for us to adapt our economies and communities to reduce the impact of these losses and continue to drive deep emissions reductions.

Climate Change Presents Economic Opportunities Across Canada and for the Waterloo Region

There are employment opportunities emerging across all sectors related to the implementation of Canada's national ambition to achieve net zero emissions by 2050 and adapt to changing climate conditions.

The Royal Bank of Canada estimates that 3.1 million jobs will change over the next decade in response to the climate transition⁴. Examples include accountants that need to audit emissions and financial statements, and land use planners tasked with designing new urban environments resistant to floods, wildfires, and extreme heat. There will also be an emerging shortage in highly skilled jobs to support this transition across all sectors. As early as 2025, there could be a shortfall of 27,000 jobs in roles for senior managers, engineers and physical scientists, and in electrical skills needed to support broad 'electrification' as an energy source with lower greenhouse gas emissions⁵. Overall, by 2030 it is estimated that 235,000 or 13% of new positions will have changes in job descriptions in response to the climate transition⁶. Overall, there will also be an increasing demand for tradespersons, such as

Veriform, a metal fabrication facility in Cambridge, started their sustainability journey in the mid-2000s, with a strong awareness of the challenges climate change posed to society, and economy. Addressing climate change has produced multiple benefits to their business including:

- **Emissions Reduction:** Since 2006, Veriform has reduced emissions by 75%, achieved by implementing over 100 energy reduction and process improvement projects.
- **Business Growth:** The plant expanded their business by 146%, tripled the sales per unit of energy, increased staffing by 30%, improved production levels and more than doubled profits.
- **Cost Savings:** Veriform has experienced a 43% reduction in maintenance costs and saved approximately \$900 for every avoided tonne of greenhouse gas emissions.
- **Employee Attraction:** Veriform has also seen improvements to employee retention; aligning employee interest in the environment and sustainability with their company values.

⁴ Royal Bank of Canada 2022: [Green Collar Jobs: The skills revolution Canada needs to reach Net Zero](#)

⁵ Ibid.

⁶ Ibid.

metallurgists, welders and machinists as well as trades people critical to manufacturing, construction and other sectors, exacerbating sector shortages we are experiencing today.

The supply chain will also be changing, with a focus on changing the way materials are moved (e.g. electric or other zero-emissions vehicles) and generated (e.g. focus on lowering the emissions associated with creating, transporting, using and disposing materials, also known as embodied carbon). The manufacturing sector is evolving to reduce waste and automate processes to reduce overall emissions.

These forecasted changes in the workforce and supply chains present an opportunity for Waterloo Region to support the climate transition, as an incubator for green technology and automation, and with existing advanced manufacturing to be leaders in the manufacturing of these components. There is also a significant opportunity to support climate-focused ‘upskilling’ of workers, in partnership with post secondary institutions within the region.

Recommendations for Prioritizing Climate Change Within the Waterloo Region Economic Development Strategy

Local businesses are already involved in the climate transition in Waterloo Region as is demonstrated in both the Clean Economy Sector map as well as the membership in SWR’s Impact Network Program. There is a growing recognition of the multitude of benefits including but not limited to, reducing operating costs, increasing employee retention and attraction, reducing risk exposure (e.g. reputational, reporting, revenue, legislative), and enabling innovation by forcing companies to think beyond the status quo to address these big challenges.

Actively recognizing the potential of aligning Waterloo region’s economic priorities with addressing climate change unveils unique possibilities to mitigate the financial costs of climate damage and attract and enhance job and economic opportunities. To fully leverage this, the following is recommended:

- **Partnerships with Community Organizations:** Waterloo Region is fortunate to have a wealth of post secondary institutions and community based sector organizations that can foster training

[Evolv Green](#) is a collaboration between SWR, the Accelerator Centre and Wilfrid Laurier University to provide a collaborative workspace for entrepreneurs, researcher and clean economy supporters. This incubator is in the [evol1](#) building, which is Canada’s first net carbon positive multi-tenant office building.

and upskilling of the existing and emerging workforce to fill the gaps for highly skilled workers and tradespersons to support the climate transition.

- **Green Technology and Innovation:** There is a wealth of specialized expertise in Waterloo Region in technology and innovation. Placing a stronger focus on technology and automation solutions that contribute to the climate transition would attract world class investors and employers, creating local job opportunities to support these solutions. Waterloo Region can also position itself as a ‘green tech hub’ providing technology and automation solutions nationally and internationally.
- **Prioritize Local Energy:** Municipalities within Waterloo Region should work collaboratively with WR Community Energy and the local utilities to develop enabling policies to create decentralized, local energy systems. Decentralized energy systems will provide reliability compared to traditional energy systems subject to weather related power disruptions, a significant challenge for manufacturing and small medium enterprises that struggle with financial losses due to power outages. These systems also play an important role in attracting investors and companies who want to locate operations in jurisdictions that align with their long-term climate commitments.
- **Develop Advocacy Priorities:** The partners who facilitate the Waterloo Region Economic Development Strategy can establish advocacy priorities, which include climate change and brings together all area municipalities, with both Provincial and Federal governments, to identify the support needed for employers to retrain their workforce with the skills required for the transition. In addition, support may also be required for new entrepreneurs and innovators to develop climate-related technology and automation solutions.
- **Make Businesses More Prosperous and Reduce Risk Exposure:** Effort should be made to provide business with the tools to be prepared for extreme weather (i.e. business continuity planning, disruptions in the supply chain etc). Organizations like SWR are already supporting businesses, and the economic development strategy should include, leverage, and support programs and organizations like this to provide robust and diverse supports to businesses. Municipalities should also continue to collaborate on identifying climate related infrastructure risks, to ensure appropriate response and design standards are in place to mitigate disruptions that result from extreme weather events.



Waterloo Region Talent, Attraction, Retention, and Reskilling Plan

Phase 1 – Labour Market Analysis - FINAL

May 2023

Last Updated Feb 1 2024



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Report Structure

This report is organized with the following sections:

Background Review: Presents the broader policy context regarding workforce development in the Region of Waterloo and priority themes for the Region to consider. The research focused on:

- Workforce Development Strategic Framework and Opportunity Areas
- Employment Services Transformation in Ontario
- Immigration in the region
- Available wrap-around supports (housing, transit, health care, and childcare)
- Training and Skills Development
- Current Labour Force Context/Economic Recovery post COVID-19

Global Leading Practice Review: Explores leading attraction and retention strategies and initiatives from local and international organizations and examines the relevance to the Waterloo region. Research was completed on:

- United States: Workforce Capabilities and Skill-based Approaches to Growing the Labour Pool
- Workforce Ecosystem Best Practices
- Global Diversity, Equity & Inclusion Benchmarks Model
- Dufferin County's Diversity, Equity, and Inclusion Community Advisory Committee

Regional Workforce Ecosystem Mapping: Documents and examines the inter-relationships of key organizations and groups in the Waterloo region that are involved with talent and labour force attraction, and/or the delivery of workforce development and training.

- Assets documented include the broader categories of education and training, workforce supports, employers, and governments, which are further broken down into sub-categories to reflect the holistic ecosystem.
- Workforce ecosystem make-up, inter-relationships, shared mandates, and willingness for collaborative and collective contributions to strengthen attraction efforts, training and development opportunities, and clarity of roles.
- **Socio-economic Profile:** Highlights the Waterloo region's socio-demographic profile and talent supply and demand assessment.
- **Labour Supply and Demand Projections:** Using data prepared by metroeconomics, a sub-consultant in this work, this section assesses the economic base industries of the Regional Municipality of Waterloo based on 2021 employment by place-of-work data for the region, by industry, by constituent municipality. This analysis also projects the number of new workers Waterloo employers will need to recruit in each of the 2023 to 2028, and 2028-to-2033-time spans.

The analysis conducted to date is based on desktop research and review and will inform future planned consultation and strategic planning. The Final Talent Strategy Report will incorporate components of this report as an Appendix, with summaries of key findings reflected in the main body of the strategy.

Introduction

The Waterloo Region Talent, Attraction, Retention, and Reskilling Plan is designed to create a future-focused and collaborative strategy for talent attraction, retention and reskilling across community partners and industries including healthcare/ social assistance, wholesale and retail trade, manufacturing, accommodation/ food services and educational services- all notably found throughout the City of Cambridge, Kitchener, Waterloo and Townships of North Dumfries, Wellesley, Wilmot and Woolwich. The Talent Strategy will capture an understanding of the current and future workforce development challenges, labour force implications and ways to increase attractiveness of the region both domestically and internationally in the competition for talent. This Phase One Labour Market Analysis report presents the preliminary data and desktop research scan to inform the Talent Plan for the Region of Waterloo.

State of the Waterloo Region's Labour Force

Demographics and Employment

According to Statistics Canada,¹ the Waterloo region's population reached 587,165 people in 2021. Approximately 88% of the region's population lived in the three main urban areas (Kitchener, Cambridge, and Waterloo, also called KCW in this report), and the remaining 12% lived in rural townships. Overall, the region's residents represent 4% of Ontario's population. Waterloo is also home to a diverse population, with 25% of residents being immigrant, 2% of residents self-identified as Indigenous and 27% identified as other visible minority groups. The most diverse population is concentrated in the KCW area.

The Waterloo region jobs were estimated at 354,457 in 2023; 303,801 of these jobs were in the KCW area, and 50,657 jobs located in the rural townships.² Most of the employment in the region was concentrated in manufacturing (14%), followed by health care and social assistance (10%), and retail trade (9%).

Based on previous work conducted by the Region of Waterloo, several target sectors have been identified; these sectors consider the Region's strengths and potential growth. The sectors identified include manufacturing; wholesale trade and retail trade; health care and social assistance; education; and accommodation and food services. As of 2023, the target sector industries in Waterloo region employed a total of 190,086 individuals, which accounts for 54% of all regional jobs. Looking ahead, the next five years are projected to see a net jobs growth of 10,940 workers in these target sectors, representing a 6% increase.

Labour Supply and Demand Projections

*Metroeconomics*³, has developed a community-based projection system that takes account of the economic and demographic factors influencing an area's potential population, dwelling and employment growth. Based on these projections, in 2021 a total of 27% of the region's jobs can be considered economic base jobs and the remaining are community base or population serving jobs. Economic base jobs are found in almost every industry in Waterloo illustrating the breadth of the region's economic base and, therefore, the strength of its growth potential. *metroeconomics* assesses the population and employment growth of Waterloo region to be considerable since areas with economic base breadth are spurred to overall growth through growth in each

¹ Statistics Canada, Census 2021

² Lightcast, 2023 – Datarun 2022.3

³ *metroeconomics* is an economic consulting firm that projects the economic and demographic future of the United States and Canada at the national, state, provincial and metropolitan area level.

component. Over the next five years the number of jobs in Waterloo is projected to grow by 18,900 and over the subsequent five years just over 15,800. The major gains over the next five years are projected to be in professional, scientific, and technical services; health care and social assistance; educational services; finance and insurance and retail trade. During this time, the economy is expected to generate a need for 18,900 workers while the number of workers that will need to be replaced is estimated at 9,500. Thus, the number of new workers that will be needed over the next five years to satisfy both sources of demand is 28,300.

Immigration is a priority strategy for the Waterloo region to support labour force growth and address the needs of its business. This is most prevalent from the 2019 Waterloo Economic Development Action Plan, as the strategy identified that most of its economic growth is through immigration, with recent immigration making up 20.3% of Waterloo’s population according to the 2021 Census. A crucial element to consider when attracting new immigrants to the region is the housing that is required for them. The City of Waterloo’s Housing Strategy proposed projections of 8,167 new housing units required by 2032 with 31% expected to be affordable to low- and moderate-income households.

Over the next five years the number of jobs in Waterloo is projected to grow by 18,900 and over the subsequent five years just over 15,800.

The Current Workforce Ecosystem

The existing workforce ecosystem in Waterloo region is robust and has strength in industry, support organizations and post-secondary sector participation. The region is home to three world-class post-secondary institutions including University of Waterloo, Wilfred Laurier University, and Conestoga College. Having these present in the region supports post-secondary education access for residents and helps attract youth and lifelong learners to the region. The post-secondary institutions are supported by a variety of high school programs in the region and other organizations such as the Perimeter Institute that helps to attract additional talent to the Region. This figure highlights the organizations that make up the workforce ecosystem in the region and play an active role in developing further strategies and action plans.



Opportunity Areas in Workforce Development

The research that was conducted as part of this Phase One Report identified several existing opportunity areas within the Waterloo region. A prominent opportunity revolved around ensuring that diversity, equity, and inclusion initiatives are in place to support full workforce participation. To accomplish this, Waterloo region will need to fully understand barriers to entry into the workforce. This will require additional collaboration with area municipalities to identify and address these barriers to increase labour force participation and minimize workforce shortages within the region.

Improving transportation and housing availability also emerged as opportunities to be further explored as both can have a significant impact on job seekers looking for employment. The Region of Waterloo has expressed its consideration to renew their strategic goals of a multi-modal transportation system connecting and integrating the community, while improving affordable housing as a priority stated in their 2015-2018 strategic plan. Aligning various policies and processes to support the efficient delivery of new housing is a key consideration for the Region of Waterloo. Working with city policies, processes, and regulations to support cost-effective and timely delivery of housing support the delivery of affordable housing.

Background Review

Relevant documents have been reviewed as they relate to the Waterloo region's workforce ecosystem and the labour market. This informed an understanding of the region's realities of labour shortages and labour availability for sectors including Manufacturing, Wholesale and Retail Trade, Healthcare & Social Assistance, Education and Accommodations and Food Services. As a lead contributor to workforce planning in the region, the Workforce Planning Board of Waterloo Wellington Dufferin job demand report and EmployerOne survey were also leveraged to inform this work. Utilizing the lens of "where are we now," the document review examined the current situation as it relates to the goals and desired outcomes of this project.

Documents and research reports reviewed as part of the work included:

Region of Waterloo

- 2015 Region of Waterloo Official Plan
- 2003 Regional Growth Strategy
- Region of Waterloo Strategic Plan 2023-2027
- Region of Waterloo Community Services Annual Report
- 2020 Region of Waterloo Labour Force Activity report
- 2018 Workplace Count report to Planning and Works Committee
- 10-Year Housing and Homelessness Plan and associated 2021 Annual Report

Area Municipalities

- 2015 Waterloo Region Economic Development Strategy
- Make it Kitchener Economic Development Strategy
- 2019-2024 City of Waterloo Economic Development Strategy
- Workforce Planning Board of Waterloo Wellington Dufferin including the EmployerOne survey results and Local Labour Market Plan
- Municipal specific reports and research (e.g.: Township of Woolwich COVID-19 BR+E and 2022 BR+E)
- Corporate Strategic Plans of the Region and its municipalities (Cambridge, Kitchener, Waterloo, Dumfries, Wellesley, Wilmot, Woolwich)

This background review prioritized factors impacting the labour market and talent attraction including Employment services transformation, Immigration and newcomer workforce engagement, affordable housing and transportation, training and skills development, and youth retention and engagement in the labour force.

Immigration

Immigration is a strategic priority for the region of Waterloo to support labour force growth and address the talent needs of its business. According to the 2021 Census, recent immigration made up 20.3% of Waterloo's population with further growth anticipated. Initiatives such as the Global Skills Strategy, and the Temporary Foreign Worker Program mentioned below are demonstrative of the city's efforts in this space.

Immigration and refugee workforce engagement is a key opportunity for the region to capitalize on to improve its workforce development. Successful integration of newcomers into the community and into the local labour market requires improving the immigration policies impacting the transition of employment and permanent residency. Initiatives by the federal government include implementations of strategies and improvements of existing programs that support the integration of work permits, application processes and permanent residency grants. The Canadian government introduced the Global Skills Strategy (GSS) granting Canadian employers access to foreign skilled workers through efficient application processes, work permit exemptions and an enhanced customer service process.⁴

Additionally, the Canadian Ministry of Employment, Workforce Development and Disability Inclusion announced the Temporary Foreign Worker (TFW) Program workforce solutions road map which serves as an initiative to adjust and improve ongoing efforts to meet labour market needs. This program is seen to address labour shortages, enhance worker protections and build a stronger workforce including pathways to permanent residencies. Five key policy changes will be implemented as part of the TFW program to respond to labour and skill shortages:

1. There will no longer be a limit to the number of low-wage positions employers can fill through the TFW program (such as fish and seafood processing). The maximum duration of these positions will be increased from 180 days to 270 days per year.
2. The Labour Market Impact Assessment (LMIA) - which consists of a document required by employers before hiring foreign workers - will be valid for 18 months, an increase from 9 months.
3. The maximum duration of employment for High-Wage and Global Talent Streams workers will be extended from two years to three years which will help workers access pathways to qualify for permanent residency, further contributing to the region's workforce long-term.
4. For seven sectors⁵ with demonstrated labour shortages (ex. Accommodation and Food services), employers will be allowed to hire up to 30% of their workforce through TFW for low-wage positions for 1 year.
5. The Government will end the current policy that automatically refuses LMIA applications for low-wage occupations in the accommodation and foodservices and retail trade sectors in regions with unemployment rates of 6% or higher.⁶

The government will monitor implementation and continually review to ensure labour shortages are addressed without the displacement of Canadian workers, while continuing its historic investments in jobs/skills training, improving work conditions, and strengthening worker protections.

⁴ [Global Skills Strategy | Invest in Canada \(investcanada.ca\)](https://investcanada.ca/global-skills-strategy)

⁵ These sectors are: Wood Product Manufacturing, Furniture and Related Product Manufacturing, Accommodation and Food Services, Construction, Hospitals, and Nursing and Residential Care Facilities.

⁶ [Government of Canada announces Workforce Solutions Road Map – further changes to the Temporary Foreign Worker Program to address labour shortages across Canada - Canada.ca](https://www.canada.ca/en/government/department/industry-trade-and-commerce/industry-trade-and-commerce/2021/06/government-of-canada-announces-workforce-solutions-road-map-further-changes-to-the-temporary-foreign-worker-program-to-address-labour-shortages-across-canada.html)

Wrap-around supports (Housing and Transit)

Transportation and Housing availability can have a substantial impact on job seekers looking for employment. The Region of Waterloo has expressed its consideration to renew their strategic goals of a multi-model transportation system connecting and integrating the community, while improving affordable housing as a priority of their 2015-2018 strategic plan.

Homelessness and Affordable Housing

The Region of Waterloo's Affordable Housing Plan aims to build 2,500 homes in 5 years. This commitment includes:

- Lands for affordable housing: using lands to develop affordable housing;
- Funding and resources: including a procurement process to provide access to funding and land for developing affordable housing;
- Community engagement: seeking input and feedback from the community to realize this vision and meet objectives;
- Cross Departmental Staff Support: building the right team to lead this ambitious plan.

The Region is currently offering incentives for developers, builders, and landlords to create more affordable housing through:

- Capital grants;
- Secondary suites;
- Rent supplement;
- Connecting to other sources of funding.

The Region's affordable housing dashboard displays updates to the plan goals and highlights a total of 2,350 homes built as of December 11, 2023, almost reaching its target. In the fall of 2023, the Region announced the approval of funding from the Canada-Ontario Community Housing Initiative and the Ontario Priorities Housing Initiative to develop a new Housing Affordability Plan.⁷

To address ongoing concerns of housing affordability in the region's largest City, the City of Waterloo developed an Affordable Housing Strategy in 2023. This strategy identified the primary challenges of achieving affordable housing, future goals and targets towards achieving affordable housing in the city where housing costs no more than 30% of a low- or moderate-income households gross annual income or housing that is at or below the average market rent or price. This strategy was particularly aimed to low- and moderate income households and housing supports for those experiencing homelessness.⁸

The City of Waterloo Affordable Housing Strategy proposes the development of 15,232 new units in the city by 2033 with 30% of these new units expected to be affordable to low- and moderate-income households. Furthermore, it is estimated based on the demographic profile of the city that 39% of new units should be rental units. These new housing units developed may include a wide range of market and non-market housing types, including lower end of market rental units and community housing.⁹

⁷ [Regional council approves \\$15M affordable housing plan | CityNews Kitchener](#)

⁸ City of Waterloo, *2023-2033 Affordable Housing Strategy*, 2023

⁹ Ibid.

Achieving these goals involve the engagement for federal, provincial, and municipal governments as well as municipalities who are seen as major enablers of housing development. Additional tools and approaches are underway to support the creation of affordable units which include:

- Facilitating the redevelopment of vacant, underutilized and transitioning lands to mixed-use, complete communities;
- Encourage the creation of housing that is resilient to rising energy costs and adaptable to a changing climate;
- Advocate for more support from senior levels of government;
- Evaluate opportunities to reduce planning barriers that limit the construction of new non-market (subsidized) housing units;
- Reduce the loss or conversion of rental housing;
- Discourage long term vacancies;
- Strategically use City-owned lands and investments to achieve affordable housing objectives;
- Enhance collaboration with private, public and not-for-profit affordable housing providers.¹⁰

Multi-Modal Transportation

With the aim of ensuring resident safety, improving connectivity, and promoting a multi-modal transportation system, the City of Waterloo aimed to enhance their active transportation strategy by providing plans for new roads, road extensions, and road widening within the city along with recommendations for transit priority features such as queue jump (transit bypass) lanes, and transit priority traffic signals as mentioned in the transportation master plan 2021.¹¹

Training and Skills Development

The Workforce Planning Board of Waterloo Wellington Dufferin created a Local Labour Market Plan update for 2023 and 2024 that provides an overview of the labour force, details local services that support the workforce, highlights employer shifts and expectations and provides an action plan for next steps. The focus of this report involved engaging with partners to uncover numerous solutions to the region's local workforce development needs to service the greater vision of a leading-edge workforce in Waterloo.

The report analyzed previous data sources to provide baselines for discussions with stakeholders related to challenges in local labour markets. The data sources included:

- 2016 and 2021 Census data;
- Statistics Canada Labour Force Survey;
- Statistics Canada Canadian Business Patterns;
- EmployerOne 2022 survey;
- Amalgamated job posting data via www.findyourjob.ca;
- Local labour market consultations.

¹⁰ 2023-2033 *Affordable Housing Strategy*, 2023

¹¹ Transportation Master Plan 2021, City of Waterloo

To inform the Local Labour Market Plan, consultations were completed with 53 stakeholders across Waterloo Wellington Dufferin. The priority highlights for the upcoming 2023-2024 year included:

- Connecting high school and first-time workers to the labour market;
- Uncovering better information to guide jobseekers and workers looking to shift careers;
- Supporting jobseekers to enter and re-enter the labour market;
- Supporting employers to attract and retain the talent they need to remain operational.

The Local Labour Market Plan Update 2023-2024 highlighted the importance of improving workforce participation to achieve a balanced labour market in Waterloo. While there are groups within the workforce who face challenges engaging with the local labour market, adequate training and skills development are the primary areas of focus to increase labour force participation. The two major demographics were younger workers who have experienced barriers involving remote schooling, reduced social interactions, and mental health concerns due to the impact of COVID-19; and immigrants who bring international experience that often remains unrecognized in Canada. These immigrants are unfamiliar with the systems and structures of the Canadian workforce, and the additional need for training. They often lack connections and struggle with networking in the local labour market. The report highlighted a focus on resolving these barriers through increased engagement for international students with employers strengthening opportunities to increase workforce development.¹²

Employment Ontario: Services to support Waterloo Wellington Dufferin Workforce Workforce Development Strategic Framework and Opportunity Areas

The Waterloo Region Economic Development Strategy provided a vision for the Region: “To be Locally Rooted, Internationally Competitive, and Globally Renowned”. Talent attraction and retention is a priority listed throughout the document within objectives including:

- To continue to expand the role of post-secondary institutions in innovation and entrepreneurship;
- To ensure competitive costs of location, attracting talent, and doing business;
- To support and stimulate strong traditional employment sectors;
- To build on excellence in local education.

In addition to the objectives specially focused on talent attraction and retention, infrastructure and wrap-around supports highlighted the expanded nature of talent priorities, including:

- To create the most efficient transportation system to meet the needs of a growing regional economy;
- To ensure all local infrastructure is sufficient to meet the needs of Waterloo region;
- To become recognized as a major location for arts and culture;
- To create a sustainable, efficient region that anticipates growth;
- To ensure appropriate mix of housing that reflects the needs and aspirations of current and future residents.

¹² Labour Market Plan Update 2023-2024, Workforce Planning Board of Waterloo Wellington Dufferin

Within the region's major centre, the 2019 – 2024 City of Waterloo Economic Development Strategy provides a strategic framework along with action plans to guide workforce development efforts across the city. Workforce development is included in all three of the City's priority areas: Start and Attract, Preserve and Grow, and Organize and Empower. Specific action items related to workforce development include:

- Participate in regional talent attraction initiatives;
- Development recruitment resources to support local and external talent attraction efforts;
- Continue to work with partners to identify and address business and talent retention challenges;
- Advocate for diverse housing options.¹³

Employment Services Transformation in Ontario

In 2019, the Government of Ontario announced its plan to change the employment services eco-system, making outcomes a focus for service providers. The goal is to make a system that is more responsive and reflective of the current labour needs with better alignment across provincial ministries who offer services in the workforce eco-system and will include social assistance employment services.¹⁴ The Kitchener-Waterloo-Barrie region was part of this project's Phase 2 with the announcement in early 2023 that Serco Canada is the current Service System Manager (SSM) for the region.¹⁵

The Province of Ontario has communicated their Performance Management Framework that highlights the goals within the system for both the SSM's and Service Providers.

Three key reference points for outcomes are identified for SSM's:

1. Employment outcome achievements of the current Employment Ontario (EO) network within the defined Catchment Area;
2. Achievements SSMs had committed to in their CFP Application/business plan regarding client volumes for each client stream/inclusion group and associated outcomes;
3. Outcomes achieved in comparison to local context and other SSM's outcomes.

Key Performance Indicators highlighted include:

- Clients with complex needs are served;
- Clients progress towards employment;
- Client satisfaction;
- Employment outcomes.

More details on key performance indicators can be found in the Government of Ontario's Employment Services Transformation Incentive and Consequence Framework Addendum: Performance Management Framework.

¹³ 2019 - 2024 Economic Development Strategy, City of Waterloo

¹⁴ [Employment Services Transformation \(gov.on.ca\)](https://www.gov.on.ca)

¹⁵ [Memo: Selection of Phase 2 Service System Managers \(gov.on.ca\)](https://www.gov.on.ca)

In May 2023, First Work released “Moving Forward, Together: Ontario’s Employment Services Transformation” that aimed to highlight the challenges and impacts of Ontario’s new Employment Services model and to continue the discussion on solution-based ideas. Key recommendations for government included:

- Build trust with service providers;
- Develop research-based learning;
- Improve referral process;
- Sharing information timely;
- Enhance coordination of programs;
- More localized approaches to regions with greater complexities;
- Reduce administrative burden;
- Incentivize employability dimensions;
- Streamline budgeting and reporting processes;
- Inclusive demographics and youth programs;
- Shift to digital economy;
- Revisit funding amount to reflect current economy.

Better Jobs Ontario 2021-2022

Better Jobs Ontario has been supporting the labour market by providing unemployed individuals with vocational skills training to transition them into higher-skill, in-demand occupations.¹⁶ With the intentions of increasing employment rates and workforce participation after the impact of COVID-19 layoffs, Better Jobs Ontario has made recent updates to their previous programs requirements and eligibility to help individuals most effected by the pandemic, while also providing additional resources to support the changing needs of Ontario’s labour market. As of 2021, Better Jobs Ontario has made the following changes:

- Revising eligibility of program by expanding to prioritize laid-off workers most impacted by COVID-19;
- Updating previous skills training to focus on short-duration training to be more responsive to labour market demands;
- Creating more accessibility towards the application process by digitalizing the process, making it more user-friendly and efficient.¹⁷

These initiatives taken by Better Jobs Ontario have broadened the eligibility to participate in its programs and have increased accessibility towards engagement in this program, further increasing participants. Additionally, it has also created a more efficient method of developing skills and training leading to improved employment rates.

¹⁶ [Better Jobs Ontario \(gov.on.ca\)](https://www.betterjobsontario.gov.on.ca/)

¹⁷ [Better Jobs Ontario updates to help laid-off workers | VPI Working Solutions \(vpi-inc.com\)](https://www.vpi-inc.com/working-solutions/better-jobs-ontario-updates-to-help-laid-off-workers/)

Youth Job Connection 2021 -2022

The Youth Job Connection program serves youth ages 15 to 29 who experience barriers towards employment opportunities by providing intensive supports including:

- Paid pre-employment training to promote job-readiness;
- Job matching and paid job placements with placement supports for participants and hiring incentives for employers;
- Mentorship services;
- Education and work transition supports.¹⁸

The program offers two components, a year-round component that provides intensive employment supports and a summer component that provides summer, part-time, and after-school job opportunities to high school students needing support transitioning between school and work.

The Youth Job Connection has provided a means for unemployed youth to eradicate the barriers associated with contributing to the labour force while accelerating the skills needed to succeed in a job.

Youth Retention and Participation

In recognizing the importance of youth engagement in the labour market, the Region of Waterloo created a Summer Youth Employment report in 2022 to analyze youth participation within the labour force over the summer months through the following geographical areas within the Waterloo region:

- Economic Region of Kitchener-Waterloo-Barrie;
- Kitchener-Cambridge-Waterloo;
- Guelph CMA including the cities of Puslinch and Guelph-Eramosa;
- Rural Economic regions in northern parts of Wellington, Dufferin, and Simcoe County.

Data was gathered for three groups of youth:

- 15 to 19: high school population, early post-secondary group and working;
- 20 to 24: postsecondary, new graduates, and more established workers;
- 25 to 29: those working along with potential graduates.¹⁹

The focus of the strategy was to compare results from the previous EmployerOne 2022 survey, while analyzing the trends of employment in youth following the COVID-19 pandemic to uncover the barriers faced by employers experiencing fewer youth applicants.

¹⁸ [Youth Job Connection \(YJC\) \(gov.on.ca\)](https://www.gov.on.ca)

¹⁹ Summer Youth Employment Report 2022, Waterloo Region

The report depicted the following summary of findings between each region analyzed:

Kitchener-Waterloo-Barrie Economic Region

- 60% of 15- to 19-year-olds across the larger region were engaged in the labour force during the middle of summer 2022;
- The labour force for 25- to 29-year-olds had grown consistently over the summer months between 2020 and 2022, with 14,000 more people working or seeking work between September 2020 and 2022;
- Youth in the 15-to-19-year range displayed increase in participation levels between 2020 and 2021;
- **Employment trend:** every age group saw gains in employment between 2020 and 2021.

Kitchener-Cambridge-Waterloo CMA

- 15- to 19-year-olds along with 25- to 29-year-olds have grown their labour forces between the summer of 2020 and 2022;
- All three age groups saw growth in participation rates between the summer of 2020 and 2021, however the summer of 2022 saw rates fall for youth 15 to 19 in the latter part of the season while 20- to 24-year-old participation stalled between 2021 and 2022;
- **Employment Trend:** employment numbers for 25 to 29 age ranges have continued to rise from 2020 to 2022, while the other groups displayed an employment rise between 2020 and 2021;
- Overall, 25- to 29-year-olds have re-engaged over the summer periods and have been successful in the market.

Guelph CMA

- 15- to 19-year-olds, along with 20- to 24-year-olds have grown their labour forces between the summer of 2020 and 2022 with a particular increase in engagement for the 20-to-24-year group over May and June of 2021;
- 15 to 19 years-old saw the most improvement in participation rates in the two years after COVID began;
- **Employment Trend:** Employment for 15- to 19-year-olds over the past three summers has grown consistently with the numbers being employed in 2022 almost triple from 2020.

Rural Economic Region

- Data displayed lower engagement and participation rates for all three age groups within the rural region indicating disengagement from labour force particularly during the first COVID-19 summer.

Current Labour Force Context/Economic Recovery from COVID-19

The Waterloo Region and its surrounding communities have diverse economies and have not been insulated from the effects of the COVID-19 pandemic which has changed workforces across the globe. With employment rates steadily reaching pre-COVID numbers with an expectation of more growth, understanding the workforce demand and trends are essential to improve Waterloo's current labour market development.

The Workforce Planning Board of Waterloo Wellington Dufferin's Labour Market Plan Update 2023-2024 highlighted the various impacts from the pandemic, including youth and immigrant population achieving employment levels below pre-pandemic rates. Increasing workforce participation within these populations is essential to enable an improved labour market. The Labour Market Plan Update 2023-2024 provided the following actions to be adapted to address challenges imposed by the pandemic.

- Strategic Priority 1 – Connecting first time workers to the labour market;
- Strategic Priority 2 – Supporting job seekers to enter, or re-enter the labour market;
- Strategic Priority 3 – Better information to guide jobseekers and workers looking to transition to new careers or industries;
- Strategic Priority 4 – Supporting employers to attract and retain the talent they want and need to stay open and grow.²⁰

²⁰ Our Shifting Workforce and Workplaces February 2023, Local Labour Market Plan Update 2023 – 2024. Workforce Planning Board of Waterloo Wellington Dufferin.

Global Leading Practice Research

According to the Deloitte's Global Human Capital Trends survey, when asked, business and human resource leaders across every industry in 105 countries which entities in society they felt are primarily responsible for workforce development, 10% of respondents identified governments as the entity responsible for workforce development. 73% of respondents felt that organizations were primarily responsible for workforce development. While governments, including municipal governments, have a role to play – looking to leading practices within workforce eco-systems will be essential to understanding the future of workforce development.

Skills-based Approach Best Practices

Rework America Alliance and the Accelerator program

Due to a significant shift in the labour force due to COVID-19, many employers are re-thinking how they approach workforce attraction and development. One trend is a move towards a skill-based approach that moves beyond traditional approaches and instead focus on competency, designations, and credentials that has the potential to help both employers and potential employees.²¹ McKinsey & Company in partnership with Rework America Alliance are working towards a skills-based approach to help employers expand talent pools. In conjunction with the extensive research around skills-based approaches, McKinsey & Company and the Rework America Alliance are offering an Accelerator program that assists employers in adopting skill-based practices through facilitators such as Chambers of Commerce, Government organizations, community-based organizations, and workforce organizations.²²

Multiple Pathways Initiative - Business Roundtable

Business Roundtable is an association of chief executive officers of America's leading companies working to promote a thriving U.S. economy.²³ In 2022, the Business Roundtable released a set of resources as a part of the Multiple Pathways Initiative (MPI) for employers looking to reform their talent strategies and place a great emphasis on skills. Through this initiative leaders in some of America's top companies came together on working groups that developed resources and compiled leading practices in innovation, talent acquisition, internal mobility, and measurement. Through the Multiple Pathways Initiative, companies like Walmart have transformed their internal skill-based ecosystem by re-writing job descriptions to focus on skills-based training and education and creating a skills-based digital profile for employees to have a full understanding of internal capabilities and mobility. Lockheed Martin Corporation launched their Expanded Pathways Initiative to make

²¹ McKinsey & Company. *Taking a skills-based approach to building the future workforce*. November 2022.

²² [Main home - Employer Accelerator program](#)

²³ [Business Roundtable](#)

technical careers more accessible to a diverse set of workers through vocational scholarships, growing apprenticeship programming.

World Economic Forum – The Reskilling Revolution

The World Economic Forum launched the Reskilling Revolution in 2020 with a goal of transforming education, skills, and learning to prepare people for the future’s economy and society.²⁴ This initiative involves identified champions, or a group of CEO’s, Minister, and heads of organizations providing vision and guidance to the project. Within the Reskilling Revolution, Education and Skills Country Accelerators were launched showing the importance of public-private collaboration within workforce development. The Skills Accelerators provide a framework for collaboration to close skills gaps in communities with objectives to: Facilitate lifelong learning and upskilling, enable redeployment and redeployment, mobilising funding for skills development, and building information systems for current and future skills needs.²⁵

The Bahrain Skills Accelerator is one example within the Reskilling Revolution. This Accelerator was launched in collaboration with the Economic Development Board of Bahrain in 2020 as a part of a broader effort to move Bahrain from an oil economy to a knowledge economy. This skills accelerator was embedded into Skills Bahrain, an industry-led, skills agency that works to bridge the gap between the education and training systems add employers. This accelerator is co-chaired by government and leading employers.²⁶

Workforce Ecosystem Best Practice

“Unlocking the Workforce Ecosystem” an article from Deloitte’s Human Capital team highlights current experiments on what leading organization are exploring. The article highlights an example from the Mesilla Valley region in New Mexico. The Las Cruces Chamber of Commerce and The Bridge of Southern New Mexico hosted a summit with leaders from local government, private industry, higher education, and the community, to create partnerships within the local workforce ecosystem for the area. Trying to find strategies to counter the workforce development challenges in the region, this summit focused on recruitment, development, and retention of talent. This is an example of a true workforce ecosystem approach, working with all workforce development partners to build a shared approach.²⁷

Organizations are increasingly relying on non-traditional workers, yet most workforce development strategies are designed for traditional workers. Deloitte’s report also highlights the workforce readiness gap. 84% of business leaders recognize the importance of inclusively leading an expanding workforce, but only 16% feel they are ready to do so. It is important that governments are aware of the trends in the labour force as they are significant employers. Governments that can provide transparency and be a strong example of how to positively shift workplace culture, inclusive and skills-based hiring practices, and how work is completed demonstrates leadership to the broader economy in labour force practices.

²⁴ [Reskilling Revolution \(weforum.org\)](https://www.weforum.org)

²⁵ [Country Impact \(weforum.org\)](https://www.weforum.org)

²⁶ [Bahrain - Accelerators Network \(weforum.org\)](https://www.weforum.org)

²⁷ Deloitte Insights. 2023 Global Human Capital Trends Report: New Fundamentals for a boundaryless world.

The top barriers for realizing the full potential of the workforce were the need to shift culture and ways of working. Leading practices in the development a workforce ecosystem include:

- Using skills as the foundation for recruiting;
- Encouraging employees to work beyond their experience and skills;
- Positively influence outcomes in areas such as sustainability, DEI, and human risk;
- Enhancing leadership capabilities and mindsets to enable the full workforce ecosystem.

Global Diversity, Equity & Inclusion Benchmarks (GDEIB) Model

The Centre for Global Inclusion is a United States based organization that aims to be a resource for research and education in improving diversity and inclusion practices around the globe.²⁸ The Centre offers the GDEIB as a way for organizations to access how they are performing on DEI. This model includes 15 categories split into 4 groups, namely, foundation, the Internal Group (Attracting and Retaining People), Bridging (Align and Connect) and External (Listen to and Serve Society)

This model provides five benchmarks that measure progress towards best practices in each category.²⁹

- Level 1 – Inactive: No DEI work has begun; DEI is not part of organizational goals;
- Level 2 – Reactive: Compliance-only mindset; actions are taken primarily to comply with relevant laws and social pressures, doing the bare minimum;
- Level 3 – Proactive: A clear awareness of the value of DEI; starting to implement DEI systemically. This is what is required and expected of all organizations;
- Level 4 – Progress: Implementing DEI systemically and showing improved results and outcomes beyond what is required or expected;
- Level 5 – Best Practices: Demonstrating current global best practices in DEI; exemplary.

The External group is noteworthy, as it focuses listening and servicing society as it relates to DEI. “DEI considerations are integrated into the services and products development cycle to leverage the diversity of the communities they serve.”³⁰

Leading Practice: Dufferin County’s Diversity, Equity, and Inclusion Community Advisory Committee (DEICAC)

In 2020, the County of Dufferin created the DEICAC in response to local incidents of racism directed at black residents. This was a community led initiative that quickly evolved to become an Advisory Committee to County Council. In 2022 the County of Dufferin developed the County of Dufferin DEICAC 4-year Strategic Plan. Their Vision is stated as “DEICAC works toward a future in Dufferin County where diversity is respected and valued, systemic discrimination is eliminated, and structural barriers to social and economic inclusion are dismantled. Dufferin County policies, practices, programs, and services are recognized equity resources, utilized to foster civic engagement and community belonging, and to support building of sustainable communities, create economic stability, and enhance meaningful social inclusion and well-being.”³¹

²⁸ [Strategic Alliances: About Us : The Centre for Global Inclusion](#)

²⁹ The Centre for Global Inclusion. Global Diversity, Equity & Inclusion Benchmarks: Standards for Organizations around the World. 2021 Edition.

³⁰ The Centre for Global Inclusion. Global Diversity, Equity & Inclusion Benchmarks: Standards for Organizations around the World. 2021 Edition.

³¹ County of Dufferin. Diversity, Equity, and Inclusion Community Advisory Committee Strategic Plan. 2022-2026.

This Committee's role is to advise the County Council and make recommendations on DEI related issues relating to municipal decision making, programming, and policies. Its primary responsibilities include:

- Training related activities related to capacity building and knowledge development;
- Provide insight, guidance, and advice to County Council on DEI related matters;
- Provide recommendations for awareness of DEI related matters for Council, staff, and administration.

Regional Workforce Ecosystem Mapping

Simply defined, a workforce ecosystem refers to the structure and interaction of partners and programs that influence talent attraction, retention, and readiness within the Waterloo region. Workforce development is an ongoing process within any community. However, some communities are more developed and proactive when monitoring and improving the ecosystem's overall health.

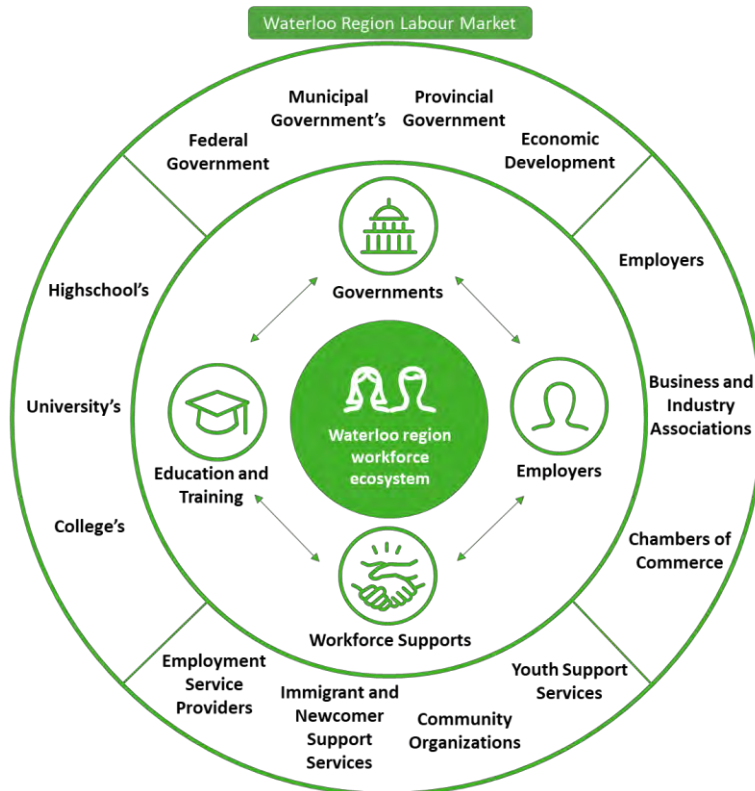
This analysis was informed by qualitative online research and is not designed to identify the complexity of working relationships between partners, rather, give a sense of scope of each distinct component of a workforce ecosystem. Overall, the review aims to identify the existing workforce development organizations, the ecosystem's strengths that can be leveraged further and gaps that need to be addressed to ensure continued workforce success. A strong understanding of the regional workforce ecosystem is important as it informs strategic priorities and the desired working relationship to enhance and support the local talent pool. It is important to note that the purpose of this analysis is to review the local workforce ecosystem. Therefore, federal programs, grants and other niche provincial organizations were not analyzed as they are outside the scope of this study.

In 2022 Employment and Social Development Canada put out a call for funding under the Community Workforce Development Program – Regional stream. “The program encourages collaboration between employers, training providers, community organizations, and others...”³² These key partnerships were adapted to the fit within the context of the Waterloo region's workforce development ecosystem context and have been categorized into four groupings: Education and Training, Workforce Supports, Employers, and Governments. This provides a baseline of understanding for a workforce ecosystem. The project team further developed sub-categories based on the Employment and Social Development Canada work to further reflect on the workforce ecosystem in the Waterloo region.

³² [Community Workforce Development Program - competitive solicited call - Regional Stream - Canada.ca](#)

The figure following provides a snapshot of the Waterloo region workforce ecosystem. The figure breaks down the ecosystem into distinct components and subcomponents, including:

- **Education and Training** – Refers to the educators ranging from primary to post-secondary;
 - High Schools;
 - College’s;
 - Universities.
- **Workforce Supports** – Refers to the organizations who provide a broad range of support to talent in the ecosystem but do not provide specific training opportunities;
 - Employment Service Providers;
 - Immigrant and Newcomer Support Services;
 - Community Organizations;
 - Youth Support Services.
- **Employers** – Refers to employers and organizations who provide support directly to employers to support their workforce needs;
 - Employers;
 - Business and Industry Associations;
 - Chambers of Commerce.
- **Governments** – Refers to the various levels of governments and arms length government organizations who provide supports directly to employers or the workforce.
 - Federal Government;
 - Provincial Government;
 - Municipal Governments;
 - Economic Development.



Education and Training

Training providers have a significant role in workforce development as they train individuals with specific skills that meet the need of businesses in communities. It is important for these educators to have strong relationships with local industry so that the skills in the labour pool match the skills desired by businesses. Waterloo region benefits by its relative proximity to the Greater Toronto Area and the world-class universities and colleges within the region. Locally, Waterloo region is home to two universities, three colleges, and five school boards within the region. These institutions have graduated on average more than 18,000 people a year during the last five years. The table below highlights each organization in the subcategories identified and the support that they provide to the workforce ecosystem.

Category	Organization Name	Support Provided
Universities	University of Waterloo	The University of Waterloo has more than 42,000 students attending annually. The university is ranked #1 in Canada for experiential learning and employer-student connections, ³³ and has the largest selection of co-op jobs and experiences for students. ³⁴
Universities	Wilfred Laurier University	Wilfred Laurier University's programs provide a broad spectrum of traditional and innovative learning across arts and social sciences, business and economics, music, science, social work, and education.
Colleges	Conestoga College	Conestoga is a leader in polytechnic education delivering a full range of career-focused education, training, and applied research programs to prepare students for success in the new knowledge economy and promote economic prosperity throughout our region
Colleges	Herzing College	Herzing College offers a skilled trade program out of their Cambridge Location. They offer a variety of pre-apprenticeship and construction training programs.
Colleges	Summit College	Summit College offers diploma and certificate programs that are relevant to today's high demand jobs. Our students succeed because of their learning-centred model powered by humanist principles.
High Schools	Conseil scolaire de district catholique Centre-Sud	Conseil scolaire catholique MonAvenir is a Roman Catholic French first language public-separate school board that manages elementary and secondary schools in the Greater Golden Horseshoe
High Schools	Conseil scolaire Viamonde	The Conseil scolaire Viamonde is a public-secular French first language school board and manages elementary and secondary schools in the Ontario Peninsula and the Greater Golden Horseshoe.

³³ School Finder, *2022 Maclean's University Rankings: Comprehensive Schools*, 2021.

³⁴ University of Waterloo, *Co-op and Careers*, 2023.

Category	Organization Name	Support Provided
High Schools	Upper Grand River District School Board	The Upper Grand District School Board serves more than 35,000 students through 65 elementary schools and 11 secondary schools in the City of Guelph, County of Wellington, and County of Dufferin.
High Schools	Waterloo Catholic District School Board	The Waterloo Catholic District School Board has 43 Elementary Schools, 5 Secondary Schools and their St. Louis Adult Learning and Continuing Education Centres, to meet the needs of all learners.
High Schools	Waterloo Region District School Board	Waterloo Region District School Board serves more than 65,000 students in more than 122 schools as well as alternative and continuing education sites.

Workforce Supports

Support organizations encompass those organizations that provide a broad range of support to talent in the ecosystem. Subcategories of support organizations include community organizations, employment service providers, immigrant and newcomer support and youth support services. Each of these types of organizations plays a unique role in the ecosystem. Employment service providers are a broad category of organizations and provides services that support the full workforce ecosystem, while immigrant and newcomer support services and youth support services provide services for specified groups of individuals. The table below highlights each organization in the subcategories identified and the support that they provide to the workforce ecosystem.

Category	Organization Name	Support Provided
Community Organizations	Skills Ontario	A provincial organization whose mission is to champion and stimulate the development of world-class technological and employability skills in Ontario youth.
Community Organizations	YMCA of Three Rivers	The YMCA of Three Rivers runs a WorkWell program that works with leaders to build a workplace culture of well-being, make data-driven people decisions, and to develop managers into leaders.
Employment Service Providers	Employment Ontario	Employment Ontario is a division within the Province of Ontario and helps job seekers, workers, and employers with advice, grants, and other services around public and private sector employment.
Employment Service Providers	Region of Waterloo – Anti-Racism Advisory Working Group	The Anti-Racism Advisory Working Group has a significant role in helping eliminate systemic racism in our workplace and our services by providing recommendations, advice, and information to Regional Council through an Anti-Racism Plan
Immigrant and Newcomer Support Services	Immigration Partnership	The Immigration Partnership is a collaboration of community service, business, municipal and post-secondary organizations, and Waterloo region residents working together.

Category	Organization Name	Support Provided
Youth Support Services	Business & Education Partnership of Waterloo Region	The Business and Education Partnership is a charity that helps young people better understand and prepare for the world of work, so that they can build their own paths to successful careers.
Youth Support Services	Youth Advisory Committee	The youth advisory committee is for young people aged 14-25 to help develop a community safety and wellbeing plan. The plan developed will create actions that government and other groups across the region will take to make change.

Employers

Many employers make a choice to also be part of business and industry associations that provide direct support for employers around relevant issues, including workforce needs. This may mean that businesses are receiving the support they need from the broader ecosystem. The project team will look to understand this through engagement in future phases of the project. The table below highlights each organization in the subcategories identified and the support that they provide to the workforce ecosystem.

Category	Organization Name	Support Provided
Business and Industry Associations	Accelerator Centre	The Accelerator Centre helps entrepreneurs with incubation and acceleration. Their mission is to activate the innovation economy by catalyzing start-ups, industry, and academia.
Business and Industry Associations	Communitech	Communitech supports founders at every stage of their journey, by providing accelerated opportunities to access talent, capital, sales, and community connections.
Business and Industry Associations	OTEC	Ontario Tourism Education Corporation (OTEC) connects and aligns key players across industries and sectors, including businesses, educational institutions, associations, research and technology partners, local employment and training providers, and all levels of government to work in collaboration to create solutions to address current and future workforce challenges.
Business and Industry Associations	Velocity	Velocity provides early-stage founders connections, practical and authentic business expertise, a deeply supportive community, space to build a team and develop products, and risk-tolerant capital. Velocity helps build companies that scale, transform industries, and create greater wellbeing and prosperity.
Business and Industry Associations	Waterloo Region Small Business Centre	The Waterloo Region Small Business Centre is one of 54 small business centres in Ontario that provide business support for individuals and entrepreneurs wanting to learn, start or grow a business.

Category	Organization Name	Support Provided
Chamber of Commerce	Cambridge Chamber of Commerce	The Cambridge Chamber of Commerce is the voice of business in Cambridge and is dedicated to a prosperous community. The Chamber is dedicated to listening and voicing the concerns of their members to all levels of government.
Chamber of Commerce	Greater Kitchener Waterloo Chamber of Commerce	The Greater Kitchener Waterloo Chamber of Commerce provides strong, continued service to 1,700+ members in one of The Chamber has expanded into one of the largest and innovative Chambers in Canada by focusing on the needs of all members.
Employers	Employers	In Waterloo region, there are 18,265 businesses with employees. The majority of these businesses are small businesses who employ between 1-4 individuals.

Governments

This refers to the various levels of governments and arms length government organizations who provide supports directly to employers or the workforce. Governments provide support to both employers and the labour force directly. It is imperative that internal government departments collaborate with each other and communicate with other levels of government to reduce overlap in services and ensure that the requirements of employers and the labour force are met. The table below highlights relevant organizations and departments and the support that they provide to the workforce ecosystem.

Category	Organization Name	Support Provided
Economic Development	Consider Canada City's Alliance	The Consider Canada City Alliance (CCCA) unites 14 of Canada's largest municipal regions to build a sustainable and globally competitive national economy built upon the collective strength of each member's ecosystem. Waterloo EDC is a member.
Economic Development	Waterloo EDC	Waterloo EDC supports companies located in Waterloo and supports businesses with accessing talent, immigration, data collection, ecosystem tours, navigating government support, facilitating connections, along with other relevant services for expanding businesses.
Economic Development	Workforce Planning Board of Waterloo Wellington Dufferin	The Workforce Planning Board of Waterloo Wellington Dufferin has led local workforce development by identifying local labour market trends and priorities and working with the community to develop action plans to address these issues.

Category	Organization Name	Support Provided
Municipal Government	Business and Economic Support Team of Waterloo Region	Business and Economic Support Team of Waterloo Region (BESTWR), leadership team is made up of representatives from Waterloo EDC, Communitech, Greater KW Chamber of Commerce, and the Cambridge Chamber of Commerce. This group is the point of contact for governments as they make rapid decisions to support the evolving economic and business environment.
Federal Government	Employment and Social Development Canada	Employment and Social Development Canada (ESDC) works to improve the standard and quality of life for Canadians. ESDC promotes Canada’s highly skilled, efficient, and inclusive labour market.
Federal Government	Immigration, Refugees and Citizenship Canada	Immigration, Refugees and Citizenship Canada (IRCC) links immigration services with citizenship registration to help build a stronger Canada. IRCC is the central federal department responsible for providing work visas and other immigration supports.
Federal Government	Invest in Canada	Canada’s global investment attraction and promotion agency. Facilitating global investment that spurs job growth and makes Canada stronger, Invest in Canada is the foreign investor’s primary point of contact.
Provincial Government	Ministry of Economic Development, Job Creation and Trade	Support job creation, innovation, and economic growth for all Ontarians. The ministry delivers a range of programs, services, and tools to help businesses innovate and compete in today’s fast-changing global economy

Key Takeaways

The existing workforce ecosystem in the Waterloo region is robust and is strengthened from industry sectors, support organizations, education/post-secondary and governments represented. The University of Waterloo, Wilfred Laurier University, and Conestoga College provide world-class post-secondary education for its residents and help attract youth and lifelong learners to the region. The post-secondary institutions are supported by a variety of high school programs in the region and have organizations such as the Perimeter Institute that support talent attraction to the region. To build additional service strengths and address gaps in the workforce ecosystem, the Region of Waterloo could promote shared goals and opportunities with a focus on continued collaboration identified in the background review. Opportunity areas include:

- Immigration;
- Diversity, Equity, and Inclusion Supports;
- Wrap-around supports such as housing and public transportation;
- Skill based approaches to training and skills development.

The insights gathered through this initial desktop review of the Region of Waterloo’s workforce ecosystem will be tested and confirmed through additional consultation with identified workforce partners. More directed partnering, collaborating, and supporting workforce development organizations can support the Region of Waterloo to shift from a traditional *‘planner-provider-deliverer’* model to a collaborative *‘enabler-convenor-catalyst-broker’* model.

NOTE: It is important to note that this is not meant to be exhaustive, and we recognize that other provincial and federal associations may exist that advance skills development and training. It is encouraged that as new associations, organizations, and networks are identified locally, they can be added to this inventory to ensure current and update to date information.

Socio-Economic Profile

This section of the report provides an assessment of the local demographic and economic indicators, including population growth, labour force, job demand and key sector trends. The data presented below breakdown Waterloo region into the following areas:

- Urban Area: refers to “KCW” municipalities - City of Kitchener, City of Waterloo, and City of Cambridge;
- Rural Area: the rural area encompasses the mostly rural municipalities within the region, these include the Township of Woolwich, Township of Wilmot, Township of Wellesley, and the Township of North Dumfries.

Demographic Profile

The demographic profile details the population and related trends, including the population's age, immigration and ethnic diversity, income levels and housing affordability, and educational profile for Waterloo region, its rural and urban municipalities, and Ontario.

With an estimated 647,540 people in 2022, the Waterloo region represented 4% of Ontario's population. The region has experienced steady population growth, increasing 10% between 2016 to 2021, and 13% between 2011 and 2021. Overall, the growth experienced by Waterloo region was higher than that in the province.

According to the most recent data estimates, the population of the Waterloo region experienced a significant growth of 10% between 2021 and 2022. This growth translates to an impressive increase of 60,375 individuals when compared to the population figures recorded in the 2021 Census. Moreover, it is worth noting that the region's population growth during this period outpaced the provincial growth rate by 3%. Population growth in the region has been primarily driven by significant increases in the urban communities. Over the period between 2016 and 2021, the urban area witnessed a notable growth rate of 10%, outpacing the growth rate of the rural area, which stood at 5%. Similarly, between 2021 and 2022, the urban communities continued to thrive with a remarkable growth rate of 11%, while the rural communities experienced a growth rate of 4%.

Figure 1: Population trends, 2011-2021

Characteristic	Urban Area	Rural Area	Waterloo (RM)	Ontario
Population Estimates 2022³⁵	574,160	73,380	647,540	15,283,961
Population, 2021	516,800	70,365	587,165	14,223,942
Population, 2016	468,128	67,026	535,154	13,448,494
Population, 2011	444,681	62,415	507,096	12,851,821
5-years change	48,672 (+10%)	3,339 (+5%)	52,011 (+10%)	775,448 (+6%)
10-years net change	72,119 (+16%)	7,950 (+13%)	80,069 (+16%)	1,372,121 (+11%)

Source: Statistics Canada, 2011 NHS | Census 2016 | Census 2021 | Ontario data for 2022 based on Q4 2022 – Statistics Canada. Table 17-10-0009-01

In addition to analyzing the growth rate of the region’s population, it is important to examine the population's age by broad age groups. This will provide insights into current and future talent needs, housing needs and support programming. This analysis includes a breakdown of broader age cohorts that include the “prime working-age” categories.³⁶

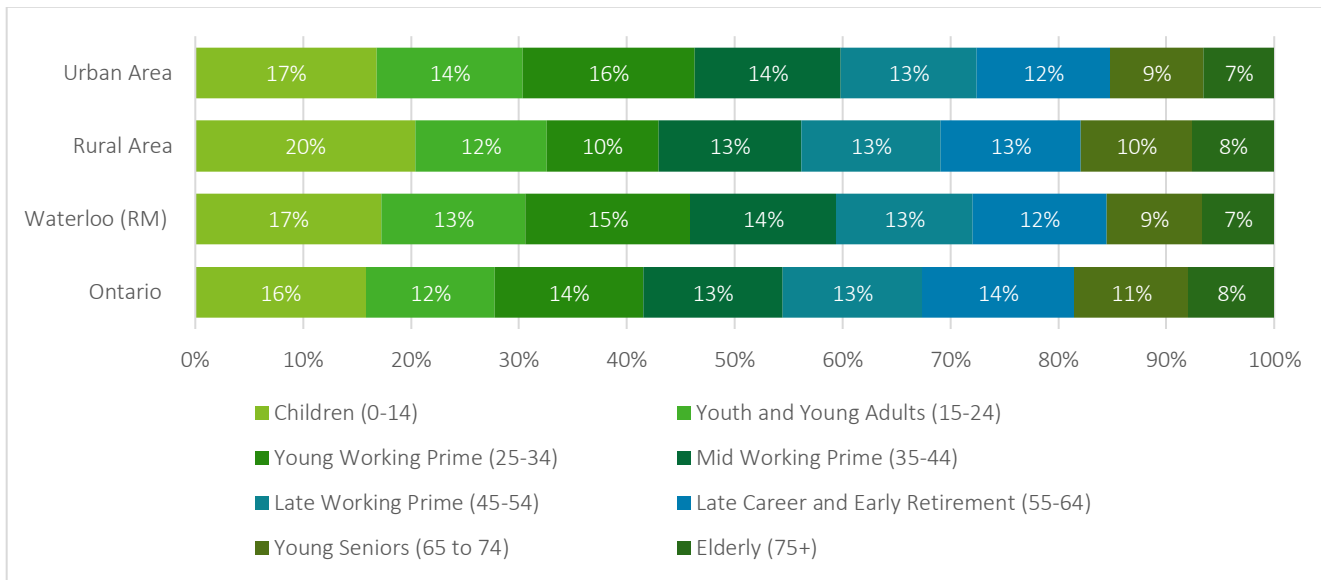
³⁵ Region of Waterloo, Planning, Development, and Legislative Services, Community Planning, Year-End 2022 Population and Household Estimates for Waterloo Region March 7, 2023

³⁶ The US Bureau of Labor Statistics define the prime working-ages as individuals between 25 to 54 years of age.

By 2021, 72% of the Region’s population was under the age of 55, a share higher than the provincial share of 67%. Waterloo region’s population has a significant share of what could be considered young families (mainly children 0 to 14 years at 17%, and young working prime 25 to 34 years at 15%). Meanwhile the ages for the older age cohorts (65 years and over) represented 16% of the total population in the Region.

The urban area of the Region has a larger share of “prime working age” population; 42% of the KCW area fall under these age cohorts. Meanwhile, the rural area’s prime working age population represented 37% of the rural communities’ population. The rural are also had a larger share of people over the age of 65.

Figure 2: Population by major economic age group, 2021



Source: Statistics Canada, Census 2016 | Census 2021

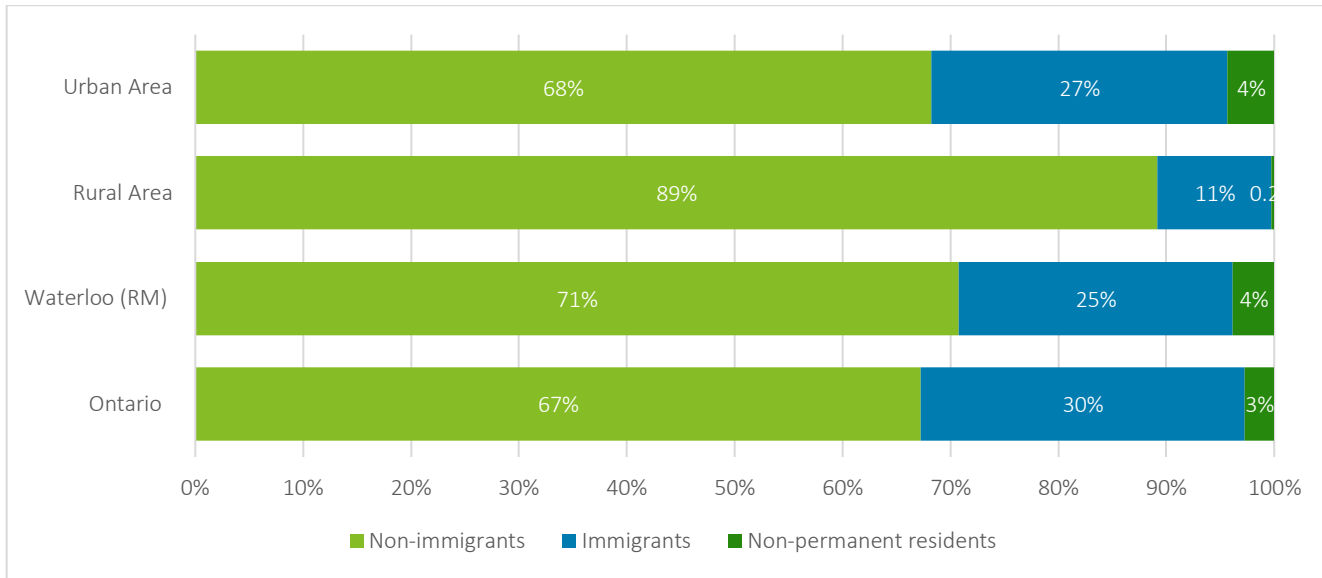
Immigration and Diversity

In 2021, the number of immigrants in Waterloo region reached 147,190 people; the share of immigrants among the region residents was 25% during this time. The share of immigrants in Waterloo region was lower than those in the province at 30%. Following provincial trends, most of the immigrants in the region (30%) arrived between 2011 and 2021.³⁷ Immigration attraction is important for communities across Canada, as immigrants could provide long-term relief to the region’s labour constrictions by attracting both skilled and unskilled labour.

Considering the region’s diversity, it was estimated that 2% of Waterloo region’s population identifies as Indigenous (1% First Nations – North American Indian, and 0.6% Métis), and 27% identify as other visible minority group; the largest visible minority present within the region was South Asian, which accounted for 10% of Waterloo region’s residents, followed by Black, which represented 5% of the population. The rural area of Waterloo region is significantly more diverse than the rural communities.

³⁷ A quarter of all immigrants in Ontario landed in Canada between 2011 and 2021.

Figure 3: Immigration status, 2021



Source: Statistics Canada, Census 2021

Dwellings and Income

According to the 2021 Census, a total of 222,425 occupied dwellings were reported in the Waterloo region: 53% of these corresponded to single-detached housing, 26% to apartments in buildings (excluding duplex), and 12% to row houses. Approximately 65% of Waterloo region’s dwellings are occupied by owners, and 35% by renters. The Census estimated the median value of dwellings in the region at \$700,000, the same median value for the entire province. The median value of dwellings increased by 100% compared to the 2016 Census (median value of dwelling during this period reached \$349,845).

Building permit activity is one indicator of the strength of the local economy, as well as a predictor of population and employment growth. Intensification rates are also monitored using building permit data.³⁸ In terms of residential building permits. According to the [Waterloo Permit Activity and Growth Monitoring](#), the Waterloo region reported that in 2021, a total of 6,009 building permits were issued. Over half of these permits (57%) were issued for apartments³⁹ (3,410 units), followed by townhouses (1,432 units or 24% of building permits). Compared to 2020 building permits, an additional 814 permits were issued. The largest growth took place in townhouses permits (+703 building permits), followed by single-detached (+131 building permits). Approximately 92% of new units were built in the region’s three cities (Kitchener, Waterloo, and Cambridge).

According to the Region, 2021 saw the second highest yearly new unit growth on record, greatly outpacing the ten-year average of 4,208 units. An important trend of note is the rapidly growing number of accessory apartments added to existing dwelling units, such as basement suites or duplex conversions. In 2012, only 67

³⁸ Building permit data is collected by the Area Municipalities (who issue the permits) and provided to the Region, where it is consolidated and forms the basis of reports and analysis.

³⁹ Apartments include accessory units added to existing dwellings (e.g., basement suites or duplex conversions) as well as detached secondary dwellings, or garden suites.

permits were issued for accessory dwelling units across the region. By 2020, the number reached 398, and 546 units in 2021.⁴⁰

When it comes to rental units, the Canadian Mortgage and Housing Corporation (CMHC) estimated that by 2022 the vacancy rate for rental market in the region at 1.2%, with an average two-bedroom rent of \$1,469. According to the CMHC, vacancy rates fell to their lowest level in 20 years. Consequently, rent grew also hit historic highs. One of the reasons for this trend, is the resurgence of immigration led by students.⁴¹ The low availability of affordable units is a critical challenge, as it impacts the region's ability to attract students, immigrants, and potential workers.

Figure 4: Summary of residential building permit activity, 2020 and 2021

Type of Building	2020		2021		Change from 2020		% Change from 2020	
	Value (millions)	Units	Value (millions)	Units	Value (millions)	Units	Value	Units
Residential	\$1,301.8	5,195	\$1,374.0	6,009	\$72.2	814	6%	16%
Single Detached	\$411.6	970	\$525.6	1,101	\$114.0	131	28%	14%
Semi-detached	\$50.8	186	\$23.8	66	-\$27.0	-120	-53%	-65%
Townhouse	\$154.2	729	\$289.8	1,432	\$135.6	703	88%	96%
Apartment	\$685.3	3,310	\$534.8	3,410	-\$150.5	100	-22%	3%

Source: Region of Waterloo, 2021 Building Permit Activity and Growth Monitoring

In 2021, the total value of building permits issued for industrial, commercial, and institutional constructions was \$303.2 million, which is an 8% decrease from the previous year and slightly below the ten-year average of \$329.6 million. Among these areas, the industrial sector showed a significant increase of 235% in new construction activity, with the value of permits rising from \$41.9 million in 2020 to \$140.2 million in 2021. In contrast, the commercial and institutional sectors experienced a decline in value, with commercial permits decreasing by 46% from \$194.6 to \$104.6 million, and institutional permits decreasing by 37% from \$92.9 to \$58.4 million.

The total new non-residential floor space in 2021 was 1.6 million square feet, which is a 44% increase from 2020, but still 10% below the average. The industrial and commercial sectors contributed to this trend, with respective increases of 207% and 24%. However, new institutional square footage fell sharply from the previous year. The three cities in the region accounted for 89% of the total new industrial, commercial, and institutional floor space in 2021.

Figure 5: Summary of non-residential building permit activity, 2020 and 2021

Type of Building	2020		2021		Change from 2020		% Change from 2020	
	Value (millions)	Area (Sq. Ft.)	Value (millions)	Area (Sq. Ft.)	Value (millions)	Area (Sq. Ft.)	Value	Area (Sq. Ft.)
Non-residential	\$329.30	1,133,907	\$303.20	1,637,451	(\$26.10)	503,544	-8%	44%
Industrial	\$41.90	298,984	\$140.20	916,500	\$98.30	617,516	235%	207%
Commercial	\$194.60	524,452	\$104.60	649,597	(\$90.00)	125,145	-46%	24%
Institutional	\$92.90	310,471	\$58.40	71,354	(\$34.50)	-239,117	-37%	-77%

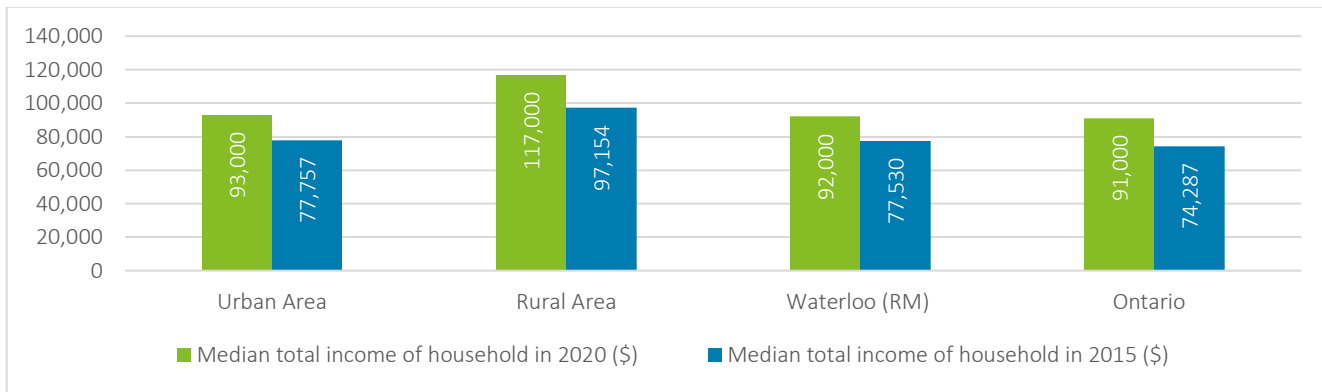
Source: Region of Waterloo, 2021 Building Permit Activity and Growth Monitoring

⁴⁰ Region of Waterloo, 2021 Building Permit Activity and Growth Monitoring

⁴¹ Canadian Mortgage and Housing Corporation (CMHC), Housing Market Information - Rental Market Report, January 2023

The median total income of a household in 2020 reached \$92,000 in the Waterloo region, \$1,000 more than the median total income of households in Ontario at \$91,000. The median total income of households in the region increased by \$14,470 between 2015 and 2020, a 19% increase. This growth was lower compared to that experienced by Ontario at 22%. Comparing the urban and rural areas evidence that rural households show a higher median household income, this might be the result of a higher concentration of students and newcomers in the three main cities, these groups tend to work in part-time minimum wage jobs and traditionally earn less than other groups.⁴²

Figure 6: Median total income of households (\$), 2015-2020



Source: Statistics Canada, Census 2016 | Census 2021

Definitions for income groups diverge from source to source, for this analysis, estimates have been calculated using definitions from various sources including Statistics Canada⁴³ and Money Genius.⁴⁴ From these data the following income groups are identified:

- Low-Income Households – below \$50,000;
- Medium-Low Income Households – \$50,000 to \$69,999;
- Middle Class Households – \$70,000 to \$99,999;
- Upper Middle Class – \$100,000 to \$199,999;
- High Income Households – \$200,000 and over.

Data from 2020 shows that the largest household income group in Waterloo region are upper-middle class (35%), followed by low-income households (22%). Overall, the share of household above the middle-class threshold (\$70,000 and over) add to 64%. This shows a relatively low inequality when it comes to income distribution. In fact, Statistics Canada estimated the Gini index⁴⁵ on adjusted household total income in 2020 at 0.3; this indicates relative equality.

Approximately 11% of households in the Region were high-income earners, a share slightly smaller than the province at 12%. The rural area, however, surpassed both the overall Region and the province with a share of 17% of high-income households. It is understood that higher levels of income translate into more disposable

⁴² RBC Capital Markets, Untapped Potential: Canada Needs to Close Its Immigrant Wage Gap

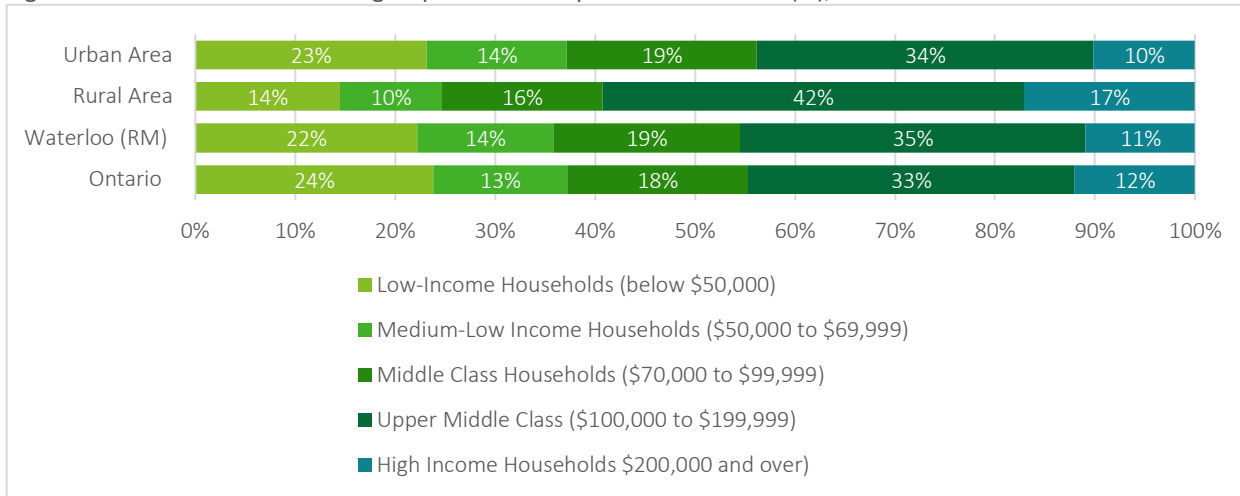
⁴³ Statistics Canada, Table 11-10-0241-01 Low-income cut-offs (LICOs) before and after tax by community size and family size, in current dollars

⁴⁴ Money Genius, What Is Middle Class Income in Canada? Looking At the Numbers and Beyond

⁴⁵ The Gini index is a summary measure of income inequality. The Gini coefficient incorporates the detailed shares data into a single statistic, which summarizes the dispersion of income across the entire income distribution. A Gini of 0 indicates perfect equality. In contrast, a Gini of 1 indicates that within a group of people, a single individual has all the income or consumption, while all others have none.

income. When people and households have more money to save or spend, this can increase local goods and services consumption and boost consumer buying power.

Figure 7: Household total income groups in 2020 for private households (%), 2020



Source: Statistics Canada, Census 2021

Talent Supply Assessment

The talent supply assessment provides information about Waterloo region’s labour force characteristics including participation and unemployment rates, commuting patterns, mobility, and educational pipelines.

Labour Force

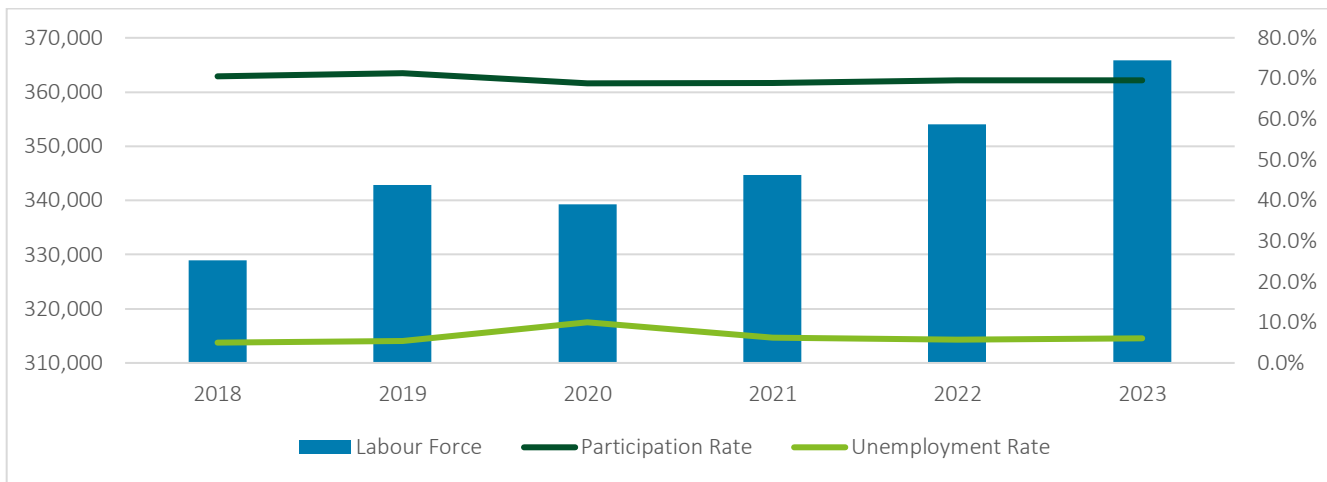
Labour force characteristics considers the Kitchener-Cambridge-Waterloo CMA as this represents the more up-to-date data for the area. Statistics Canada estimated the KCW CMA labour force at 365,900 in 2023, an estimated 8% growth compared to 2020, and 3% growth compared to 2022. The CMA experienced some challenges during the COVID-19 pandemic. Between 2019 and 2020 all labour force indicators were impacted, the CMA labour force declined by 1%, the unemployment rate increased from 5.4% in 2019 to 10% in 2020, and the participation rate decline 2.5%.

The latest data from Statistics Canada's Labour Force Survey highlights the ongoing recovery of employment in the KCW CMA following the COVID-19 pandemic. From 2021 to 2022, the unemployment rate showed a decline from 6.3% to 5.7%. However, there was a slight increase in 2023, with the rate reaching 6%. This indicates a positive trend in terms of people finding employment opportunities in the CMA. Additionally, the participation rate, which measures the proportion of the population actively seeking employment, increased from 68.9% in 2021 to 69.6% in 2023. This is another positive sign of a growing labour force in the region. However, despite these improvements in labour force indicators, there are some concerning trends. The participation rates for women in the CMA remain below pre-pandemic levels. In 2019, the participation rate for women was 66.7%, but by 2023, it had decreased to 63.9%. In comparison, the participation rates for men stabilized from 75.8% in 2019 to 75.3% in 2023. This indicates that women are facing more challenges in rejoining the workforce compared to men.

Furthermore, the unemployment rates for youth (aged 15 to 24) of both genders are significantly higher than pre-pandemic levels. In 2019, the unemployment rate for youth was 10.5%, but by 2023, it had risen to 13.8%.

Similarly, the participation rates for youth also declined from 68.1% in 2019 to 65.7% in 2023. These statistics suggest that young individuals are struggling to find employment opportunities and are facing higher unemployment rates compared to before the pandemic. To address these issues, it is crucial for policymakers and organizations to focus on creating targeted strategies and initiatives to support women's reintegration into the workforce and provide more opportunities for youth employment. This could involve promoting mentorship programs, offering training and skills development programs, and promoting flexible work arrangements that accommodate the needs of women and young individuals. Additionally, it may be beneficial to analyze the underlying causes of these disparities and identify any systemic barriers that may be hindering women and youth from fully participating in the labour market.

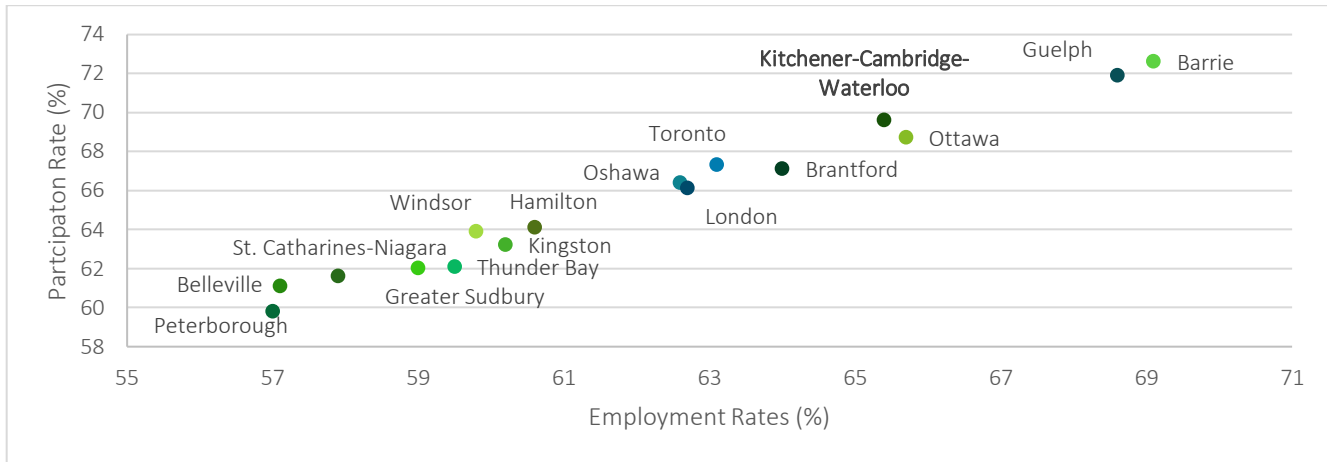
Figure 8: Labour force characteristics, annual, Kitchener-Cambridge-Waterloo CMA, 2018-2023



Source: Statistics Canada. Table 14-10-0385-01 Labour force characteristics, annual

The KCW CMA has strong participation and employment rates when compared to other CMAs across the province, KCW had the third highest employment rate, the fourth highest participation rates. The KCW CMA also had the third highest unemployment rate among CMAs in Ontario.

Figure 9: Labour force participation and employment rates for Ontario CMAs, 2023

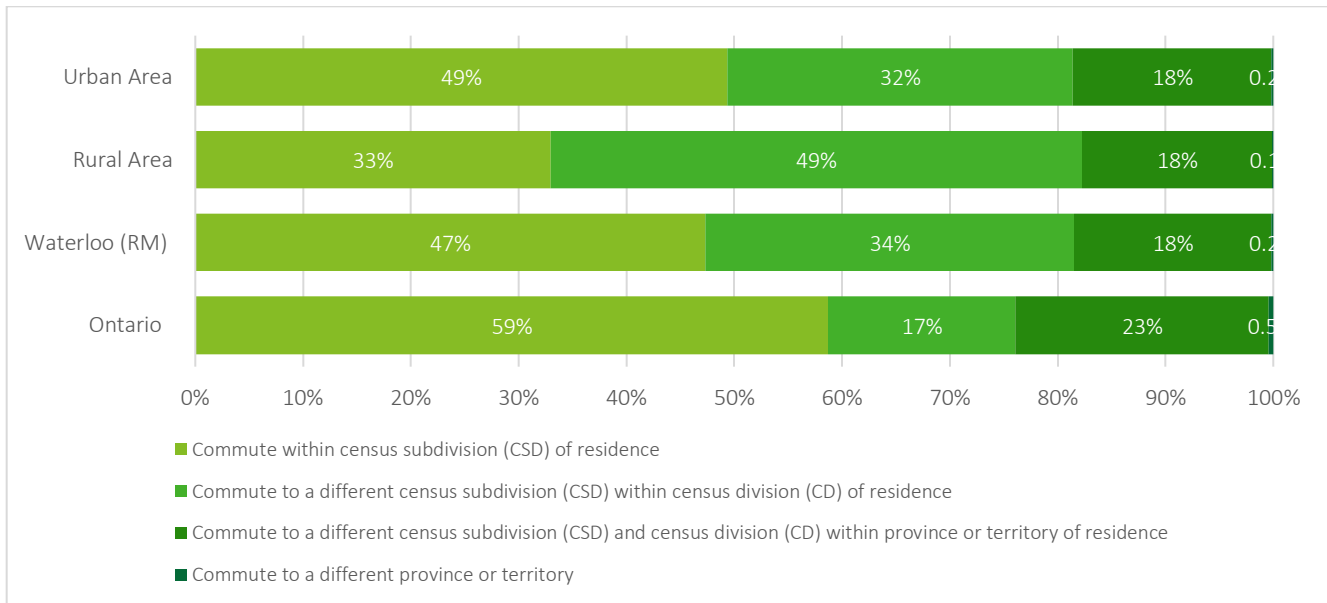


Source: Statistics Canada. Table 14-10-0385-01 Labour force characteristics, annual

Commuting Patterns

Commuting destination data from the 2021 Census saw a reduction of commuter flow into and out of Waterloo Region (Census Division). Approximately 31,430 people who lived in the Waterloo Region (Census Division) left the region for employment (18% of the labour force). Approximately 139,840 people lived and worked in the region.

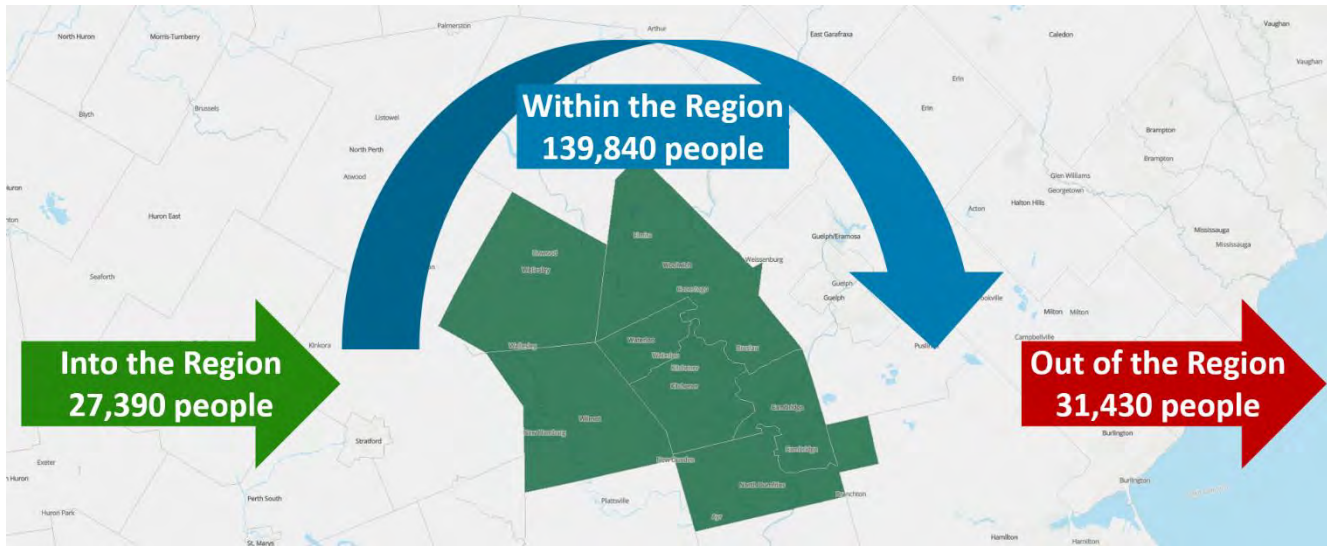
Figure 10: Commuting destination for the employed labour force aged 15 years and over with a usual place of work



Source: Statistics Canada, Census 2021

When it comes to commuting destinations for people commuting out of Waterloo region, most people commuted to Guelph (10,695 people), Mississauga (2,525 people), and Toronto (1,820 people). When considering in-commuting, most workers into Waterloo region were from Guelph (4,600 people), followed by Hamilton (2,115 people), and Brant County (1,920 people).

Figure 11: Commuting flows, Waterloo region, 2021

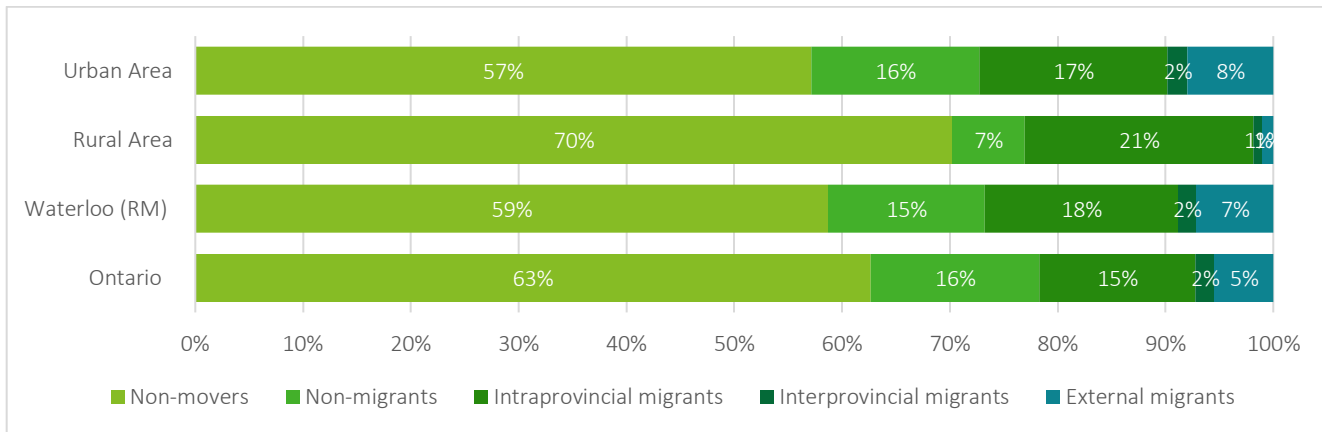


Source: Statistics Canada, Census 2021 | Map: Lightcast, 2023

Mobility

Statistics Canada defines mobility as the status of a person regarding the place of residence on the reference day (May 11, 2021), in relation to the place of residence on the same date five years earlier at the provincial level. Persons who have not moved are referred to as non-movers and persons who have moved from one residence to another are referred to as movers.⁴⁶

Figure 12: Mobility status 5 years ago



Source: Statistics Canada, Census 2021

Educational Attainment and Pipeline

Education attainment can be looked at as an important descriptor of labour force capacity. The figure below summarizes skilled labour proportions for comparator areas, which is composed of people that have completed an apprenticeship, trade certificate, or college or university degree, diploma, or certificate. By 2021, the proportion of skilled labour aged 15 years and over was slightly lower in Waterloo region at 56%, compared to the province at 58%. In contrast, the share of labour force without a post-secondary diploma or degree is higher in the rural area of Waterloo, this may respond to the considerable number of Mennonite communities in these areas, which traditionally complete school until eighth grade.

Waterloo region has a similar share of people with an apprenticeship or trades certificate at 5%, compared to the province also at 5%. Access to people with apprenticeships is important for good-producing sectors such as construction and manufacturing. Waterloo region has a slightly lower share of people with university degree or diploma at 29% compared to the province at 30%.

⁴⁶ Movers include non-migrants and migrants. Non-migrants are persons who did move but remained in the same city, town, township, village, or Indian reserve. Migrants include internal migrants, who moved to a different city, town, township, village, or Indian reserve within Canada. External migrants include persons who lived outside Canada at the earlier reference date.

Figure 13: Highest certificate, diploma or degree for the population aged 15 years and over in private households, 2021

Characteristic	Urban Area	Rural Area	Waterloo (RM)	Ontario
No certificate, diploma, or degree	16%	21%	16%	15%
High (secondary) school diploma or equivalency certificate	28%	26%	28%	27%
Apprenticeship or trades certificate or diploma	5%	7%	5%	5%
College, CEGEP or other non-university certificate or diploma	20%	23%	20%	20%
University certificate or diploma below bachelor level	2%	1%	2%	2%
Bachelor's degree or higher	29%	22%	29%	30%

Source: Statistics Canada, Census 2021

The educational pipeline for Waterloo region was analyzed only at the regional level. The purpose of this analysis is to understand Waterloo region's access to skilled labour within the Municipality's borders. This analysis does not consider extended pipelines from which Waterloo region could recruit from (e.g., universities and colleges within the Golden Horseshoe region).

Considering the completions between 2016 to 2020, an average of 19,374 people a year completed post-secondary programs from institutions located in Waterloo region; the largest segment of graduates from the region have completed programs related to business, management, marketing, and related support services (an average of 4,650 completions a year), followed by health professions and related (an average of 1,762 completions a year).

The number of completions increase as the catchment area increases, creating opportunities for Waterloo region to tap into surrounding markets for new talent. For instance, an average of 152,315 post-secondary completions a year were estimated for communities in the Golden Horseshoe Region.

Figure 14: Post-secondary average annual completions 2015-2019, Waterloo region

CIP	Description	2016	2017	2018	2019	2020	5-year Average
XX	Total	16,316	17,118	18,857	21,247	23,332	19,374
52	Business, management, marketing and related support services	3,201	3,423	4,316	5,543	6,765	4,650
51	Health professions and related programs	1,730	1,683	1,820	1,821	1,754	1,762
14	Engineering	1,453	1,555	1,755	1,808	1,882	1,691
11	Computer and information sciences and support services	759	849	1,166	1,369	1,506	1,130
15	Engineering technologies and engineering-related fields	656	785	924	1,244	1,420	1,006
45	Social sciences	1,014	929	866	957	992	952
30	Multidisciplinary/interdisciplinary studies	641	759	940	851	959	830
27	Mathematics and statistics	531	605	635	704	724	640
24	Liberal arts and sciences, general studies and humanities	551	557	546	645	762	612
44	Public administration and social service professions	493	531	570	641	723	592
31	Parks, recreation, leisure and fitness studies	515	516	484	550	549	523
26	Biological and biomedical sciences	468	551	533	513	542	521
42	Psychology	516	524	456	432	447	475
09	Communication, journalism and related programs	383	463	393	481	447	433
40	Physical sciences	407	411	438	479	432	433
19	Family and consumer sciences/human sciences	394	400	401	386	456	407
04	Architecture and related services	252	274	309	320	348	301
03	Natural resources and conservation	335	298	287	293	273	297
43	Security and protective services	277	243	250	243	296	262
50	Visual and performing arts	224	204	231	244	285	238

CIP	Description	2016	2017	2018	2019	2020	5-year Average
46	Construction trades	217	189	173	194	189	192
23	English language and literature/letters	176	185	177	141	144	165
13	Education	35	135	167	177	216	146
22	Legal professions and studies	144	144	117	171	117	139
01	Agriculture, agriculture operations and related sciences	61	62	158	134	185	120
47	Mechanic and repair technologies/technicians	111	99	96	121	129	111
48	Precision production	113	102	87	108	84	99
16	Aboriginal and foreign languages, literatures and linguistics	79	130	79	78	116	96
54	History	125	91	102	99	63	96
10	Communications technologies/technicians and support services	105	78	75	96	99	91
12	Personal and culinary services	57	34	40	100	141	74
41	Science technologies/technicians	51	57	63	57	60	58
38	Philosophy and religious studies	67	54	55	57	40	55
55	French language and literature/letters	45	50	33	39	78	49
39	Theology and religious vocations	39	50	51	56	39	47
49	Transportation and materials moving	39	42	36	52	30	40
21	Pre-technology education/pre-industrial arts programs	21	24	9	21	18	19
05	Area, ethnic, cultural, gender, and group studies	22	21	10	6	11	14
53	High school/secondary diploma and certificate programs	6	12	9	15	12	11

Source: Lightcast, 2023. Datarun 2023.3

Talent Demand Assessment

The talent demand assessment provides information on current employment trends (number of jobs) in Waterloo region. This section also includes estimated job growth, and current labour demand (job postings) characteristics.

Industry and Occupational Overview

Lightcast's Canadian dataset incorporates and harmonizes labour market data from the Survey of Employment, Payroll, and Hours (SEPH), Labour Force Survey (LFS), Census, and the Canadian Occupation Projection System (COPS). To create industry employment projections, Lightcast builds three linear regressions using historical employee counts for each geography. The regressions utilize historic data 3, 5, and 10 years into the past. The average of these linear regressions is taken, and the results are damped to curb excessive growth and decline. All trends are then adjusted to national totals (i.e., Provinces are adjusted to the nation, CDs to Provinces, CSDs to CDs). This trend is considered the base projection.⁴⁷ It is important to understand that this figure represents an estimated number of jobs in the region, which refers to the place of work, rather than the total labour force employed (place of residence).

According to Lightcast estimates, most of the jobs in the region are concentrated in manufacturing (50,631 jobs or 14% of the region's total jobs), followed by health care and social assistance (34,486 jobs or 10% of the region's total jobs), and educational services (33,105 jobs or 10% of the region's total jobs). The Figure below provides a breakdown of all industries by total employment. The top sectors are also the major employer sectors in Ontario.

At the urban level, the top three sectors by employment in 2023 are manufacturing (14% of urban jobs), health care and social assistance (10% of urban jobs), and educational services (10% of urban jobs). In contrast, the

⁴⁷ Lightcast

rural are saw a larger share of jobs in sectors such as manufacturing (18% of rural jobs), construction (13% of rural jobs), and retail trade (9% of rural jobs).

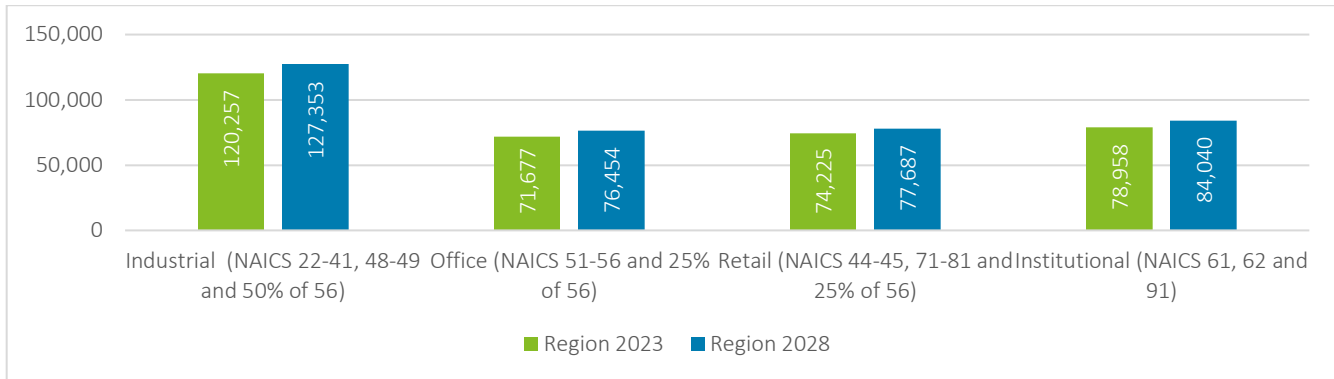
Figure 15: Employment (jobs) by industry sector (2-Digit NAICS), 2023

NAICS	Description	Urban	Rural	Waterloo (RM)	Ontario
XX	Total	303,801	50,657	354,457	8,103,978
11	Agriculture, forestry, fishing and hunting	884	2,410	3,294	84,591
21	Mining, quarrying, and oil and gas extraction	150	79	228	30,586
22	Utilities	1,063	169	1,232	51,459
23	Construction	20,458	6,568	27,027	560,721
31-33	Manufacturing	41,645	8,986	50,631	713,687
41	Wholesale trade	15,214	2,721	17,935	392,184
44-45	Retail trade	28,256	4,587	32,843	800,619
48-49	Transportation and warehousing	10,864	3,776	14,640	386,743
51	Information and cultural industries	9,798	909	10,707	182,201
52	Finance and insurance	15,457	2,168	17,625	419,136
53	Real estate and rental and leasing	5,084	632	5,716	184,871
54	Professional, scientific and technical services	28,285	2,830	31,115	718,251
55	Management of companies and enterprises	1,783	335	2,118	48,527
56	Administrative and support, waste management and remediation services	15,576	2,007	17,583	451,247
61	Educational services	30,201	2,904	33,105	575,682
62	Health care and social assistance	31,444	3,042	34,486	916,698
71	Arts, entertainment and recreation	3,493	541	4,034	147,802
72	Accommodation and food services	19,095	1,991	21,086	512,493
81	Other services (except public administration)	9,751	2,115	11,866	301,365
91	Public administration	10,247	1,119	11,367	496,491
X0	Unclassified	5,052	767	5,819	128,624

Source: Lightcast, 2023. Datarun 2023.3

In comparison to the year 2023, industrial jobs are projected to experience the most significant growth over the next five year, adding 7,097 jobs or a 6% increase. Following behind are institutional jobs, which includes health care, education and public administration (an additional 5,082 jobs or 6% increase), and office-based jobs, which encompass industries that typically operate in office building settings, including information and cultural industries, finance and insurance, real estate, professional services, and management of companies, among others. This sector is expected to add 4,777 jobs or a 7% increase.

Figure 16: Jobs Growth by Employment Type, Waterloo region, 2023-2028



Source: Lightcast, 2023. Datarun 2022.3

When examining employment by occupation in Waterloo region, the top occupational categories are related to sales and service (85,480 jobs or 24% of the region’s total); trades, transport and equipment operators and related occupations (62,504 or 18% of the region’s total); and business, finance, and administration occupations (56,296 jobs or 16% of the region’s total employment). These occupations accounted for 58% of the total employed population in Waterloo region. These are also the largest occupations in Ontario, and both the urban and the rural areas.

Figure 17: Employment (jobs) by occupational category (1-Digit NOC), 2023

NOC	Description	Urban Area	Rural Area	Waterloo (RM)	Ontario
XX	Total	303,801	50,657	354,457	8,103,978
0	Legislative and senior management occupations	1,105	147	1,252	30,222
1	Business, finance and administration occupations	49,296	7,000	56,296	1,465,761
2	Natural and applied sciences and related occupations	32,131	3,629	35,760	801,938
3	Health occupations	18,622	1,684	20,306	587,212
4	Occupations in education, law and social, community and government services	34,654	3,924	38,578	939,049
5	Occupations in art, culture, recreation and sport	7,745	1,067	8,812	235,030
6	Sales and service occupations	74,711	10,770	85,480	2,065,638
7	Trades, transport and equipment operators and related occupations	49,329	13,175	62,504	1,241,460
8	Natural resources, agriculture and related production occupations	3,448	2,659	6,106	138,533
9	Occupations in manufacturing and utilities	27,709	5,836	33,544	470,513
X	Unclassified occupation	5,052	767	5,819	128,624

Source: Lightcast, 2023 – Datarun 2023.3

A more detailed view of specific occupations highlights five occupation types that account for 10% of all jobs available by regional employers in Waterloo region. These occupations include:

- Retail salespersons and visual merchandisers (9,819 jobs or 3% of the region’s total employment);
- Food counter attendants, kitchen helpers and related support occupations (7,779 jobs or 2% of the region’s total employment);
- Sales and account representatives - wholesale trade (non-technical) (6,233 jobs or 2% of the region’s total employment);
- Transport truck drivers (6,225 jobs or 2% of the region’s total employment); and
- Cashiers (4,899 jobs or 1% of the region’s total employment)

Looking forward to 2028, occupational job growth in the Waterloo region will be led by transport truck drivers (+679 jobs); followed by user technicians (+485 jobs); and elementary school and kindergarten teachers (+479 jobs). These three occupations will represent 8% of the occupational growth in the region by 2028.

Comparing average annual projected growth and potential completions for the largest occupations, it is possible to suggest that due to a health pipeline of skilled workers, the region should not have issues accessing potential labour, and the efforts should be focusing on retaining these workers. The data also shows potential challenges in occupations related to food services, transportation, warehousing and trades where Waterloo region may see issues accessing the required labour.

Figure 18: Top occupational subcategories (5-Digit NOC 2021) by largest employment (jobs) growth and estimated completions, Waterloo region, 2023-2028

NOC	Description	2023 Jobs	2028 Jobs	2023 - 2029 Change	Avg. Annual Completions 16-20
64100	Retail salespersons and visual merchandisers	9,819	9,996	35	156
65201	Food counter attendants, kitchen helpers and related support occupations	7,779	8,101	64	74
64101	Sales and account representatives - wholesale trade (non-technical)	6,233	6,369	27	0
73300	Transport truck drivers	6,225	6,904	136	34
65100	Cashiers	4,899	5,002	21	0
60020	Retail and wholesale trade managers	4,850	4,670	-36	2,231
62010	Retail sales supervisors	4,528	4,782	51	1,793
65102	Store shelf stockers, clerks and order fillers	4,496	4,862	73	0
21232	Software developers and programmers	4,448	4,722	55	1,269
31301	Registered nurses and registered psychiatric nurses	4,367	4,772	81	617
41221	Elementary school and kindergarten teachers	4,300	4,779	96	102
33102	Nurse aides, orderlies and patient service associates	3,869	4,229	72	1,161
75101	Material handlers	3,728	3,925	39	12
94105	Metalworking and forging machine operators	3,465	3,751	57	52
21222	Information systems specialists	3,453	3,723	54	1,592
21231	Software engineers and designers	3,441	3,846	81	1,265
13100	Administrative officers	3,423	3,708	57	2,457
65310	Light duty cleaners	3,418	3,610	38	0
41229	Kindergarten, elementary, and secondary school teachers	3,300	3,284	-3	0
13110	Administrative assistants	3,294	3,384	18	2,239

Source: Lightcast, 2023 – Datarun 2023.3

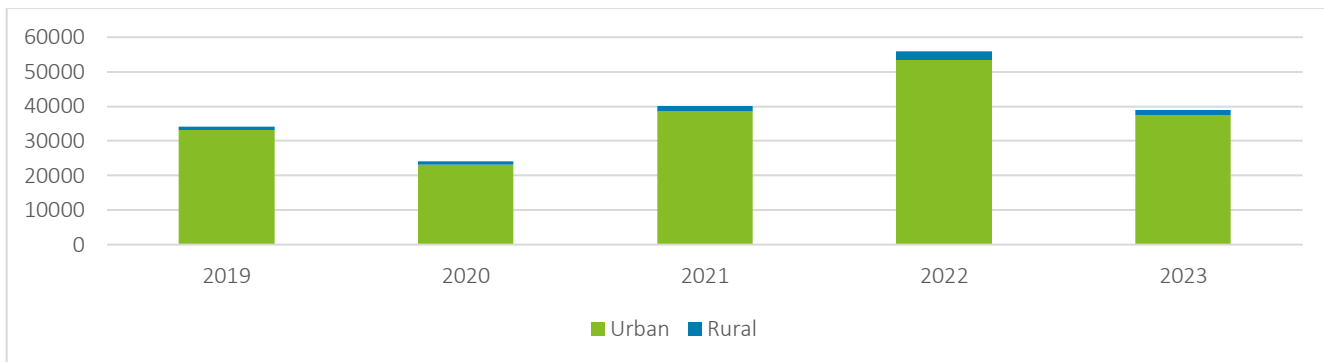
Job Demand

The Job Demand report provides an analysis of jobs postings identified by Vicinity Jobs. This tool provides real-time job demand intelligence by monitoring online job postings with extensive quality assurance to analyze and compile each local job posting information. This technology permits the extraction of relevant information about each online job posting, including but not limited to the following metrics: job location, industry sector (NAICS), occupational category (NOC), known employers, educational requirements, and CIP programs. For the Waterloo region, the data includes job postings collected between January 1st, 2020 and December 31st, 2023. The year 2019 is included to highlight the impact of COVID-19 on the labour demand in the region. However, the job postings analysis will be conducted using newly posted job posting starting January 1st, 2020, to better assess the post-pandemic labour market demands.

In 2020, following the COVID-19 pandemic, job postings in the Waterloo region declined by approximately 29% or 9,929 job postings compared to the previous year. From January 1st, 2020, to December 31st, 2023, a total of 159,235 job postings were published in the region. After the decline in 2020, there was a positive trend in subsequent years. Between 2020 and 2021, an additional 16,024 job postings were advertised in the region, representing a 66% growth. Similarly, between 2021 and 2022, there was a 39% growth with an additional 15,705 job postings. However, in 2023, there was a significant decline with 16,839 fewer job postings compared to 2022, representing a 30% decline.

During the last four years, approximately 96% of the job postings published in the Waterloo region were positions available in the KCW area, and 4% were positions in rural areas.

Figure 19: Job postings by location, January 1st, 2019, to December 31st, 2023, Waterloo region



Source: Vicinity Jobs, 2024

Job Postings by Industry Sector

During the analyzed period, 45% of the job postings in the region were associated with specific industry sectors. Among these, retail trade accounted for 17% of the job postings, followed by education services at 15%, and health care and social assistance at 13%. On the other hand, sectors such as mining and oil and gas extraction, utilities, and agriculture, forestry, fishing, and hunting had the lowest demand, each representing less than 1% of the job postings in the region.

Between 2022 and 2023, there was a decline in job postings across all industries except for utilities. Compared to 2022, the most significant losses were observed in retail trade with 1,277 fewer job postings, health care and social assistance with 943 fewer job postings, and manufacturing with 694 fewer job postings.

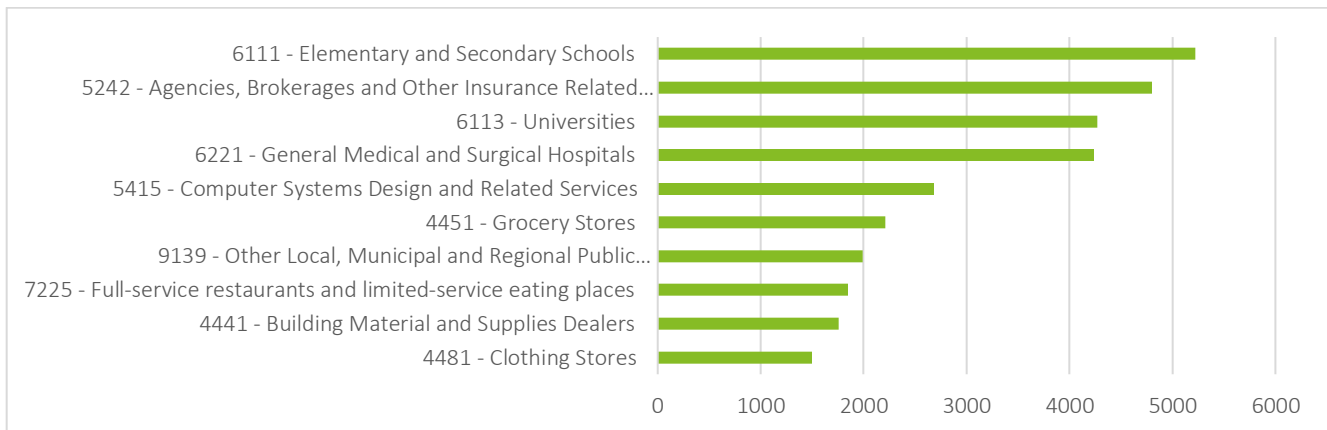
Figure 20: Job postings by industry sector (2-digit NAICS), January 1st, 2020, to December 31st, 2023, Waterloo region

Industry	2020	2021	2022	2023	Total Postings	%
Grand Total*	9,513	17,558	25,920	18,735	71,726	100%
44-45 - Retail Trade	1,604	2,699	4,476	3,199	11,978	17%
61 - Educational Services	677	2,929	3,917	3,502	11,025	15%
62 - Health Care and Social Assistance	1,837	2,220	3,004	2,061	9,122	13%
52 - Finance and Insurance	1,051	1,855	2,665	2,013	7,584	11%
31-33 - Manufacturing	889	1,507	2,495	1,801	6,692	9%
54 - Professional, Scientific and Technical Services	955	1,917	1,915	1,222	6,009	8%
72 - Accommodation and Food Services	484	1,144	1,681	1,047	4,356	6%
41 - Wholesale Trade	351	651	1,010	592	2,604	4%
48-49 - Transportation and Warehousing	299	467	836	590	2,192	3%
91 - Public Administration	465	649	488	454	2,056	3%
56 - Administrative and Support, Waste Management and Remediation Services	163	205	1017	584	1,969	3%
51 - Information and Cultural Industries	127	433	603	336	1,499	2%
23 - Construction	218	271	446	317	1,252	2%
53 - Real Estate and Rental and Leasing	79	129	406	270	884	1%
71 - Arts, Entertainment and Recreation	135	260	256	185	836	1%
81 - Other Services (except Public Administration)	139	167	280	204	790	1%
55 - Management of Companies and Enterprises	0	12	252	252	516	1%
11 - Agriculture, Forestry, Fishing and Hunting	5	10	156	91	262	0%
22 - Utilities	29	22	3	9	63	0%
21 - Mining and Oil and Gas Extraction	6	11	14	6	37	0%

Source: Vicinity Jobs, 2024 | Number of postings excluded from this report's grand total due to lack of reliable and relevant information: 87,509

A detailed analysis of the industry subsectors shows that over 43% of the job demand in the Waterloo region came from 10 sectors, the largest being elementary and secondary schools (7% of job postings in the period analyzed). This sector reached its highest in 2022 with 1,979 job postings. Other sector with a significant demand is agencies, brokerages, and other insurance related activities with 6.7% of job postings in the period analyzed; the demand for jobs in the sector grew by 156% between 2020 and 2022. However, similar to other industries, the demand decline between 2022 and 2023 (497 fewer job postings).

Figure 21: Top 10 job postings by industry (4-digit NAICS), January 1st, 2020, to December 31st, 2023, Waterloo region



Source: Vicinity Jobs, 2024 | Number of postings excluded from this report's grand total due to lack of reliable and relevant information: 87,509

Job Postings by Occupational Category

Sales and service occupations were the most in-demand during the analyzed period, accounting for approximately 42,712 job postings or 27% of all job postings in the region. They were closely followed by business, finance, and administration occupations, which accounted for 31,698 job postings or 20% of all job postings. These occupational categories also experienced significant growth in 2023 compared to 2020.

However, there were also notable declines in job postings for these categories between 2022 and 2023. Sales and service occupations saw a decrease of 4,487 job postings, while business, finance, and administration occupations experienced a decline of 3,173 job postings.

Figure 22: Job postings by occupational category (2-digit NOC), January 1st, 2020, to December 31st, 2023, Waterloo region

Occupation	2020	2021	2022	2023	Total Postings	%
Grand Total	24,148	40,172	55,877	39,038	159,235	100%
6 - Sales and service occupations	6,597	10,998	14,802	10,315	42,712	27%
1 - Business, finance and administration occupations	4,087	7,564	11,610	8,437	31,698	20%
Other / Unidentified	3,988	7,899	9,658	7,108	28,653	18%
7 - Trades, transport and equipment operators and related	3,410	5,508	8,855	5,530	23,303	15%
4 - Education, law and social, community and government	1,429	2,012	2,624	2,112	8,177	5%
2 - Natural and applied sciences and related occupations	1,441	2,162	2,572	1,725	7,900	5%
3 - Health occupations	1,654	1,626	2,086	1,685	7,051	4%
9 - Occupations in manufacturing and utilities	859	1,512	2,533	1,241	6,145	4%
5 - Occupations in art, culture, recreation and sport	355	440	569	381	1,745	1%
0 - Legislative and senior management occupations	191	231	336	323	1,081	1%
8 - Natural resources, agriculture and related production	137	220	232	181	770	1%

Source: Vicinity Jobs, 2024

A more detailed analysis of occupational demand in the region shows that retail salespersons and visual merchandisers experienced the largest demand for workers (4,740 job postings or 3% of all job postings), followed by other customer and information services representatives (4,186 job postings or 2.6% of all job postings). In terms of growth, administrative assistants experienced the largest net growth among detailed occupations, adding 467 job postings since 2020; a 132% growth.

Figure 23: Top 10 Job postings by occupation (5-digit NOC), January 1st, 2020, to December 31st, 2023, Waterloo region



Source: Vicinity Jobs, 2024

Job Postings by TEER Category

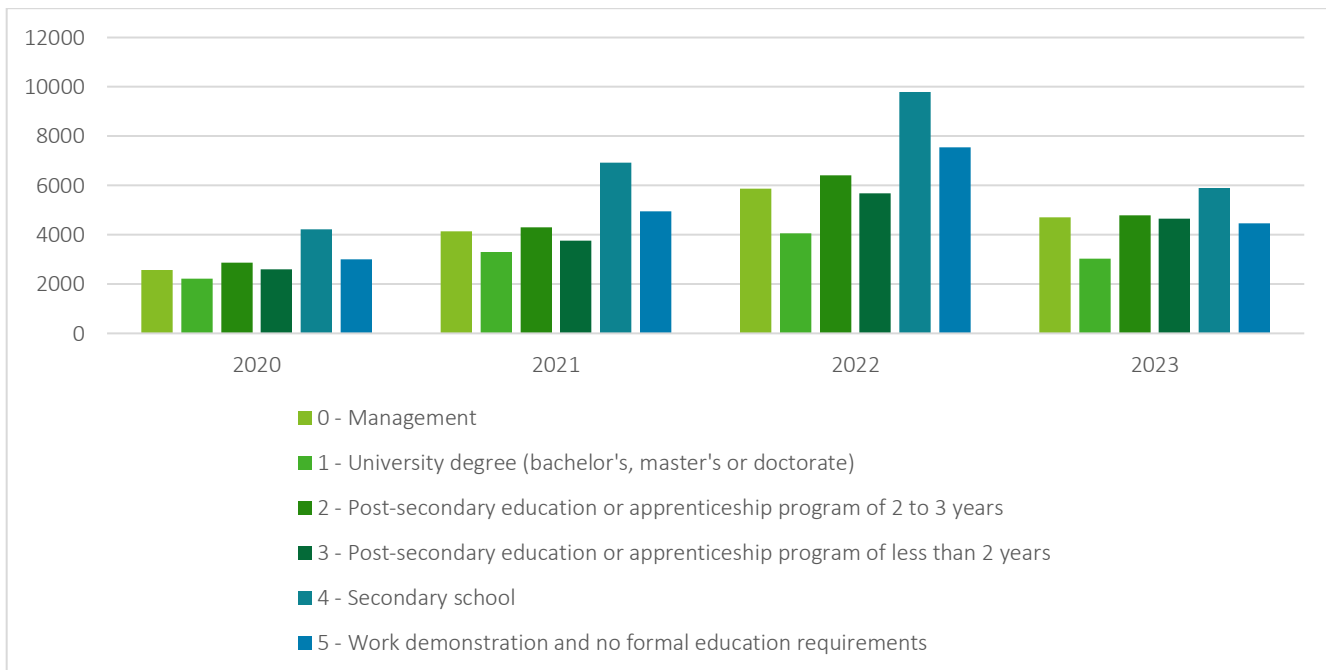
In 2021, the training, education, experience, and responsibilities (TEER) replaced the former National Occupation Classification (NOC) skill level system. TEER provides a more detailed picture of the educational requirements of the occupational categories available in Canada. Definition for the TEER are presented below:

- **TEER 0:** Management occupations;
- **TEER 1:** Occupations that usually require a university degree;
- **TEER 2:** Occupations that usually require a college diploma, apprenticeship training of two or more years, or supervisory occupations;
- **TEER 3:** Occupations that usually require a college diploma, apprenticeship training of less than two years, or more than six months of on-the-job training;
- **TEER 4:** Occupations that usually require a high school diploma, or several weeks of on-the-job training;
- **TEER 5:** Occupations that usually need short-term work demonstration and no formal education.

Between January 1st, 2020, to December 31st, 2023, most of the job postings that identified a TEER level required secondary school (26,854 job postings or 17% of all postings). The next most common requirements were work demonstration and no formal education (19,956 job postings or 12.5% of all job postings).

In terms of growth, the TEER level that experienced the most significant increase from 2020 was management and postsecondary education. However, between 2022 and 2023, there was a notable decrease in job postings for lower skilled TEER levels, specifically for secondary school (3,890 fewer job postings) and work demonstration (3,061 fewer job postings).

Figure 24: Job Postings by TEER Category, January 1st, 2020, to December 31st, 2023, Waterloo region



Source: Vicinity Jobs, 2024

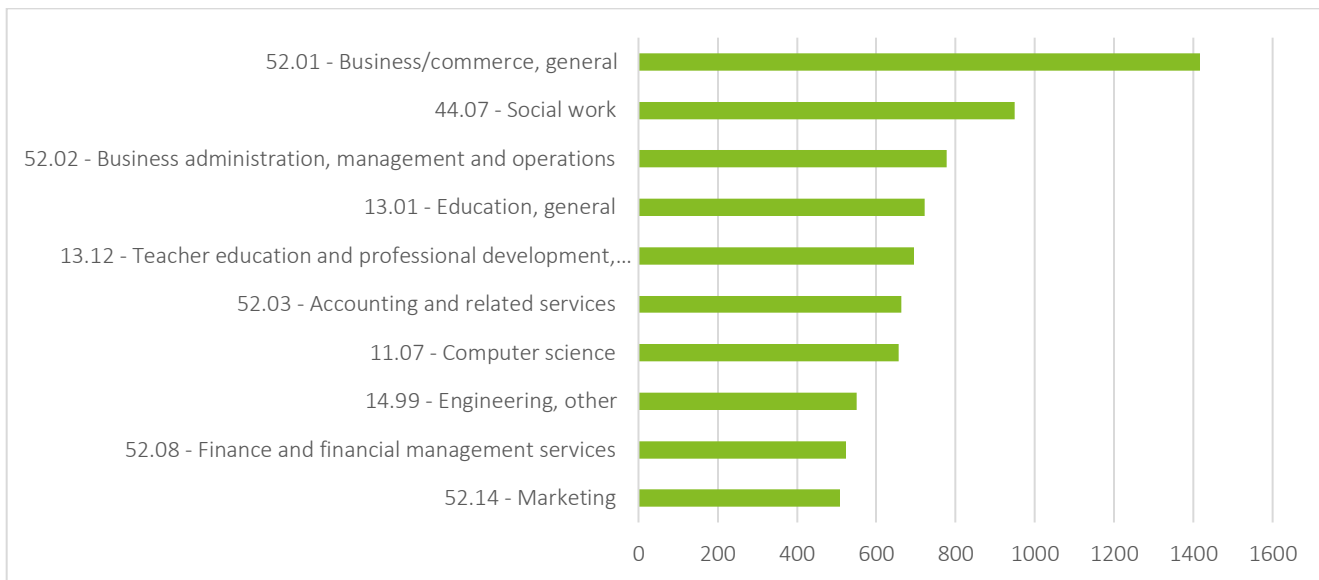
Job Postings by Classification of Instructional Program (CIP)

Vicinity Jobs started collecting Classification of Instructional Programs (CIP) data starting October 1st, 2022. Although the time for this data only represents a small portion of the job postings analyzed, it provides a snapshot of the most sought instructional programs by regional employers.

During this period, job seekers with education in business and commerce (CIP 52.01) were in high demand, accounting for 1,416 job postings or 15% of the analyzed postings. Following closely behind, social work (CIP 44.07) ranked second with 949 job postings seeking candidates with this educational background, making up 10% of the analyzed postings.

In general, 42% of the job postings analyzed required skills in business, management, marketing, and related support services. Health professions and related programs (CIP 51) and engineering (CIP 14) were tied for second place, each representing 13% of the job postings analyzed.

Figure 25: Job Postings by CIP (4-digit), October 1st, 2022, to December 31st, 2023, Waterloo region



Source: Vicinity Jobs, 2023 | * Job postings represent data from October 1st, 2022, to December 31st, 2023. The Number of Postings applicable to the reporting period but excluded from this report's grand total due to lack of reliable and relevant information: 41,451

Business Structure

A business characteristics assessment was completed to understand the number and type of businesses in Waterloo region using the Canadian Business Counts. Specifically, businesses in the region were profiled by total employee number, size of business establishments by employees, and businesses by industry. As of June 2023, approximately 63,543 businesses were recorded in Waterloo region, most of these businesses were in the urban area (84%), and approximately 16% in the rural area. The figure below shows the total businesses in the region, the majority of which were businesses without employees (i.e., sole proprietorships), approximately 44,784 businesses fall under this category (70% of all businesses). A total of 10,184 businesses employed between 1 to 4 employees, while 3,455 businesses employed between 5 to 9 employees. Waterloo region is also home to large business establishments, with approximately 488 businesses employing at least 100 people.

The according to Canadian Business Counts, the following sectors had the highest proportion of business establishments by industry in the region by June 2023. These include business without employees and businesses with employees.

- Real estate and rental and leasing – 12,713 businesses (20% of total businesses);
- Professional, scientific, and technical services – 7,109 businesses (11% of total businesses);
- Transportation and warehousing – 5,471 businesses (9% of total businesses).

In terms of businesses by urban and rural areas, the cities (Kitchener, Waterloo, and Cambridge) saw the largest sectors in the real estate and rental and leasing; professional, scientific, and technical services; and transportation and warehousing. Meanwhile, the rural communities had a larger share of businesses in sectors including agriculture, forestry, fishing, and hunting; real estate and rental and leasing; and construction.

Figure 26: Business Counts in Waterloo region by Industry, June 2023

NAICS	Description	Urban Area	Rural Area	Waterloo (RM)	Ontario
XX	Total	53,649	9,894	63,543	1,766,479
53	Real estate and rental and leasing	11,231	1,482	12,713	365,767
54	Professional, scientific and technical services	6,374	735	7,109	220,114
X0	Unclassified	5,314	1,027	6,341	188,720
48-49	Transportation and warehousing	5,055	416	5,471	120,104
23	Construction	4,239	1,063	5,302	149,614
62	Health care and social assistance	3,866	465	4,331	115,253
44-45	Retail trade	3,132	467	3,599	99,242
81	Other services (except public administration)	3,104	485	3,589	96,885
52	Finance and insurance	2,791	619	3,410	89,981
56	Administrative and support, waste management and remediation services	1,918	311	2,229	61,280
31-33	Manufacturing	1,431	535	1,966	37,550
11	Agriculture, forestry, fishing and hunting	315	1,514	1,829	51,064
72	Accommodation and food services	1,400	156	1,556	46,714
41	Wholesale trade	1,213	232	1,445	38,686
71	Arts, entertainment and recreation	600	88	688	23,952
61	Educational services	589	84	673	18,307
51	Information and cultural industries	524	42	566	22,929
55	Management of companies and enterprises	439	118	557	14,019
22	Utilities	71	41	112	3,047
21	Mining, quarrying, and oil and gas extraction	26	10	36	1,667
91	Public administration	17	4	21	1,584

Source: Lightcast, 2023 – Datarun 2023.3 | Canadian Business Counts, June 2023

Business Concentrations (Location Quotients)

As part of the economic baseline analysis, a Location Quotient (LQ) analysis was completed to determine the concentration of businesses in Waterloo region relative to the province. The location quotient reveals what makes the Region unique, in this case in comparison with other communities in Ontario. The following chart shows common LQ Classifications to interpret the figures in. Overall, the region shows a high concentration of manufacturing businesses (LQ 1.46), and transportation and warehousing businesses (LQ 1.27). At a subregional level, the urban communities, display a high concentration of manufacturing businesses (LQ 1.25), and transportation and warehousing businesses (LQ 1.39). The rural area saw a higher concentration in sectors such as agriculture, forestry, fishing, and hunting (LQ 5.29), utilities (LQ 2.40), manufacturing (LQ 2.54), and construction (LQ 1.27). The management of companies and enterprises sector also showed a high concentration of businesses in the rural area, however, this sector tends not to be a large employer.



Overall, the region shows a high concentration of manufacturing businesses (LQ 1.46), and transportation and warehousing businesses (LQ 1.27). At a subregional level, the urban communities, display a high concentration of manufacturing businesses (LQ 1.25), and transportation and warehousing businesses (LQ 1.39). The rural area saw a higher concentration in sectors such as agriculture, forestry, fishing, and hunting (LQ 5.29), utilities (LQ 2.40), manufacturing (LQ 2.54), and construction (LQ 1.27). The management of companies and enterprises sector also showed a high concentration of businesses in the rural area, however, this sector tends not to be a large employer.

Figure 27: Business Concentration (Location Quotient) by Industry Sector (2-Digit NAICS), Waterloo region, June 2023

NAICS	Description	Urban Area	Rural Area	Waterloo (RM)
31-33	Manufacturing	1.25	2.54	1.46
48-49	Transportation and warehousing	1.39	0.62	1.27
55	Management of companies and enterprises	1.03	1.50	1.10
52	Finance and insurance	1.02	1.23	1.05
62	Health care and social assistance	1.10	0.72	1.04
41	Wholesale trade	1.03	1.07	1.04
81	Other services (except public administration)	1.05	0.89	1.03
61	Educational services	1.06	0.82	1.02
22	Utilities	0.77	2.40	1.02
56	Administrative and support, waste management and remediation services	1.03	0.91	1.01
44-45	Retail trade	1.04	0.84	1.01
11	Agriculture, forestry, fishing and hunting	0.20	5.29	1.00
23	Construction	0.93	1.27	0.99
53	Real estate and rental and leasing	1.01	0.72	0.97
X0	Unclassified	0.93	0.97	0.93
72	Accommodation and food services	0.99	0.60	0.93
54	Professional, scientific and technical services	0.95	0.60	0.90
71	Arts, entertainment and recreation	0.82	0.66	0.80
51	Information and cultural industries	0.75	0.33	0.69

NAICS	Description	Urban Area	Rural Area	Waterloo (RM)
21	Mining, quarrying, and oil and gas extraction	0.51	1.07	0.60
91	Public administration	0.35	0.45	0.37

Source: Lightcast, 2023 – Datarun 2023.3 | Canadian Business Counts, June 2023

Target Sector Industry and Occupation Overview

Previous work conducted by the Region of Waterloo has identified several target sectors that highlight the region's strengths and potential for growth. These sectors include manufacturing, wholesale trade and retail trade, health care and social assistance, education, and accommodation and food services. As of 2023, the target sector industries in Waterloo region employed a total of 190,086 individuals, which accounts for 54% of all regional jobs. Looking ahead, the next five years are projected to see a net jobs growth of 10,940 workers in these target sectors, representing a 6% increase.

To gain further insight into the current job landscape and projected labour needs, let's delve into the specifics of each target sector.

Manufacturing

This sector comprises establishments primarily engaged in the chemical, mechanical or physical transformation of materials or substances into new products. These products may be finished, in the sense that they are ready to be used or consumed, or semi-finished, in the sense of becoming a raw material for an establishment to use in further manufacturing. Related activities, such as the assembly of the component parts of manufactured goods; the blending of materials; and the finishing of manufactured products by dyeing, heat-treating, plating, and similar operations are also treated as manufacturing activities. Manufacturing establishments are known by a variety of trade designations, such as plants, factories, or mills.⁴⁸

Currently, the sector's employment in Waterloo region is estimated at 50,631 jobs. Employment in the sector is projected to grow 7% in the next five years, reaching 53,971 jobs by 2028. The sector recorded a total of 1,966 businesses by June 2023, showing a high concentration of businesses relative to Ontario. The Figure below presents an industry snapshot for the manufacturing sector.

Figure 28: Industry snapshot of current and forecasted employment, manufacturing, Waterloo region

Geography	Employment 2023	Projected Growth 23-28	Business Counts	LQ
Urban Area	41,645	3,096	1,431	1.25
Rural Area	8,986	244	535	2.54
Waterloo (RM)	50,631	3,340	1,966	1.46

Source: Lightcast, 2023 Datarun 2023.3

When examining the industry's forecasted demand scenario, it is noted that the industry will add an important number of workers in the next five years; occupations projected to experience the largest growth include motor vehicle assemblers, inspectors and testers (+298 jobs), followed by machine operators of other metal products (+270 jobs), and metalworking and forging machine operators (+244 jobs). These occupations are classified as TEER level 4 (usually require a high school diploma, or several weeks of on-the-job training).

⁴⁸ Statistics Canada, North American Industry Classification System (NAICS) Canada 2017 Version 1.0

Figure 29: Top 10 staffing patterns and snapshot of employment demand, manufacturing, Waterloo region

NOC	Description	2023 Jobs	% Jobs 2023	Anticipated Demand 2028	TEER
94105	Metalworking and forging machine operators	2,849	6%	244	4
94200	Motor vehicle assemblers, inspectors and testers	2,326	5%	298	4
90010	Manufacturing managers	2,308	5%	48	0
94107	Machine operators of other metal products	2,146	4%	270	4
72400	Construction millwrights and industrial mechanics	1,692	3%	123	2
72106	Welders and related machine operators	1,634	3%	50	2
92020	Supervisors, motor vehicle assembling	1,525	3%	185	2
72100	Machinists and machining and tooling inspectors	1,231	2%	46	2
94140	Process control and machine operators, food and beverage processing	1,192	2%	72	4
94111	Plastics processing machine operators	1,081	2%	157	4

Source: Lightcast, 2023 Datarun 2023.3

Wholesale Trade and Retail Trade

The wholesaling process is an intermediate step in the distribution of goods. Many wholesalers are organized to sell merchandise in large quantities to retailers, and business and institutional clients. However, some wholesalers, in particular those that supply non-consumer capital goods, sell merchandise in single units to final users. On the other hand, the retailing process is the final step in the distribution of merchandise; retailers are therefore organized to sell merchandise in small quantities to the public. This sector comprises two main types of retailers, store, and non-store retailers. Their main characteristics are described below. In summary, these are the intermediate and final steps in the distribution of merchandise and goods.⁴⁹

Currently, these sectors' employment in Waterloo region is estimated at 50,778 jobs. Employment in the sectors is projected to grow 1% in the next five years, reaching 51,246 jobs by 2028. The sector recorded a total of 5,044 businesses by June 2023, showing an above average concentration of businesses relative to Ontario. The figure below presents an industry snapshot for these sectors.

Figure 30: Industry snapshot of current and forecasted employment, wholesale trade and retail trade, Waterloo region

Geography	Employment 2023	Projected Growth 23-28	Business Counts	LQ
Urban Area	43,470	368	4,345	1.04
Rural Area	7,308	100	699	0.90
Waterloo (RM)	50,778	468	5,044	1.02

Source: Lightcast, 2023 Datarun 2023.3

When examining the industry's forecasted demand scenario, it is noted that the industry will add an important number of workers in the next five years; occupations projected to experience the largest growth include store shelf stockers, clerks, and order fillers (+286 jobs), and retail sales supervisors (+154 jobs). These occupations are classified as TEER level 5 (usually need short-term work demonstration and no formal education), and TEER level 2 (usually require a college diploma, apprenticeship training of two or more years, or supervisory occupations).

⁴⁹ Statistics Canada, North American Industry Classification System (NAICS) Canada 2017 Version 1.0

Figure 31: Top 10 staffing patterns and snapshot of employment demand, wholesale trade and retail trade, Waterloo region

NOC	Description	2023 Jobs	% Jobs 2023	Anticipated Demand 2028	TEER
64100	Retail salespersons and visual merchandisers	7,998	16%	10	4
60020	Retail and wholesale trade managers	4,503	9%	-227	0
65102	Store shelf stockers, clerks and order fillers	4,058	8%	286	5
62010	Retail sales supervisors	3,782	7%	154	2
65100	Cashiers	3,376	7%	15	5
64101	Sales and account representatives - wholesale trade (non-technical)	3,078	6%	-12	4
62100	Technical sales specialists - wholesale trade	1,468	3%	21	2
14400	Shippers and receivers	1,363	3%	20	4
75101	Material handlers	1,227	2%	-1	5
73300	Transport truck drivers	805	2%	61	3

Source: Lightcast, 2023 Datarun 2023.3

Health Care and Social Assistance

This sector comprises establishments primarily engaged in providing health care by diagnosis and treatment, providing residential care for medical and social reasons, and providing social assistance, such as counselling, welfare, child protection, community housing and food services, vocational rehabilitation, and childcare, to those requiring such assistance.⁵⁰

Currently, this sector's employment in Waterloo region is estimated at 34,486 jobs. Employment in the sector is projected to grow 7% in the next five years, reaching 37,026 jobs by 2028. The sector recorded a total of 4,331 businesses by June 2023, showing an above average concentration of businesses relative to Ontario. The figure below presents an industry snapshot for the health care and social assistance sector.

Figure 32: Industry snapshot of current and forecasted employment, health care and social assistance, Waterloo region

Geography	Employment 2023	Projected Growth 23-28	Business Counts	LQ
Urban Area	31,444	2,261	3,866	1.10
Rural Area	3,042	279	465	0.72
Waterloo (RM)	34,486	2,540	4,331	1.04

Source: Lightcast, 2023 Datarun 2023.3

When examining the industry's forecasted demand scenario, it is noted that the industry will experience significant growth over the next five years; occupations projected to experience the largest growth include registered nurses and registered psychiatric nurses (+388 jobs), followed by nurse aides, orderlies, and patient service associates (+338 jobs). These occupations are classified as TEER level 1 (usually require a university degree), and TEER level 3 (usually require a college diploma, apprenticeship training of less than two years, or more than 6 months of on-the-job training).

⁵⁰ Statistics Canada, North American Industry Classification System (NAICS) Canada 2017 Version 1.0

Figure 33: Top 10 staffing patterns and snapshot of employment demand, health care and social assistance, Waterloo region

NOC	Description	2023 Jobs	% Jobs 2023	Anticipated Demand 2028	TEER
31301	Registered nurses and registered psychiatric nurses	4,100	12%	388	1
33102	Nurse aides, orderlies and patient service associates	3,649	11%	338	3
42202	Early childhood educators and assistants	2,307	7%	28	2
42201	Social and community service workers	1,527	4%	-20	2
14101	Receptionists	1,287	4%	116	4
13112	Medical administrative assistants	1,058	3%	94	3
32101	Licensed practical nurses	967	3%	76	2
65310	Light duty cleaners	913	3%	90	5
65201	Food counter attendants, kitchen helpers and related support occupations	867	3%	55	5
13100	Administrative officers	734	2%	111	3

Source: Lightcast, 2023 Datarun 2023.3

Educational Services

This sector comprises establishments primarily engaged in providing instruction and training in a wide variety of subjects. This instruction and training are provided by specialized establishments, such as schools, colleges, universities, and training centres. These establishments may be privately owned and operated, either for profit or not, or they may be publicly owned and operated. They may also offer food and accommodation services to their students.⁵¹ This sector is one of the most important for the regional economy, as Waterloo region is home to important post-secondary education institutions including the University of Waterloo, Wilfrid Laurier University, and Conestoga College.

Currently, this sector's employment in Waterloo region is estimated at 33,105 jobs. Employment in the sector is projected to grow 8% in the next five years, reaching 35,714 jobs by 2028. The sector recorded a total of 673 businesses by June 2023, showing an above average concentration of businesses relative to Ontario. The Figure below presents an industry snapshot for the educational services sector.

Figure 34: Industry snapshot of current and forecasted employment, educational services, Waterloo region

Geography	Employment 2023	Projected Growth 23-28	Business Counts	LQ
Urban Area	30,201	2,292	589	1.06
Rural Area	2,904	317	84	0.82
Waterloo (RM)	33,105	2,609	673	1.02

Source: Lightcast, 2023 Datarun 2023.3

When examining the industry's forecasted demand scenario, it is noted that the industry will add an important number of workers in the next five years; occupations projected to experience the largest growth include elementary school and kindergarten teachers (+477 jobs), followed by college and other vocational instructors (+266 jobs). These occupations are classified as TEER level 1 (usually require a university degree).

⁵¹ Statistics Canada, North American Industry Classification System (NAICS) Canada 2017 Version 1.0

Figure 35: Top 10 staffing patterns and snapshot of employment demand, educational services, Waterloo region

NOC	Description	2023 Jobs	% Jobs 2023	Anticipated Demand 2028	TEER
41221	Elementary school and kindergarten teachers	4,274	13%	477	1
41229	Kindergarten, elementary, and secondary school teachers	3,280	10%	-15	1
41201	Post-secondary teaching and research assistants	3,222	10%	-51	1
41200	University professors and lecturers	2,677	8%	259	1
41210	College and other vocational instructors	1,985	6%	266	1
43100	Elementary and secondary school teacher assistants	1,779	5%	90	3
41220	Secondary school teachers	1,624	5%	85	1
13100	Administrative officers	732	2%	73	3
65312	Janitors, caretakers and heavy-duty cleaners	662	2%	75	5
54100	Program leaders and instructors in recreation, sport and fitness	610	2%	81	4

Source: Lightcast, 2023 Datarun 2023.3

Accommodation and Food Services

This sector comprises establishments primarily engaged in providing short-term lodging and complementary services to travellers, vacationers, and others, in facilities such as hotels, motor hotels, resorts, motels, casino hotels, bed and breakfast accommodations, housekeeping cottages and cabins, recreational vehicle parks and campgrounds, hunting and fishing camps, and several types of recreational and adventure camps. This sector also comprises establishments primarily engaged in preparing meals, snacks, and beverages, to customer orders, for immediate consumption on and off the premises⁵².

Currently, this sector's employment in Waterloo region is estimated at 21,086 jobs. Employment in the sector is projected to grow 9% in the next five years, reaching 23,069 jobs by 2028. The sector recorded a total of 1,556 businesses by June 2023, showing a moderate concentration of businesses relative to Ontario. The Figure below presents an industry snapshot for the accommodation and food services sector.

Figure 36: Industry snapshot of current and forecasted employment, accommodation and food services, Waterloo region

Geography	Employment 2023	Projected Growth 23-28	Business Counts	LQ
Urban Area	19,095	1,781	1,400	0.99
Rural Area	1,991	202	156	0.60
Waterloo (RM)	21,086	1,983	1,556	0.93

Source: Lightcast, 2023 Datarun 2023.3

When examining the industry's forecasted demand scenario, it is noted that the industry will add an important number of workers in the next five years; occupations projected to experience the largest growth include food and beverage servers (+430 jobs), followed by maîtres d'hôtel and hosts/hostesses (+290 jobs), and cooks (+217 jobs). These occupations are classified as TEER level 5 (usually need short-term work demonstration and no formal education), TEER level 4 (usually require a high school diploma, or several weeks of on-the-job training), and TEER level 3 (usually require a college diploma, apprenticeship training of less than two years, or more than 6 months of on-the-job training).

⁵² Statistics Canada, North American Industry Classification System (NAICS) Canada 2017 Version 1.0

Figure 37: Top 10 staffing patterns and snapshot of employment demand, accommodation and food services, Waterloo region

NOC	Description	2023 Jobs	% Jobs 2023	Anticipated Demand 2028	TEER
65201	Food counter attendants, kitchen helpers and related support occupations	6,050	29%	203	5
65200	Food and beverage servers	2,518	12%	430	5
63200	Cooks	2,370	11%	217	3
60030	Restaurant and food service managers	1,728	8%	81	0
64300	Maitres d'hôtel and hosts/hostesses	1,221	6%	290	4
62020	Food service supervisors	1,158	5%	117	2
65100	Cashiers	1,139	5%	40	5
62200	Chefs	734	3%	137	2
64301	Bartenders	500	2%	55	4
65310	Light duty cleaners	353	2%	46	5

Source: Lightcast, 2023 Datarun 2023.3

Labour Supply and Demand Projections

This section of the report was developed by *metroeconomics*, and assesses the following:

- The economic base industries of the Regional Municipality of Waterloo based on 2021 employment by place-of-work data for the region by industry by constituent municipality;
- Projects the future path of employment by detailed industry for the region from 2023 to 2028 and from 2028 to 2033 drawing on the economic base assessment and on *metroeconomics*' extensive projections of employment growth by industry at the national and provincial levels;
- Transforms the employment by detailed industry projections for Waterloo into employment by detailed occupation projections for more than 500 occupations based on the recently revised and expanded National Occupation Classification System (NOCS) for Canada and on a 2021 matrix of employment by detailed occupation and industry;
- Estimates the number of people who might retire from each of the 500 plus occupations in Waterloo in each of the 2023 to 2028 and 2028-to-2033-time spans drawing on a custom tabulation of the number employed in Waterloo in 2021 by age and occupation;
- Projects the number of new workers Waterloo employers will need to recruit in each of the 2023 to 2028 and 2028-to-2033-time spans based on the projected future economic need plus the estimated need to the replacement of retirees.

The Economic Drivers of Waterloo region

metroeconomics uses a Location Quotient procedure to decompose local employment into those jobs that drive the local economy (the economic base jobs) and those that support the needs of local residents (the community base jobs).

Assessing the potential for economic base job growth is a first step in assessing the overall future economic and demographic potential of an area. The table below summarizes the decomposition of employment by industry in Waterloo in 2021 into its economic base (EB) component for each of Kitchener, Waterloo, Cambridge, and Waterloo's remaining (primarily rural) area.

Figure 38: Waterloo region Economic Base Employment by Industry by Area in 2021

Characteristics	Kitchener	Waterloo	Cambridge	Rural	Region Total
Total Population	256,885	121,436	138,479	70,365	587,165
Total Employed by Place of Work (EPOW)	93,185	56,615	66,290	34,480	250,570
Activity Rate	363	466	479	490	427
Total Economic Base Employment (EB)	12,336	19,369	23,519	13,528	68,752
Agriculture, other primary	405	135	300	2,730	3,570
Mining, oil, and gas	55	40	60	55	210
Utilities	0	0	0	0	0
Construction	0	0	1,060	1,459	2,519
Manufacturing	9,580	5,590	18,440	6,855	40,465
Wholesale trade	0	0	1,379	447	1,826
Retail trade	0	411	1,281	662	2,354
Transportation, warehousing	0	0	567	885	1,453
Information, culture	859	1,330	0	0	2,189
Finance, insurance	0	2,397	0	0	2,397
Professional, scientific, technical services	0	3,516	0	0	3,516
Other business services	0	127	0	0	127
Education	957	5,007	0	0	5,964
Health, social services	480	0	0	0	480
Arts, entertainment, recreation	0	0	0	0	0
Accommodation, food	0	817	296	0	1,112
Other services	0	0	136	434	571
Government	0	0	0	0	0

Source: Statistics Canada 2021 Census and metroeconomics

Figure 38 indicates that of the 250,570 jobs located in Waterloo in 2021 a total of 68,752 (27%) can be considered economic base jobs and the remaining 181,818 community base or population serving jobs. Economic base jobs are found in almost every industry in Waterloo illustrating the breadth of the region's economic base and, therefore, the strength of its growth potential.

Within Waterloo's economic base category the major contributing industries are manufacturing (40,465 spread throughout the region); education (5,984 mostly in Waterloo); agriculture (3,570 mostly in the rural communities); professional, scientific and technical services (3,516 all in Waterloo); construction (2,519 mostly in the rural communities and Cambridge); finance and insurance (2,397 all in Waterloo); retail trade (2,354 shared among Cambridge, the rural communities and Waterloo); information and culture (2,189 shared between Waterloo and Kitchener); wholesale trade (1,826 mostly in Cambridge, some in the rural areas); transportation and warehousing (1,453 mostly in the rural areas but also in Cambridge); and food and accommodation (1,112 mostly in Waterloo, some in Cambridge).

Based on the above decomposition *metroeconomics* assesses the population and employment growth of Waterloo region to be considerable since areas with economic base breadth are spurred to overall growth by growth in each component. Figure 39 compares the number employed on a place-of-work basis by industry – including both economic base and community base jobs – for every fifth year (Census years) from 2001 to 2021 to the number projected for every fifth year through to 2036.

Figure 39: Waterloo region Employment by Place-of-Work by Industry by Census Year Actual 2001 to 2021 and Projected to 2036

Industry Sector	Number Employed								Change	
	Actual	Actual	Actual	Actual	Actual	Proj'd	Proj'd	Proj'd	Actual	Proj'd
	2001	2006	2011	2016	2021	2026	2031	2036	01-21	21-36
All industries	213,560	238,400	241,195	249,310	250,565	275,200	291,500	306,400	37,005	55,835
Agriculture, forestry, fishing, and hunting	3,290	3,255	3,430	3,440	3,560	3,600	3,400	3,200	270	-360
Mining, quarrying, and oil and gas extraction	160	190	165	175	215	200	200	200	55	-15
Utilities	760	1,095	680	870	1,245	1,400	1,500	1,500	485	255
Construction	7,545	8,630	8,780	9,925	11,630	13,100	13,600	14,000	4,085	2,370
Manufacturing	56,690	55,965	47,195	40,980	40,440	40,500	40,700	40,600	-16,250	160
Wholesale trade	9,510	12,025	12,180	10,220	9,735	10,500	10,900	11,200	225	1,465
Retail trade	24,445	27,790	29,415	29,370	27,670	30,000	31,100	32,000	3,225	4,330
Transportation and warehousing	7,725	8,565	8,195	8,560	8,790	9,600	10,000	10,300	1,065	1,510
Information and cultural industries	4,285	5,025	5,510	7,780	7,455	8,200	8,300	8,300	3,170	845
Finance and insurance	13,125	14,710	17,530	17,980	17,265	19,700	21,500	23,200	4,140	5,935
Real estate and rental and leasing	3,090	3,935	4,335	4,160	4,175	4,800	5,200	5,600	1,085	1,425
Professional, scientific, and technical services	12,465	15,505	16,280	20,885	26,950	32,200	36,500	41,000	14,485	14,050
Management of companies and enterprises	1,200	335	165	410	1,060	1,200	1,200	1,300	-140	240
Administrative and support, waste services	5,800	8,080	7,645	7,455	7,805	8,500	8,900	9,200	2,005	1,395
Educational services	16,050	19,650	21,775	23,430	24,365	27,000	29,100	31,200	8,315	6,835
Health care and social assistance	16,385	20,170	22,220	25,415	27,895	31,900	35,400	38,900	11,510	11,005
Arts, entertainment, and recreation	2,770	2,805	3,160	3,510	2,305	2,500	2,600	2,600	-465	295
Accommodation and food services	12,280	14,030	14,160	16,750	11,360	12,600	13,000	13,200	-920	1,840
Other services - except public administration	9,900	10,250	9,365	9,555	8,120	8,000	8,000	7,900	-1,780	-220
Public administration	6,085	6,390	9,010	8,440	8,525	9,700	10,400	11,000	2,440	2,475

Source: Statistics Canada Censuses and metroeconomics

Between 2001 and 2021 employment grew by just over 37,000 (an average of 1,850 per year) (figures are rounded in the text to the nearest 100). Between 2021 and 2036 employment is projected to grow by 55,800 (an average of 3,700 per year). The most significant difference in the projected compared to achieved gains by

industry is in manufacturing. Manufacturing jobs are expected to grow slightly between 2021 and 2036 after declining more than 16,000 between 2001 and 2021.

For the purpose of assessing future labour requirements, the timeframe considered here is the period from 2023 to 2028 and the period from 2028 to 2033. Over the next five years the number of jobs in Waterloo is projected to grow by 18,900 and over the subsequent five years just over 15,800.

The major gains over the next five years (Figure 40) are projected to be in professional, scientific, and technical services (4,400); health care and social assistance (3,700); educational services (2,400); finance and insurance (1,900) and retail trade (1,500). These same industries will be the major growth achievers between 2028 and 2033 but at reduced rates (except for professional, scientific, and technical services which is expected to grow slightly more in the final than in the first five years). These projections for the 20 industries at the two-digit NAICS level are disaggregated into projections for more than 300 industries at the four-digit NAICS level. They, in turn, are transformed into projections for more the 512 occupations at the five-digit NOCS level. Microsoft Excel spreadsheet tables containing the detailed industry and occupation tables accompany this report.

Figure 40: Waterloo region Employment by Place-of-Work by Industry Estimated 2023, Projected 2028 and 2033

Industry	Level			Change	
	2023	2028	2033	23-28	28-33
All industries	262,881	281,769	297,615	18,888	15,846
Agriculture, forestry, fishing, and hunting	3,654	3,508	3,316	-146	-192
Mining, quarrying, and oil and gas extraction	219	216	210	-3	-7
Utilities	1,410	1,457	1,480	47	23
Construction	12,671	13,313	13,758	642	445
Manufacturing	39,954	40,638	40,688	684	50
Wholesale trade	10,186	10,708	11,072	522	364
Retail trade	28,951	30,436	31,469	1,485	1,034
Transportation and warehousing	9,246	9,743	10,096	497	353
Information and cultural industries	8,029	8,249	8,334	220	86
Finance and insurance	18,516	20,445	22,202	1,928	1,758
Real estate and rental and leasing	4,478	4,944	5,369	466	425
Professional, scientific, and technical services	29,477	33,880	38,299	4,403	4,419
Management of companies and enterprises	1,106	1,176	1,229	69	53
Administrative and support, waste services	8,146	8,657	9,046	511	389
Educational services	25,397	27,835	30,001	2,438	2,167
Health care and social assistance	29,556	33,255	36,799	3,699	3,544
Arts, entertainment, and recreation	2,482	2,550	2,577	68	26
Accommodation and food services	12,296	12,780	13,062	484	282
Other services (except public administration)	7,891	7,999	7,973	108	-25
Public administration	9,214	9,981	10,634	767	653

Source: metroeconomics

Figure 41 on the following page extracts from the projections of employment data for the 512 occupations information regarding the 50 occupations projected to be in greatest demand over the 2023 to 2028 period based on the sum of economic demand plus retirement replacement. The 50 are ranked based on the total demand projected over the span from 2023 to 2028.

Over that span the economy is expected to generate a need for 18,900 workers while the number of workers that will need to be replaced is estimated at 9,500. Thus, the number of new workers that will be needed over the next five years to satisfy both sources of demand is 28,300.

The 50 occupations generating the greatest demand – both economic and retiree replacement – collectively account for a total requirement of 16,800 new workers. In other words, the top 50 account for 59% of the recruitment effort faced by Waterloo’s employers over the next five years.

Figure 41: Waterloo region New Worker Requirements Projected 2023 to 2028 and 2028 and 2033 Ranked by Total Demand 2023 to 2028

Occupations	Number Employed				Economic Demand		Retirees Replacement		Total Demand
	2023	2028	2033	23-28	28-33	23-28	28-33	23-28	28-33
All occupations	262,881	281,769	297,615	18,888	15,846	9,459	17,471	28,347	33,317
Sub-Total Top 50	131,444	143,440	153,043	11,996	9,603	4,774	8,843	16,770	18,446
Elementary school and kindergarten teachers	5,122	5,758	6,345	635	587	98	211	734	798
Registered nurses and registered psychiatric nurses	3,683	4,266	4,837	583	570	119	227	702	797
Information systems specialists	3,190	3,732	4,211	542	479	66	136	608	615
Nurse aides, orderlies, and patient service associates	4,482	4,951	5,382	469	431	130	240	598	671
Cashiers	4,464	4,967	5,311	503	344	84	154	587	499
Store shelf stockers, clerks, and order fillers	3,522	3,967	4,275	444	309	86	158	531	467
Other customer and information services representatives	4,054	4,447	4,779	392	332	133	254	526	587
Senior managers - public and private sector	3,745	4,007	4,242	262	235	244	416	506	651
Software engineers and designers	2,730	3,181	3,587	451	405	32	69	483	475
Administrative officers	3,882	4,179	4,432	298	253	183	350	481	603
Food counter attendants, kitchen helpers and related support occupations	5,488	5,803	6,016	315	213	111	212	426	424
Retail salespersons and visual merchandisers	7,764	7,838	7,923	74	85	351	576	425	661
Software developers and programmers	2,602	2,995	3,344	392	349	33	73	425	422
Financial auditors and accountants	3,041	3,338	3,584	297	245	113	202	410	448
Motor vehicle assemblers, inspectors, and testers	4,385	4,628	4,701	243	73	157	331	400	404
Insurance underwriters	1,012	1,374	1,556	362	182	13	31	374	213
Administrative assistants	2,946	3,154	3,348	208	195	165	305	373	500
Social and community service workers	2,399	2,699	2,969	300	270	63	118	363	388
Computer and information systems managers	2,065	2,371	2,632	305	261	51	118	357	379
Professional occupations in business management consulting	1,868	2,135	2,363	266	229	75	133	341	362
Secondary school teachers	2,359	2,652	2,923	293	270	48	105	340	375
Accounting technicians and bookkeepers	1,795	1,927	2,040	132	113	185	288	317	400
General office support workers	2,368	2,546	2,705	178	160	135	232	313	392
Accounting and related clerks	2,465	2,625	2,752	160	127	151	260	311	387
Retail and wholesale trade managers	6,236	6,248	6,294	12	46	293	536	305	582
Light duty cleaners	2,233	2,401	2,509	168	108	129	233	297	340
Real estate agents and salespersons	1,575	1,764	1,914	189	150	103	163	293	314
Labourers in food and beverage processing	1,884	2,104	2,255	220	151	69	147	289	297
Professional occupations in advertising, marketing, and public relations	2,490	2,753	2,995	263	242	16	41	279	282
Material handlers	3,811	3,983	4,094	172	111	99	205	271	316
Transport truck drivers	4,271	4,262	4,178	-8	-84	262	494	253	410
Insurance adjusters and claims examiners	1,250	1,476	1,663	226	187	26	54	251	241
Insurance, real estate, and financial brokerage managers	1,290	1,509	1,689	218	181	30	64	249	244
Janitors, caretakers, and heavy-duty cleaners	1,390	1,519	1,618	128	99	113	212	242	311
University professors and lecturers	2,343	2,457	2,541	114	83	127	228	241	312
Web developers and programmers	1,242	1,463	1,670	221	207	17	30	238	238

Occupations	Number Employed					Economic Demand		Retirees Replacement		Total Demand
	2023	2028	2033	23-28	28-33	23-28	28-33	23-28	28-33	
Automotive service technicians, truck and bus mechanics and mechanical repairers	2,142	2,317	2,281	174	-36	62	119	237	83	
Elementary and secondary school teacher assistants	1,340	1,507	1,661	166	154	65	129	231	283	
College and other vocational instructors	1,307	1,442	1,560	135	118	68	129	203	247	
Receptionists	1,696	1,829	1,975	134	146	69	120	203	266	
Advertising, marketing, and public relations managers	1,808	1,986	2,141	179	155	23	44	202	198	
User support technicians	1,311	1,476	1,620	165	143	37	64	202	208	
Social workers	924	1,067	1,191	144	123	33	54	177	177	
Library assistants and clerks	446	595	728	149	133	26	49	175	182	
Shippers and receivers	1,898	1,969	2,010	71	42	102	208	173	250	
Bakers	886	1,039	1,153	153	114	17	36	170	151	
Post-secondary teaching and research assistants	2,783	2,929	3,041	146	112	23	44	169	156	
Human resources professionals	1,411	1,541	1,653	130	111	35	66	165	177	
General building maintenance workers and building superintendents	1,223	1,303	1,342	80	39	82	134	162	173	
Financial sales representatives	819	961	1,011	142	49	19	40	161	90	

Source: *metroeconomics*

Economic and Community Base Jobs

Employment by industry in any given area can be decomposed into economic base jobs (those that drive the overall economy) and community base jobs (those that serve the local population). The population growth of an area typically depends on its potential for growth in economic base employment while an area's growth in community base employment depends on its population growth. In recognition of this interdependence between population and employment growth *metroeconomics* has developed a community-based projection system that takes account of the economic and demographic factors influencing an area's growth potential. The system takes these factors into account as follows:

- The economic base of the community is identified through the de-composition of local jobs on a place of work basis by industry into those that are *economic base* jobs and those that are *community base* jobs; this is achieved using a location quotient process;
- Economic base industries produce goods and services consumed primarily by businesses or people outside of the local community; these industries – also called export-based industries – produce agriculture, mining, or manufactured products for consumption elsewhere or provide tourism or higher-order education/health care services to visitors/temporary residents;
- The potential for growth of a local community's economic base jobs is identified through assessing how many such jobs exist today and how many might exist in the future drawing on *metroeconomics'* extensive forecasts of economic base industrial job trends nation-wide and province-wide;
- An assessment is also made of the potential for local residents to commute to jobs in nearby employment locations drawing on existing patterns and on *metroeconomics'* base case forecasts of such jobs by sub-provincial area across the country;
- The potential for job growth within the local area and for job growth in nearby locations determines the potential for job growth among local residents;
- The *metroeconomics* system ties this resident job growth potential to the demographic side of the community; if potential job growth among residents exceeds the current supply of workers (based on an age and gender assessment of the current population, age specific rates of labour force.

participation, the level of unemployment, and the need to replace retiring workers), in-migration occurs; thus job growth potential determines population growth potential recognizing that each new job-holding resident typically brings along one or two dependents;

- The system further reflects that each new resident jobholder increases the need for workers who service the local population – the community base jobs – and that these additional community base jobs, in turn, create the need for more workers, more residents, etc;
- Employed residents' growth, in other words, drives the community's net in-migration requirements which, along with standard assumptions regarding fertility and mortality rates, provide the parameters needed to develop local area population projections by age and gender;
- Projected economic base jobs by industry are added to projected community base jobs by industry to determine the total number of jobs by place of work that will exist in the community in the decades ahead.

The Location Quotient procedure is carried out as follows:

- All jobs in agriculture and forestry, in mining and oil and gas extraction, and in manufacturing are considered to be economic base jobs as most of their production is consumed by businesses and people outside of the area;
- For all other industries, the number of jobs per 1,000 residents in the sub-area is compared to that ratio across the province in question. Where the ratio in an industry in sub-area exceeds that of the province it is assumed the excess jobs in the sub-area are providing services to people or businesses outside of the sub-area. These excess jobs are defined as export-based service jobs and their output as exportable services.

Conclusion

The existing workforce ecosystem in the region of Waterloo is robust and has strength in industry sector and support organizations and its post-secondary sector. The University of Waterloo, Wilfred Laurier University, and Conestoga College provide world-class post-secondary education for its residents and help attract youth and lifelong learners to the region. The post-secondary institutions are supported by a variety of high school programs in the region and have organizations such as the Perimeter Institute to help attract additional talent to the Region. To further build out the ecosystem, the Region of Waterloo can implement several of the leading practices in the workforce development space to increase the efficacy and capacity of existing programs for the region's diverse population.

Opportunities for the Region of Waterloo

Specific opportunities identified through the background review and leading practice review include the following:

- **Workforce Development:** Offer programming that supports regional employers in implementing a skills-based approach to training and hiring of the workforce to support their labour demands;
- **Immigration:** The region can participate in regional talent attraction initiatives and develop recruitment resources to support the local and external talent attraction agencies that operate for the Waterloo region;
- **Equity, Diversity, and Inclusion Supports:** Develop a regional committee that provides training related activities related to capacity building and knowledge development and provides guidance and insight to regional and municipal councils on DEI related matters;
- **Wrap-around supports:** Develop a strategic priority to identify, validate, and respond to the need for wrap-around supports that may include, multi-modal transportation. Housing, daycare, health care services, and others as identified.

Key Performance Indicator Considerations

As a result of the research completed in Phase One, several potential key performance indicators (KPI's) were identified by the project team through the various reports reviewed. These KPI's are not considered to be final, but rather a starting point when determining what the region ought to consider when developing an action plan. These KPI's should be discussed further to discuss their validity in the Region of Waterloo context and to determine what the final goals are for each metric.

- Number of businesses supported with workforce development;
- Number of services provided to jobseekers;
- Client satisfaction (Jobseekers and employers);
- Graduate retention rate of the region;
- Percentage of workforce that identifies as an equity deserving group;
- Website traffic counts for webpages providing information to guide jobseekers;
- Number of new immigrants to the region;
- Unemployment rate.



This report has been provided for the purpose of informing and assisting the Regional Municipality of Waterloo.

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We believe that our analyses must be considered as a whole and that selecting portions of the analyses, or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the issues related to the report. Amendment of any of the assumptions identified throughout this report could have a material impact on our analysis contained herein. Should any of the major assumptions not be accurate or should any of the information provided to us not be factual or correct, our analyses, as expressed in this report, could be significantly different.

Terms of Reference

Waterloo Region Economic Development Strategy Working Group

1. Purpose

- 1.1. The Waterloo Region Economic Development Strategy Working Group (the “Working Group”) was established to provide ongoing oversight and guidance on the implementation of the Waterloo Region Economic Development Strategy (WREDS).
- 1.2. The Working Group will review the strategy's alignment with the region's evolving needs, monitor project progress, and identify opportunities for improvement.
- 1.3. The Regional and Area Municipal CAOs comprise the Steering Committee. The Working Group will report on progress to the Steering Committee on an annual basis.

2. Membership

- 2.1. The Working Group shall be composed of Economic Development representatives from each Area Municipality within the Waterloo Region, as well as the Region of Waterloo and the Waterloo Economic Development Corporation (Waterloo EDC).
- 2.2. External members shall be added by group consensus and relevant to the Pillars of the Strategy.

3. Roles and Responsibilities

- 3.1. Roles and responsibilities for regional economic development have been previously defined through the Waterloo EDC Partnership Agreement.

Waterloo EDC Partnership Agreement		
Waterloo EDC	Municipal Partners	Community Partners
<ul style="list-style-type: none">• Investment promotion / attraction• International promotion of Waterloo region• Outbound business missions• Inbound business missions• Government navigation• Business-friendly service/SPOC	<ul style="list-style-type: none">• Sector/Cluster/Capability Development• Data• Retention/Aftercare• Infrastructure• Employment Lands• Lifestyle/Community Profile	<ul style="list-style-type: none">• Tourism• Events• Arts & Culture• Education/Training• Trade Promotion• VC Supports and Funding• Start-ups

- 3.2. The following roles and responsibilities respect and build upon this definition to reflect the collaborative nature of the WREDS.
- 3.3. Working Group:
 - 3.3.1. Review and assess the Waterloo Region Economic Development Strategy to ensure its continued alignment with the region's economic priorities.
 - 3.3.2. Monitor the progress of municipal & partner projects aligned with the strategy.
 - 3.3.3. Identify gaps and opportunities for improvement in the strategy & projects and their implementation.
 - 3.3.4. Develop recommendations for strategy modifications or new initiatives.
 - 3.3.5. Nominate and confirm Secretariat on an annual basis.
- 3.4. Secretariat:
 - 3.4.1. Secretary – prepare agendas, take minutes, schedule quarterly meetings.
 - 3.4.2. Analyst – update data reports, follow up with member reporting on projects, prepare reports for Steering Committee on an annual basis.

4. Meetings

- 4.1. The Working Group will meet twice annually, commencing in 2025.
- 4.2. Meeting dates will be determined in advance and communicated to all members.
- 4.3. Meetings will be held in person & virtually.
- 4.4. Meeting agendas will be prepared by the Secretariat and circulated to members in advance of each meeting.
- 4.5. The quorum for any meeting shall be at least two-thirds (2/3) of the Working Group membership.

5. Decision-Making

- 5.1. Decisions will be made by consensus among Working Group members.

6. Reporting

- 6.1. The Working Group will provide annual reports to Municipal CAOs outlining their activities, findings, and recommendations.
- 6.2. Report format will be determined by the Working Group.

7. Monitoring

- 7.1. The performance of the Working Group will be evaluated annually by the Municipal CAOs to ensure alignment of pillars, objectives, and actions align with community needs.

8. Duration

- 8.1. The Working Group will remain active until the projected validity period of the current Waterloo Region Economic Development Strategy.

9. Amendments

- 9.1. Amendments to these Terms of Reference may be made by majority vote of the Working Group.



Waterloo Region Talent Attraction, Retention and Reskilling Plan

March 2024



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Talent is the key to Waterloo Region's future. We collectively plan to build a diverse and inclusive talent ecosystem that reflects the richness of Waterloo Region's community and drives innovation.

Acknowledgments

The Strategy Working Group gratefully acknowledges the insight and support of the organizations and individuals who contributed to this strategy and recognized that this is the beginning of a broader conversation.



Workforce Planning Board
of Waterloo Wellington Dufferin



**Children and Youth
Planning Table**
of Waterloo Region



Deloitte LLP Team

Trudy Parsons, Managing Director; Chris Bandak, Managing Director; Evelyn Paul, Manager; Simon Webb, Manager; Jose Rodriguez, Senior Associate; Darcy Acton, Senior Associate; Noah Fast, Analyst; Ivana Bjelakovic, Analyst, Tanushri Sawant, Analyst.

Glossary of Terms

Apprenticeship: An apprenticeship is a combination of on-the-job training and classroom learning. This form of training results in a skilled certification qualification. An apprenticeship relationship is usually administered by an employer. Employees are hired and trained through in-house on-the-job learning that are traditionally specific to a skilled trade, with periods of in-class training held throughout the apprenticeship.

Co-op: A Cooperative program (Co-op) combines classroom education with practical, structured work experience. It differs from the apprenticeship as it is usually provided by an educational institution. A student can complete several co-op placements throughout the period of academic study and receive academic credit for each. A co-op can be either paid or unpaid depending on the type of program.

Internship: Traditionally, an intern receives on-the-job training in the workplace. Internships are usually completed as part of coursework and students receive credit towards final program completion. They can be completed full time or part time and can be paid or unpaid.

Micro-credential: Micro-credential is a certification that recognizes specific skills, learning outcomes or competencies that are valued by industry and employers. They are gained in a flexible, fast, and affordable way.

NAICS: The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the Canadian business economy.

Newcomer: Refers to a person who has immigrated to a region from another. This person could be an international immigrant or refugee or could originally be from a different region in Canada.

NOC: National Occupational Classification (NOC) is the standard used by Federal statistical agencies to classify occupation establishments for the purpose of collecting, and analyzing statistical data related to the Canadian business economy.

Talent plan: Refers to the Waterloo Region Talent Attraction, Retention and Reskilling Plan.

Target Sector: Target sectors best match the unique competitive advantages in the area, as well as the needs of industry sectors. The target sectors are based on the five key sectors of advanced manufacturing, aerospace, automotive, food processing, and tech and digital media, as identified by the Strategy Working Group.

TEER: Training, Education, Experience and Responsibilities (TEER) categories refer to the type and/or amount of training, education, experience and responsibility that is typically required to work in an occupation. Each NOC consists of six TEER categories identified from 0 through 5 which represents the second digit of the NOC code.

Upskilling: Upskilling is the process of learning new skills either in a structured format such as micro-credentials or post-secondary degrees or employer driven on-the-job skill development.

Region of Waterloo: Refers to the regional government.

Waterloo region: Refers to the geographical area that comprises the Census Division, Waterloo, Regional Municipality.

Glossary of Acronyms

Acronym	Meaning
CMA	Census Metropolitan Area
CIP	Classification of Instructional Program
COC	Chambers of Commerce
ECE	Early Childhood Educator
EDI	Equity, Diversity, and Inclusion
FTE	Full Time Equivalents
KCW	Kitchener, Cambridge and Waterloo
KPI	Key Performance Indicator
LMI	Labour Market Information
NAICS	North American Industry Classification System
NOC	National Occupational Classification
PSI	Post-secondary Institution
SOARR	Strengths, Opportunities, Aspirations, Risks and Results
TEER	Training, Education, Experience and Responsibilities
WPBWWD	Workforce Planning Board of Waterloo Wellington Dufferin
WREDS	Waterloo Region Economic Development Strategy
YMCA	Young Men's Christian Association

Executive Summary

The Waterloo Region Talent Attraction, Retention, and Reskilling Plan is designed to create a roadmap for the region’s future talent pipeline. Its main goal is to foster collaboration with industry and community partners to address labour challenges in the Waterloo region across all sectors. The plan aims to co-create solutions and strengthen implementation through collaboration and collective efforts to address regional opportunities identified in this strategy.

Process and Methodology

The full research conducted to support this Talent Plan included a comprehensive research and data collection and analysis that outlines the background review and quantitative analysis of the regional economy. Some areas of these analysis were broken into urban, rural, and overall regional figures to assess strength and potential challenges in the community’s labour force.

Instrumental to the research and data gathering phases, was the stakeholder engagement. This phase provided opportunity to engage with residents, industry representatives, community partners, workforce organizations, employment and training partners, local businesses, major impact employers, high school and post-secondary students, as well as job seekers and employees. Over 1,500 community members participated through various stakeholder engagement techniques including workshops, surveys, focus groups and a validation session to assess the validity of the actions recommended.

The following is a snapshot of the project lifecycle depicting the three phased approach.



The figure below includes all the different engagement activities conducted during the development of the Waterloo Region Talent Attraction, Retention, and Reskilling Plan.



What We Learned

The local labour force continues to change, influenced by factors at the local, regional, and global levels. It is necessary and prudent for the Strategy Working Group and its partners to consider the influencing factors impacting the labour market to ensure current relevancy of actions and initiatives. The following are some of the key factors to keep top of mind moving forward.

- **The region’s population is booming, but growth has not been uniform across the region:** the region has experienced rapid population growth, surpassing the provincial average, primarily driven by immigration and international students. Growth has been concentrated in urban areas, with a 16% increase compared to 13% in rural areas.
- **New housing is essential to sustain population growth:** There is a growing number of accessory apartments, such as basement suites or duplex conversions, being added to existing dwelling units. This indicates a shift towards more diverse housing options in the region and the high demand for housing in the region.
- **Positive labour force performance contrasts troubling labour demand indicators:** The latest data from Statistics Canada’s Labour Force Survey paints a positive picture of the employment recovery in the KCW CMA following the COVID-19 pandemic. However, a concerning trend emerged between 2022 and 2023, as the number of job postings in the region plummeted by 30%. This decline affected almost every industry sector, except for utilities.
- **Post-pandemic labour force recovery has not been robust amongst all demographic groups:** Despite improvements in labour force indicators, there are some concerning trends. The participation rates for women in the CMA remain below pre-pandemic levels. Furthermore, the unemployment rates for youth (aged 15 to 24) for both genders are significantly higher than pre-pandemic levels. These statistics suggest that women are facing challenges to enter or re-enter the workforce, and young individuals are struggling to find employment opportunities.

- **Stakeholders documented that there are opportunities to improve regional workforce:** During engagement activities, stakeholders and community members identified several key opportunities. The most common themes included collaboration, aligning skills, promoting trades and apprenticeships, diversity, equity, and inclusion, and improving marketing messaging.

The Strategy

Various scales of analysis have been used to assess Waterloo region's existing labour market, demand projections, and anticipated labour market needs and skills gaps. Input has been gathered through data collection and engagement activities. The culmination of all these elements is the development of a strategy that is centered around four key strategic pillars of workforce development: Talent Attraction, Talent Development, Talent Readiness, and Talent Integration.

The following figure provides a summary of each strategic pillar along with the objectives associated with each one:

Talent Attraction	Talent Retention
<p>Objectives:</p> <ol style="list-style-type: none"> 1. Define the Waterloo region’s value proposition and create marketing materials to increase the attractiveness of the region. 2. Grow and diversify jobs in Waterloo region. 3. Improve labour participation with a focus on equity-deserving groups. 4. Assess the impact of the international student cap on the region’s available labour force. 	<p>Objectives:</p> <ol style="list-style-type: none"> 1. Retain secondary and post-secondary graduates. 2. Support business talent retention efforts. 3. Improve wrap-around supports that help to increase participation in the labour market.
Talent Readiness	Talent Integration
<p>Objectives:</p> <ol style="list-style-type: none"> 1. Increase alignment of education programming and training with employer attraction needs. 2. Strengthen partnerships with education providers to promote continuous experiential learning; soft skills development, and micro-credential programming focused on attaining skill(s) or competency(ies) based on industry needs. 3. Advocate for increased credential recognition for newcomers. 	<p>Objectives:</p> <ol style="list-style-type: none"> 1. Support the integration of the newcomer workforce in skills aligned occupations. 2. Support equity, diversity, and integration initiatives in the workplace.

Achieving Optimal Results

To achieve successful implementation of the talent plan in the Waterloo region, the Strategy Working Group needs to focus on leadership and commitment, working partnerships, ongoing coordination and monitoring, and procuring additional funding. The workforce ecosystem in the region consists of several partners, including educational institutions, workforce planning boards, and social services, who all play a role in supporting the labor market. It is crucial for partners to leverage the strengths of the ecosystem, share information and opportunities, and prevent duplication of work. Monitoring progress and maintaining accountability are vital for the plan's success, and ongoing conversations with partners can uncover new actions for continuous improvement. These actions should be actionable, have clear success criteria, and be supported by specific benchmarks and resources.



Creating the Talent Plan

Communities and regions that prioritize creation of a Talent Plan are prioritizing their economic sustainability and competitiveness. Plan development is complex and is most successful when there is a collective and collaborative effort. Building a regional talent plan requires extensive research and engagement to ensure that the complicated nature of the labour market and of workforce development is understood to the greatest degree. It is the collective input of all who make up the workforce ecosystem that leads to an evidence-based strategy that is validated, inclusive, and positioned to proactively respond to the challenges impeding an aligned labour supply and demand. The Waterloo Region Talent Plan Working Group representing the area municipalities and regional government, have demonstrated their commitment to positioning the region for success.

Introduction

The full comprehensive research conducted to support this Talent Plan has been presented in two supplementary reports, **Labour Market Insights Report**, and the **Engagement Summary Report**, presented under separate cover. To support the reader having a fulsome understanding of key insights that emerged through the supplemental work, relevant content and key findings are summarized in this document.

Presented in this section is:

- **Data Collection and Analysis:** Outlines the approach used to gather information captured in the Phase One Report and the rationale for employing each research tool.
- **Stakeholder Consultation:** An explanation of the various stakeholder engagement techniques employed during the strategic planning process and relevant considerations.

Data Collection and Analysis

Various scales of analysis have been used to assess Waterloo region's existing labour market, demand projections, and anticipated labour market needs and skills gaps. Input has been gathered through data collection and engagement activities. A summary of each assessed component is presented in the following list, with detailed results available in the **Labour Market Insights Report**.



Background Review: Multiple documents have been reviewed as related to the Waterloo region's workforce ecosystem and provide an understanding of the region's realities as it relates to labour availability issues and shortages. Work completed by the Workforce Planning Board of Waterloo Wellington Dufferin has been leveraged including the job demand report and EmployerOne survey. Special attention was paid to the topics of immigration, wrap-around supports, training and skills development, and the current labour force context/economic recovery from COVID-19.



Global Leading Practice Review: According to the Deloitte's Global Human Capital Trends Survey, business and human resource leaders across every industry from 105 countries were asked which entities in society they felt are primarily responsible for workforce development. The majority of respondents (73%) felt that employers were primarily responsible for workforce development while ten percent of respondents identified governments as the primary entity responsible. Leading practices on workforce development in North America were reviewed with a lens of relevance for the Waterloo region context.



Regional Workforce Ecosystem Mapping: A workforce ecosystem refers to the structure and interaction of partners and programs that influence talent attraction, retention, and readiness within the Waterloo Region. This analysis was informed by qualitative online research and is not designed to identify the complexity of working relationships between partners, but rather, give a sense of scope of each distinct component of a workforce development ecosystem. Organizations in Waterloo region were classified into the four broad categories of governments, employers, workforce supports, and education and training.



Socio-economic Profile: This profile of Waterloo region provided an assessment of the local demographic and economic indicators, including population growth, labour force, job demand and key sector trends. The data was presented for the region overall, the urban areas, and the rural areas. In some instances, relevant comparisons were made to the province of Ontario.



Labour Supply and Demand Projections: Developed by metroeconomics¹, projections for the number of new workers required for each industry were developed which also consider the estimated retirees for each occupation.

Stakeholder Engagement and Consultations

Stakeholder consultation is essential to understanding the needs and perspectives of stakeholders across the Waterloo region. It shapes a nuanced understanding and assists in grounding elements of the strategic process. The following engagement and consultation activities were undertaken to inform this Talent Plan and contribute to the developed priorities, objectives and actions.



Business Mixed-mode Survey: A mixed-mode survey was conducted among a random sample of 250 businesses and organizations within the Waterloo region. This survey gathered responses to assess the workforce needs, the challenges facing the business community and their insights on what is needed to address them. Key themes that emerged from the survey results included access to required labour, satisfaction with availability of labour, employee attraction and retention, attraction and retention priorities, and recruitment outside of the region.



Workforce Panel Survey: A panel survey was conducted to understand the needs of the local workforce and challenges they have experienced in the Waterloo Region. From the survey, 200 demographically represented surveys were completed as well as an additional 153 completed from a shared open link. The top priorities that emerged from respondents were the accessibility of the region from other areas, adequate pay/compensation, and commute times.



Key Informant Interviews: Eighteen one-on-one interviews were completed with industry and workforce partners, along with major employers within the region. The interviews discussed key barriers that are impacting minority groups as well as opportunity areas to better serve these populations. Further insights were garnered related to the workforce ecosystem and economic development within the region. The key themes that emerged from stakeholder groups were improving quality of life, reducing barriers to entry for the workforce, embracing DEI, and workforce retention.



Newcomers Open House: An in-person open house for newcomers to Canada living in Waterloo was conducted by the regional staff. Five participants contributed to a series of questions that explored their integration into the Waterloo region workforce. Further insights informed on positive and challenging experiences they had. Many of the participants felt that the community was welcoming and noted they received support from their neighbours and local organizations. The most significant barrier identified by newcomers was poor credential recognition and limited pathways to transfer credentials from other countries.



Workforce Partners Focus Group: An in-person workshop with the Waterloo region workforce development partners was conducted. Approximately twenty individuals attended the workshop. Initial research was presented to participants for brief discussion followed by discussions on the workforce ecosystem, labour, and growth sectors. Key findings that emerged from this workshop included the significant impact affordability and availability of housing was to the labour force. The focus group also identified several success metrics to measure improvements in the region including the number of retained qualified residents, the number of jobs in the region, and DEI employment metrics.

¹ metroeconomics is an economic consulting firm specializing in assessing historical trends and in modeling the economic and demographic future of countries, provinces, states, metropolitan areas and individual communities. metroeconomics was engaged as a subconsultant for research used to inform this talent plan.



Quality of Life Survey: Deloitte conducted a survey to identify key drivers of resident perceptions of quality of life and overall satisfaction with the Waterloo region among community members. Using a mix of cell and landline phone numbers in the region, numbers were randomly dialed by live interviewers. Respondents were screened to ensure they currently reside in Waterloo Region and were over the age of 18. This methodology resulted in 507 statistically valid completes. The survey responses have been weighted by age and gender according to the 2021 Canadian Census profile Waterloo Region to ensure the findings are representative of the adult population.



Student Survey: After the EmployerOne 2022 survey, the Workforce Planning Board of Waterloo Wellington Dufferin and its partner group came together in spring and had questions around what was happening with youth employment over the summer. As of early June of 2022, employers were saying that they had fewer applicants and it seemed that youth were just not engaging in summer jobs. The partner group wanted to know what was happening in the big picture compared to what some small pockets of people may be doing. This report explores the last 3 years of summer employment (May to September) for youth 15 to 29.



Youth Workshop: The WREDS/Talent Youth Workshop was held on January 17, 2024, in the Region of Waterloo Council Chambers by Region of Waterloo economic development staff and was supported by engagement specialists from the Children and Youth Planning Table (CYPT). The workshop had 17 youth in attendance, aged from 13 to 18 years, and aimed to engage participants in issues and solutions relating to economic development and quality of life in Waterloo Region.



Equity, Diversity and Inclusion Workshop: Ethic Talent hosted three workshops focused on diverse cultural communities in Waterloo region. These sessions were held in Cambridge (November 26), Kitchener (December 6) and Waterloo (December 15). There were 102 participants across the three gatherings.

Regional Context

This section builds upon the key findings from the Labour Market Insights Report and shares insights and implications for the regional economy, influenced by current statistics and trends. This offers a more comprehensive understanding of new and emerging factors that must be given consideration in the Talent Plan development.

The Changing Landscape

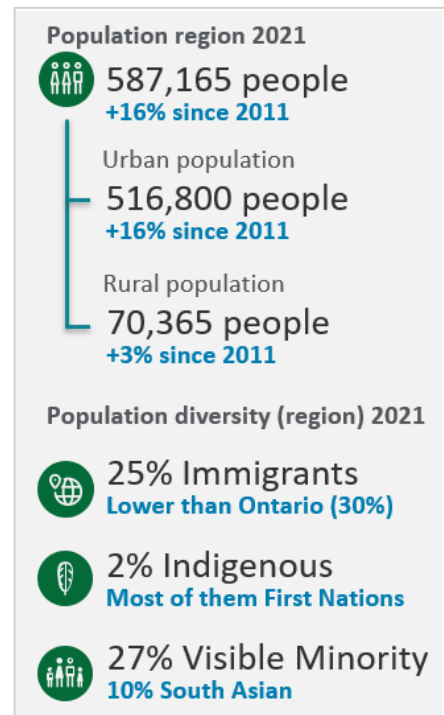
The local labour force continues to change, influenced by factors at the local, regional, and global levels. It is necessary and prudent for the Strategy Working Group and its partners to consider the influencing factors impacting the labour market to ensure current relevancy of actions and initiatives. Following are a series of factors to keep top of mind moving forward.

The region’s population is booming, but growth has not been uniform across the region

The Waterloo region has experienced a remarkable rate of population growth, surpassing the provincial average. According to the Statistics Canada Census, between 2011 and 2021, the region's population surged by over 80,069 people, reflecting a 16% increase. This growth has been primarily fueled by immigration and non-permanent residents, particularly international students. Growth has been concentrated in the urban centers, with urban areas witnessing a 16% growth compared to a 13% growth in rural areas between 2016 and 2021.² The region’s population is further projected to grow by 27% between 2021 and 2036, adding 165,400 new residents (excluding Census undercounts).³

New housing is essential to sustain population growth:

The three cities in the region (Kitchener, Waterloo, and Cambridge) accounted for 92% of the new units. One notable trend is the growing number of accessory apartments, such as basement suites or duplex conversions, being added to existing dwelling units. In 2012, 67 permits were issued for accessory dwelling units, while in 2021, this number had reached 546 permits.⁴ This indicates a shift towards more diverse housing options in the region and the high demand for housing in the region. The demand may see a slowdown, as new caps in the number of international student permits will decrease the influx of international students into the region.



Source: Statistics Canada, 2021 Census | 2011 NHS

² Statistics Canada, 2016 Census | 2021 Census.

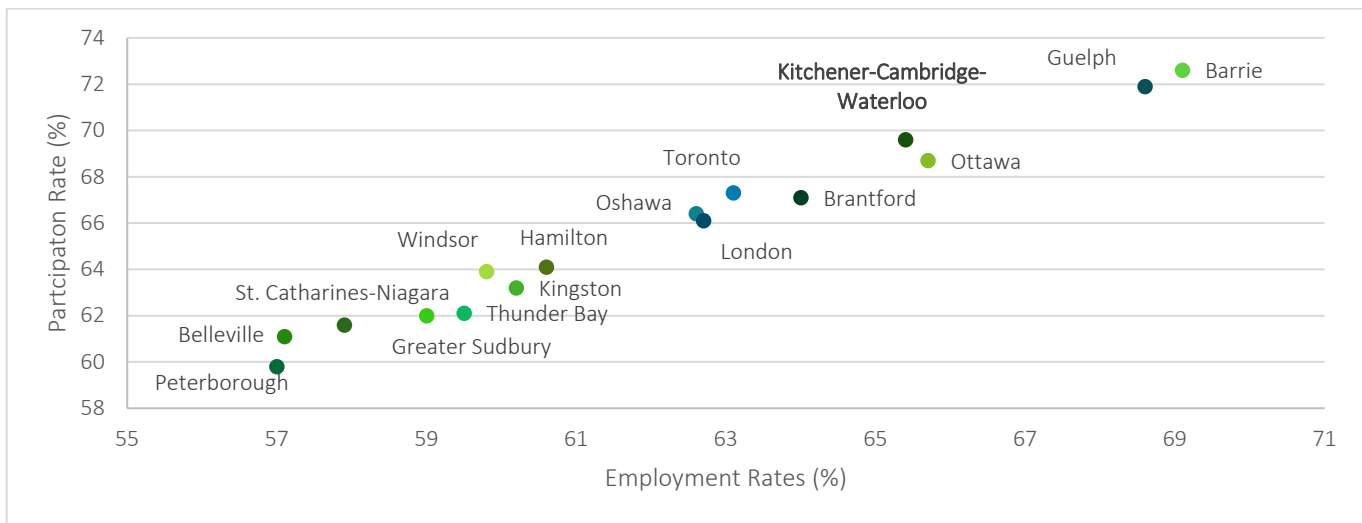
³ Region of Waterloo, Land Needs Assessment, April 2022

⁴ Region of Waterloo, 2021 Building Permit Activity and Growth Monitoring.

Positive labour force performance contrasts troubling labour demand indicators:

The latest data from Statistics Canada's Labour Force Survey paints a positive picture of the employment recovery in the KCW CMA following the COVID-19 pandemic. From 2021 to 2022, the unemployment rate decreased from 6.3% to 5.7%; this indicated a gradual improvement in job availability. However, between 2022 and 2023, unemployment rate slightly increased to 6%. Furthermore, the participation rate increased from 68.9% to 69.5%, suggesting a growing number of individuals actively seeking employment opportunities in the CMA.⁵ The figure below highlights the KCW CMA strong participation and employment rates compared to other jurisdictions within Ontario. When examining job demand between 2020 and 2023, it becomes evident that certain sectors experienced significant demand. Notably, the retail trade sector witnessed a 17% increase in job demand, followed by educational services with a 15% rise, and health care and social assistance with a 13% surge. However, a concerning trend emerged between 2022 and 2023, as the number of job postings in the region plummeted by 30%. This decline affected almost every industry sector, except for utilities. Of particular concern is the notable decrease in job postings requiring lower skill levels (TEER 4 and 5).⁶ These levels experienced the largest decline, emphasizing the potential challenges faced by individuals seeking employment opportunities that do not demand extensive qualifications or experience. It is crucial to address these declining job postings and the subsequent impact on lower-skilled workers.

Figure 1: Labour force participation and employment rates for Ontario CMAs, 2023



Source: Statistics Canada. Table 14-10-0385-01 Labour force characteristics, annual

⁵ Statistics Canada. Table 14-10-0385-01 Labour force characteristics, annual.

⁶ Vicinity Jobs, 2023.

Post-pandemic labour force recovery has not been robust amongst all demographic groups

Despite these improvements in labour force indicators, there are some concerning trends. The participation rates for women in the CMA remain below pre-pandemic levels. In 2019, the participation rate for women was 66.7%, but by 2023, it had decreased to 63.9%. In comparison, the participation rates for men stabilized from 75.8% in 2019 to 75.3% in 2023. This indicates that women are facing more challenges in rejoining the workforce compared to men.

Furthermore, the unemployment rates for youth (aged 15 to 24) for both genders are significantly higher than pre-pandemic levels. In 2019, the unemployment rate for youth was 10.5%, while by 2023, it had risen to 13.8%. Similarly, the participation rates for youth also declined from 68.1% in 2019 to 65.7% in 2023.⁷ These statistics suggest that young individuals are struggling to find employment opportunities and are facing higher unemployment rates compared to pre-pandemic.

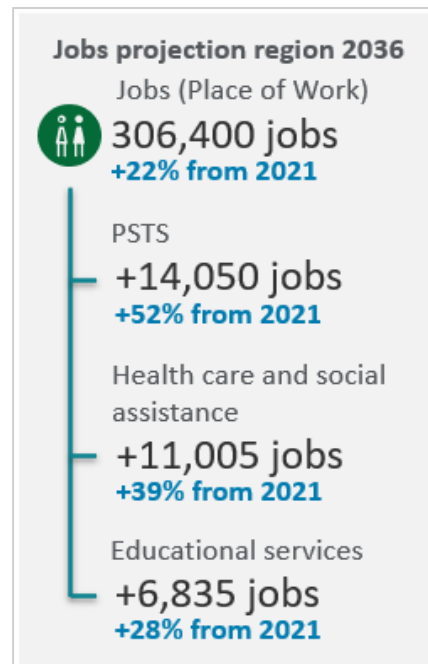
Growth expected in the region indicate the need for individuals to align their skills with key sectors such as manufacturing and professional services

The job market in the region is expected to grow by 55,800 jobs by 2036, with an average of 3,700 jobs per year. Notably, the manufacturing industry, which saw a decline of over 16,000 jobs between 2001 and 2021, is projected to experience slight growth between 2021 and 2036. Two timeframes, 2023 to 2028 and 2028 to 2033, are considered for assessing future labour requirements. Over the next five years, job growth is estimated at 18,900, followed by an increase of just over 15,800 jobs in the subsequent five years. The major job gains are expected in professional, scientific, and technical services, health care and social assistance, educational services, finance and insurance, and retail trade. These industries will continue to grow, although at reduced rates, between 2028 and 2033. Approximately 28,300 new workers will be needed over the next five years to meet the combined demand from job growth and replacement needs. Individuals seeking employment should consider these sectors and align their skills accordingly, while educational institutions and workforce development programs should focus on preparing individuals for the anticipated demands in these sectors.

The population of the Waterloo region is projected to experience a significant increase of 27% between 2021 and 2036.⁸ This growth rate surpasses the projected job growth rate of 22% during the same time period.



Source: Statistics Canada, Table 14-10-0385-01



Source: metroeconomics

⁷ Statistics Canada. Table 14-10-0385-01 Labour force characteristics, annual.

⁸ Region of Waterloo, Land Needs Assessment, April 2022



Establishing Priorities to Ground the Talent Plan

When the elements of research and engagement are analyzed holistically, a more fulsome understanding of what is important to the region can be understood. Grounding priorities in evidence is foundational to creating a relevant and strategic action plan to guide collective efforts and collaborative approach.

Strengths, Opportunities, Aspirations, Risks and Results (SOARR) Assessment

The SOARR assessment represents a critical turning point in developing the workforce development and economic growth priorities for Waterloo region. It serves as the pivot from 'what has been learned' to 'what needs to happen'.

This forward-looking model takes elements of what would traditionally be affiliated with a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis and focuses on Risks and Results. By bringing risk and results into the conversation, contingency planning receives due attention, and outcomes are reflected in an action-oriented, measurable manner. Identifying opportunities and understanding potential risks allows for the design of specific action steps to achieve

desired results. This approach enables strategic leveraging of identified strengths while also addressing areas for growth and improvement.

The concepts underlying the SOARR analysis model are illustrated in the figure to the right, providing a clear visual representation of the model's components and how they work together to inform strategic planning and decision-making.

It should be noted that the conclusions within the SOARR assessment reflect the responses given during the stakeholder engagement sessions. As such, they should not be taken as generalizations of all stakeholders within Waterloo region's economic development or workforce ecosystem.

S	Strengths What are we doing well? What key achievements are we most proud of? What can we build on?
O	Opportunities What our best possible future opportunities? What changes in demand can we expect in the future? What broader trends and policies may affect development and impact our aspirations?
A	Aspirations What are we deeply passionate about and want to achieve? What difference do we hope to make for all?
R	Risks What challenges do we need to be aware of? How will we recognize and mitigate or eliminate potential risks?
R	Results How we know we are succeeding? What are the key goals we would like to accomplish to achieve these results?

S

Strengths

What are we doing well? What key achievements are we most proud of? What can we build on?



The Strength component of the SOARR focuses on answering key questions, including what the region is doing well, the key achievements underway, and the strengths that can be built to realize new opportunities.

- ❖ Stakeholders identified that the Waterloo region has many **geographic advantages**, including its location along Highway 401, the presence of an international airport and proximity to growth markets in Canada and the United States; all influential for business, investment and talent attraction. Waterloo is at the heart of the Toronto-Waterloo Corridor, a stretch of 112 kilometres of talent, connectivity, and innovation. The Corridor offers a similar density of tech talent as Silicon Valley, affording the region **access** to 150+ million consumers and over 250,000 tech workers.⁹
- ❖ Post-secondary institutions, including the University of Waterloo, Wilfred Laurier University and Conestoga College are valuable providers of education and training. As per Lightcast 2023 data, more than 18,000 students graduate every year from these post-secondaries. This translates to the existence of a **strong talent pipeline** and opportunities to support talent development across many industries and sectors.¹⁰
- ❖ Waterloo region has a **growing and diverse population**. As of 2021, 25% of the regions total population were immigrants, and 27% of the total population identified as a visible minority group. The growing population is complemented by a **strong labour force** in various industry sectors, including healthcare, retail trade, public administration, education, manufacturing, construction and agriculture.¹¹ The region is attracting immigrants with strong education and credentials while post-secondary institutions are actively recruiting international students. Overall, this translates to a **wealth of training and talent resources** that can be leveraged to support the local workforce and economy. As per the CBRE Scoring Tech Talent 2023 report, Waterloo region ranks 18 out of the top 50 of the largest markets by number of **tech talent professionals** in the U.S. and Canada.¹²
- ❖ Employers identified strengths to include **its culture of innovation and collaboration**. The region has a **diverse economy**, which has attracted global players in business and financial services, manufacturing, and information and communications technology. Along with post-secondary institutions, the presence of research facilities and networks, ICT innovation in big data, embedded security, auto-tech, and artificial intelligence to quantum and nanotechnology has provided the region a reputation as a **global technology leader**. The region is home to a **corridor of hydro power** making it a leader in this sector and providing opportunities and capacity for business growth.
- ❖ Waterloo region offers a **strong quality of life** that appeals to the diverse preferences of its residents. Urban centres, including Cambridge, Kitchener, and Waterloo, are balanced by the rural areas of North Dumfries, Wellesley, Wilmot, and Woolwich. The region is home to several conservation areas, open spaces, parks, trails, and lakes, providing a variety of outdoor recreational activities, such as camping, hiking and fishing. In addition to its natural attractions, the region also offers numerous arts and culture facilities and shopping, dining, and entertainment options.

⁹ Waterloo EDC, What is the Toronto-Waterloo Corridor?, 2023.

¹⁰ Lightcast Economic Modeling, Datarun 2023.3

¹¹ Statistics Canada, 2021 Census


¹² CBRE, Scoring Tech Talent 2023

- ❖ The region is home to a **strong business and workforce ecosystem** that includes the regional government, Waterloo EDC, municipal economic development departments, educational institutions (ranging from primary to post-secondary), innovation and research networks, start-up supports, mentorship programs, leading employers, and workforce development providers and intermediaries. Strong partners in the region include the Immigration Partnership (Immigration Waterloo Region), Kitchener-Waterloo Multicultural Centre, Niagara Peninsula Aboriginal Area Management Board’s Youth Employment & Training, Workforce Planning Board of Waterloo Wellington Dufferin and the YMCA Cambridge and the YMCA Kitchener-Waterloo.

O

Opportunities

What are our best possible future opportunities? What changes in demand can we expect in the future? What broader trends and policies may affect development and impact our aspirations?



Building on the strengths, the best possible future opportunities for the region are presented here. Workforce trends, changes in demand and external forces that impact the region’s workforce development are also identified.

- ❖ **There is a need for increased collaboration and coordinated efforts** that bring together economic development, workforce partners, and businesses to address the current and future labour force needs of local businesses. To support efforts, advocacy for the region and its priority sectors to provincial and federal partners is required.
- ❖ Coordinate between employers and employment service providers to understand their needs and develop appropriate responses. To **align skills needs**, sector-specific training programs, micro-credentials, upskilling opportunities, building career pathways, creating positive career campaigns for high-demand jobs and employment readiness programs were identified as critical.
- ❖ Opportunities exist to foster a **skills-first hiring environment** that enables businesses to target candidates based on new and dynamic skills requirements, rather than static job titles.
- ❖ A desire to promote manufacturing and agriculture-related **trades/mechanic programs** as a viable and attractive career opportunity was expressed by stakeholders. They also noted a better job can be done to educate job seekers and employees on the ‘realities’ of work, including shiftwork, on-the-job training, and work culture.
- ❖ **Advocate** to provincial and federal regulators for more comprehensive credential recognition and credential translation to support immigration.
- ❖ Workforce partners indicated a pressing need for enhanced efforts in **diversity, equity, and inclusion (DEI)** in the Waterloo Region. To fully engage residents, it is imperative to ensure that DEI resources are readily available to businesses, recruitment policies are in place, and working groups or organizations are established to strengthen equal opportunities.
- ❖ **Reducing barriers to employment** is crucial for a fully engaged workforce. Support systems such as daycare, transit, affordable housing, well-being, and access to healthcare are essential for workforce engagement. Societal issues such as poverty, homelessness, addiction, and mental health need to be addressed to enable labour force participation for disadvantaged groups. Community support is essential to addressing these issues and facilitating positive change. Furthermore, adequate healthcare resources, including doctors, are required to ensure that all residents have access to medical care.

- ❖ The business community has identified an opportunity to expand the **tourism** sector within the Waterloo Region. Partnerships with Explore Waterloo Region present a unique opportunity to further support tourism product development.
- ❖ **To enhance economic competitiveness**, employers identified opportunities including easing development constraints, servicing employment lands, continuing to make downtown cores desirable and thriving places to work. Additionally, creating a diverse mix of new housing developments, growth of the regional airport, and expanding GO Transit services were identified.
- ❖ Waterloo region is uniquely positioned to **enhance quality of life, talent attraction and business growth value propositions and marketing messages**. Opportunity exists to consider its unique sense of place and quality of life, ideal post-graduate destination, arts and culture offerings and the Toronto-Waterloo Innovation Corridor as a brand and channel for investment. Opportunities also exist to collaborate with local organizations to host cultural events and festivals, encourage more foot traffic, and increase shopping and dining options.

A

Aspirations

What are we deeply passionate about and want to achieve? What difference do we hope to make for all?



Aspirations highlights the voice of the stakeholders, including the programs, strategies, and outcomes they are deeply passionate about and want to achieve and the difference they want to see for each player in the workforce ecosystem, including students, job seekers, employees and businesses.

- ❖ **Aligned sector-based talent pipeline:** Adjusting expectations of employers of needing to hire individuals with a traditional degree to instead hire and employ individuals who have the required skills and competencies for the expected work. This can increase the pool of individuals participating in the labour force across all groups, including the unemployed, under-employed, immigrant, and diverse and marginalized communities in the region who may have trouble in completing traditional requirements.
- ❖ **Favourable work environment:** Consider strategies to attract national (local, regional, and provincial) and international labour force and increase youth labour force participation. Businesses may benefit from well-defined career pathways, prioritize work-life balance, and offering flexibility in terms of work location, part-time and shift work, wages in line with industry standards, benefits, and retention bonuses, etc.
- ❖ **Diversity, equity and inclusion:** Addressing barriers to labour force participation among diverse and marginalized groups in the region is crucial.
- ❖ **Integrated workforce ecosystem:** All partners should have a clear understanding of their role in encouraging, supporting, and facilitating labour force planning for the region.
- ❖ **Supported and growing business community:** Establishing strong and ongoing collaboration with local businesses is important to ensure that programming, strategies, and decisions align with local business needs.
- ❖ **A stronger, diversified economy:** Build on sector-specific strengths, including manufacturing, professional, scientific, and technical services, and tourism sectors to focus economic diversification, increase job opportunities, higher economic growth potential, and attract more investments.

- ❖ **An investment-ready community:** Addressing land development and infrastructure servicing will increase land availability for industrial and commercial businesses and residential development.
- ❖ **Data-focused:** Enabling the understanding of current and future labour market needs and gaps between labour available and labour desired is essential.
- ❖ **An attractive place to live and thrive:** Many students within the region are reporting a desire to stay in the region post-graduation. Thriving and vibrant downtown and village cores should be developed to strengthen and expand local employment opportunities for youth, retail, and professional services. A focus on such areas as recreation amenities and livability will foster a place where young professionals and new Canadians choose to live and raise their families.
- ❖ **Be a global brand:** Coordinated efforts that promote Waterloo regions' story together including rural and urban strengths, talent availability and business investment.
- ❖ **Rural economic development:** The unique challenges and opportunities that exist within rural townships are recognized and addressed. By implementing programs reflecting the rural-urban divide, a more equitable and prosperous society is realized, where everyone can thrive and succeed.
- ❖ **Economic development programming with a demonstrated return on investment (ROI):** All economic development programming should demonstrate a ROI that is clearly understood and effectively communicated within the community and its leadership to promote community buy-in and commitment.

R

Risks

What challenges do we need to be aware of? How will we recognize and mitigate or eliminate potential risks?



Risks highlight the labour force and business challenges that partners and organizations need to be aware of and strategies to recognize and mitigate or eliminate potential risks to achieve the best possible future opportunities for the region.

- ❖ Labour force participation has still not recovered to pre-pandemic levels.¹³ An uneven reopening of the economy after the COVID-19 pandemic, combined with demographic factors and long-term changes in where people live and work, has contributed to the difficulty employers are experiencing in trying to find qualified candidates for open roles. It is likely that these **labour shortages** will continue to exist for the near future. This then puts pressure employment support organization who are working with clients with great needs.
- ❖ **Attracting and retaining talent** in the region has been difficult for employers. The Waterloo Region used to provide a more affordable option to live, but housing affordability and accessibility have decreased over recent years due to population growth. Newcomers often look to Toronto as a potential destination that offers a more diverse mix of housing options. Youth are looking to stay in the region post-graduation but are citing affordability and accessibility of housing as two quality of life factors that need the most improvement.
- ❖ **Wages** are not keeping up with inflation and the growing expenses of individuals and families. There is concern among stakeholders that this could make it more difficult to attract individuals and families from these communities. The lack of student employment opportunities and student's inability to earn wages impacts retention of this population segment.

¹³ Statistics Canada, Table 14-10-0385-01 Labour force characteristics, annual

- ❖ Service providers and support organizations indicate gaps in support from regional governments to **address wrap-around supports**, including daycare, transit, affordable housing, and access to healthcare. These can detract from the region's value proposition for both businesses and the workforce looking to move to the community.
- ❖ There is **insufficient availability and affordability of housing** in the Waterloo Region. There is an increased challenge in the housing market of rural communities compared to urban communities.
- ❖ There is **higher unemployment for minority groups** compared to the majority population. It is difficult for newcomers to network and connect with employers in the region, as many do not have established connections in the community.
- ❖ Service delivery providers are still noting **low levels of credential and skill recognition** from international residents by regulatory bodies, and there is not a clear path for newcomers to easily become recertified in Canada and the Waterloo Region.
- ❖ Organizations within the Waterloo Region are sometimes **fragmented** and do not collaborate when there are opportunities to share resources. The lack of collaboration between businesses and government is hindering growth in the Waterloo Region.
- ❖ The **lack of land** available for industrial use, the high cost of land and construction, in conjunction with high commercial vacancies due to the rise in working from home, means a rethink of what business attraction efforts should look like.
- ❖ There can be long **transportation** distances and commute times for employment, especially in the rural townships and villages. Young people are getting their driver's license at a decreasing rate, which lowers overall mobility of the population without sufficient public transportation.

R

Results

How we know we are succeeding? What are the key goals we would like to accomplish to achieve these results?



Results show how the region can succeed and the key goals that need to be accomplished to achieve these results.

- ❖ **Alignment of training programs to address skills and training gaps:** There is clear information that guides individuals through the process from training to employment.
- ❖ **Improved workforce retention:** Waterloo region has increased retention of trained individuals and graduates from local post-secondary institutions.
- ❖ **Diversity of talent pools, increased retention, and participation in the labour market:** To support an inclusive culture and diversity initiatives that support a more equitable workplace.
- ❖ **Targeted focus on generating high-quality jobs in the region:** There are additional high-quality jobs offered in the region.
- ❖ **Business growth:** Businesses have the needed land, facilities and supports to scale up within the region.
- ❖ **Increased regional tourism:** Waterloo region sees a substantial increase in tourism through an increased awareness of its assets and the development of new tourism opportunities.

- ❖ **Immigration hub within Canada:** Waterloo region has capitalized on the opportunity as a successful immigration hub, with a focus on aligning labour supply with labour needs among local businesses.
- ❖ **Stronger partnerships:** Partnerships that become established between workforce development and economic development support greater program alignment and outcomes that address the needs of businesses and residents.
- ❖ **Improved transit infrastructure:** Transit infrastructure is improved, including the GO Transit options, inter-regional connections to rural communities and an increase in airport connections to major Canadian and US cities.
- ❖ **High quality of life:** Waterloo region offers a high quality of life that is attracting and retaining business and talent.



Strategic Pillars for a Thriving Talent Ecosystem

The Talent Plan reflects the extensive research, analysis, and valuable input from stakeholders. Foundational components and strategic pillars have been validated and positioned to drive identification of specific objectives and tactical actions that will inform the implementation and monitoring stages that will follow.

Foundational Components for Success

The foundational components serve as key elements that form a broad framework for decision-making. These components represent core factors and a collective longer-term vision for talent attraction and retention in the Waterloo region. These foundational components will remain relatively stable throughout the plan's timeframe and will be addressed in conjunction with the strategic pillars.

Communicate and champion efforts to strengthen labour market support

The labour market in Waterloo region is made up of multiple stakeholders spanning workers, job seekers, students and other labour force participants, business and industry, intermediaries, education institutions and all levels of government. Select stakeholders often work independently to seek out solutions to identified labour supply and demand challenges, while others recognize the importance of a collective and collaborative effort. At the end of the day, the goal is consistent – achieving stronger alignment between talent and the jobs available by local business and industry. By the virtue of being a regional government, The Strategy Working Group is well positioned to be the central facilitator of the workforce ecosystem to ensure that residents are receiving the supports they require and that businesses have access to a pool of qualified individuals to hire. A key role in this facilitator capacity is to strengthen communication within and among the workforce ecosystem, and to determine other key players that may act as convenors.

Enable collaborative partnerships

Supporting partners in the region and creating an environment where collaboration is encouraged can support positive outcomes throughout the entire workforce ecosystem. Collaboration is encouraged when a common vision exists. Collectively, the Waterloo region workforce ecosystem is committed to strengthening the alignment of the local labour supply and labour demand, while promoting diverse, equitable and inclusive actions that leave no one out of the labour market, should they choose to participate.

Established partnerships support greater program alignment that address the current and future needs of businesses and residents and maximize resources and outcomes.

The Strategy Working Group can take a leading role in enabling partnerships and managing the collective vision in the region by committing to open information sharing. Sharing knowledge and information across the workforce ecosystem can foster new ways of thinking and bring creative ideas and tactics to the forefront to respond to current issues and to proactively plan for future challenges.

Partnerships within the workforce ecosystem should seek to understand barriers from all perspectives with an end goal of minimizing the workforce shortages currently being experienced in the region. Many partners in the region have already expressed their desire to move toward a skills-based approach in response to talent development, talent attraction, and talent retention.



Strategic Pillars

The strategic pillars, which were derived from the foundational components, provide a roadmap that outlines the priorities within this plan. They are tactical and operational in nature, offering specific actions and goals to be pursued. The strategic pillars are designed to guide the allocation of resources, initiatives, and actions within a specified timeframe.

Talent Attraction

Attracting new residents to participate in Waterloo region's labour market

The Waterloo region aims to attract and create high-quality jobs within its boundaries. This is supported by the high quality of life the region offers. By focusing on industries and sectors that offer high-value employment opportunities, the region can stimulate economic growth and provide its residents with access to fulfilling and well-compensated careers.

Talent Retention

Retaining employees and entrepreneurs in Waterloo region with opportunity

The Waterloo region seeks to enhance its workforce retention rates, particularly among trained individuals and graduates from local post-secondary institutions. By creating a supportive environment and providing opportunities for professional growth and development, the region aims to retain talented individuals within the local workforce.

Talent Readiness

The labour pool is ready and equipped with in-demand skills for employment

The Waterloo region aims to establish clear information and guidance for individuals, ensuring a smooth transition from training programs to employment. This alignment will help bridge existing skills and training gaps, ensuring that individuals are equipped with the necessary skills and knowledge demanded by the job market.

Talent Integration

Waterloo region is an inclusive community that connects with and supports one another

The Waterloo region is committed to fostering an inclusive culture and implementing diversity initiatives that promote a more equitable workplace. By actively supporting diversity and inclusion, the Waterloo region aims to attract and retain a diverse talent pool, ensuring that individuals from all backgrounds have equal opportunities to participate and succeed in the labour market.

Strategic Pillar: Talent Attraction

Motivation for improvement

Strengthening the availability of the labour force is of crucial importance in the region. This strategic pillar is directly related to talent attraction. The region, particularly the rural areas, has recognized challenges in attracting residents who are active participants in the labour market. While the region's overall growth has been consistent, the growth of rural municipalities has not kept up with their urban counterparts. This highlights the need for a reflective and common message that showcases the assets and quality factors of these areas.

A clearly stated value proposition is essential to support consistent communication that local employers can utilize in promoting their businesses and employment opportunities. These messages should include success stories of individuals who have chosen the region and highlight the assets that drew them to the area.

Reducing barriers to employment for historically vulnerable groups is another way to improve the availability of the labour force. These barriers include issues such as childcare, transportation, the cost of living, and advocating for the recognition of foreign education and credentials. In addition, recent announcements by the federal government regarding the cap on student permits for international undergraduate students will pose a significant challenge to the region. These students tend to work in jobs that serve the retail, food, and hospitality sectors, which are already struggling to meet their labour needs. A reduction in the number of international students will further exacerbate these labour constraints. In the short-term, while the cap is in place, the region can focus its talent attraction efforts within the province and in other regions of Canada. However, significant efforts should be made to ensure that housing and services for residents keeps up with the increasing demand.

Objectives

1. Define the Waterloo region's value proposition and create marketing materials to increase the attractiveness of the region to employers and potential employees.
2. Grow and diversify jobs in Waterloo region.
3. Improve labour participation of vulnerable groups, including Indigenous Peoples, women, visible minorities, youth and newcomers.
4. Assess the impact of the international student cap on the region's available labour force.

Outcome

The Waterloo region is recognized as a destination of choice known for offering a desired quality of life, a supportive environment, and an abundance of career opportunities.

Strategic Pillar: Talent Retention

Motivation for improvement

Demand for talent is competitive in most sectors across the province, nationally and globally. Validating those sectors facing greatest labour challenges and defining specifically the occupations that are most difficult to fill is essential to positioning the community competitively. Given the changing dynamics of the labour force and the influencing factors that contribute to their career decision making, it is imperative to position the Waterloo Region in a positive light that reflects the employment opportunities, local and regional assets that contribute to quality of life, and opportunities for career advancement. With the rise in remote work, individuals can increasingly choose where they prefer to live. Providing a high quality of life that is balanced with affordability can not only support the attraction of the workforce, but also the retention of the workforce that enables economic growth within the region. Adding to the quality of place is the importance of an inclusive and welcoming community that promotes diversity, equity and inclusion. This will take a coordinated effort between employers and employment service providers to understand needs and develop corresponding approaches to address the needs.

It will take a collective effort to depict what is needed to ensure that local talent have the desire to remain local. As the region is an attractor for immigration, a focus on what it means to be a welcoming community that creates opportunity for integration of newcomers, including those choosing to study in the region, is essential. Those who have a less established network than individuals born and raised in the region have less pull to the area and in many cases, are more likely to move elsewhere if they are unhappy with their quality of life and employment prospects. Equally important to directly supporting the residents in the region is supporting employers. Employers in the region need to be kept aware of the resources available to them and the current leading practices in employee retention and engagement. As with business retention, there is a greater return on investment to keep workers in the area as compared to the effort it takes to attract new workers.

Creating a positive experience is vital to retaining talent and to creating a positive desire to consider Waterloo region as a great place to live, work, and enjoy.

Objectives

1. Retain secondary and post-secondary graduates.
2. Support business talent retention efforts.
3. Improve wrap-around supports that help to increase participation in the labour market.

Outcome

The Waterloo region provides a positive experience for the labour force that actively promotes the retention of talent including graduates, newcomers, and those active in the labour market.

Strategic Pillar: Talent Readiness

Motivation for improvement

One of the key issues that emerged from interviews, workshop sessions, and research is the disconnect between the skills offered by local talent and their alignment, or lack thereof, with the local and regional economies. Furthermore, the Workforce Planning Board of Waterloo Wellington Dufferin has highlighted that many newcomers who come to the region are economic immigrants with education that may not align with the jobs in demand.¹⁴ To prepare the next generation of workers, it is essential to integrate work and learning. This involves addressing the skills gap through responsive and flexible learning channels and credentialing.

It is important to align the skills of the workforce with the current job market and future growth sectors. This begins with an evidence-based understanding of what sectors are growing and declining, what occupations are most relevant to those sectors, and how might displaced workers transition to areas of demand. This is in essence, the formula to identify where upskilling may benefit labour supply and demand alignment. This applies to workers at all skill levels and those who actively participate in the labour market. The foundation of a well-aligned labour market lies in ensuring that the skills, competencies, and abilities that employers are seeking are present in the workforce. When certain skills are lacking, the role of local post-secondary institutions and training providers becomes even more crucial. The readiness of talent to enter, transition, and build relevant skills that contribute to a community's competitiveness and attractiveness lies in labour market alignment. This requires a strong partnership and collaboration between educational institutions, trainers, and employers.

Employers possess a unique advantage when it comes to identifying the specific skills they require and identifying any gaps within the current labour force. On the other hand, educators have the capability to respond to these needs and generate avenues for skills development and upskilling. By collaborating, employers and educators can support workforce development in areas relevant to meet the talent demands of the regional economy. Furthermore, employers can play a pivotal role in providing experiential learning and on-the-job opportunities, supporting post-secondary institutions and training providers to connect potential talent with potential employment. Additionally, the utilization of micro-credentials as a skills development solution is worth consideration.

Objectives

1. Increase alignment of education and training with employer needs.
2. Strengthen partnerships with education providers to promote continuous experiential learning; soft skills development, and micro-credential programing focused on attaining skill(s) or competency(ies) based on industry needs.
3. Support workers in declining occupations transition into high-growth industry sectors.

Outcome

Waterloo region has alignment between in-demand skills and program offerings through local and regional training and education providers.

¹⁴ Workforce Planning Board of Waterloo Wellington Dufferin, Local Labour Market Plan 2023

Strategic Pillar: Talent Integration

Motivation for improvement

Waterloo region is one of the most diverse regions across Canada demonstrated by its demographic profile. The region's diversity is a significant strength as it promotes an inclusive community culture and enables innovative ideas to address complex problems locally, regionally, and beyond. Contributing to the diverse population is the world-class post-secondary institutions that attract students from around the world seeking to learn, graduate and begin their careers. The attraction of students has contributed to the number of newcomers who chose Waterloo region as their new home. With an influx in new residents in the region, it is essential that these individuals understand the support networks available in the region, promoting cultural and community connections.

Equally important to this pillar is supporting diversity, equity and inclusion in the workplace. This was important to partners and stakeholders throughout the engagement process. The Strategy Working Group and its partner organizations can promote leading practices for the workplace that meet the needs of both employers and employees and promote the development and retention of a diverse talent pool, that is inclusive, equitable, and engaged.

Objectives

1. Support the integration of the newcomer workforce.
2. Support diversity, equity, and integration initiatives in the workplace.

Outcome

Talent retention, attraction and readiness are supported by partnerships across the ecosystem that utilizes accessible data and information to aligns the region's workforce ecosystem.



Action Plan

The actions outlined in this section have emerged through comprehensive research of primary and secondary data and an expansive consultation process. The actions are a starting point (and not presented in any priority sequence) based on input and research at a point in time. It is by no means an exhaustive list, as it is recognized that current actions are in motion, and new actions will emerge based on influencing factors within the region.

Reading the Action Plan

Actions

The direction the Region, its partners, and ecosystem stakeholders will undertake to address the essential issues or opportunities that emerged as key areas of focus through the strategy development.

Potential Role

A collective discussion among the workforce ecosystem would be an appropriate step when assigning leads and collaborators to specific actions. Identifying roles for organizations benefits from an active dialogue amongst partners to best align activities with existing mandates, planned initiatives, and available resources.

Priority

The priority of each action has been identified a time period in which the action should be implemented. Priorities are designated as follows:



Short term (1-2 years)











Medium term (3-4 years)

















Long-term (5+ years)

It is important to take into consideration changes in the economy and the region, as this may shift timelines for implementation.



Strategic Pillar: Talent Attraction		
#	Tactics	Priority
Objective 1.1: Define the Waterloo region’s value proposition and create marketing materials to increase the attractiveness of the region		
1.1.1	Establish a working group to develop a compelling talent attraction value proposition and brand for the region. This brand should highlight the unique opportunities and advantages of the area, showcasing it as an attractive destination for workers. The working group should include representatives from the economic development offices, the Workforce Planning Board of Waterloo Wellington Dufferin, and other relevant stakeholders.	
1.1.2	Develop a communications plan to promote the Talent Plan, its benefits to the stakeholders and the broader region. Use this communications plan to equip local businesses and sector organizations with the information and messaging they can use to “sell” the region by leveraging regional brand.	
1.1.3	Explore opportunity to build a "Move to Waterloo" webpage that targets talent attraction. The webpage may align with the " New to Waterloo " site and address information gaps that are most relevant to those seeking education opportunities, special interests community organizations and supports, places of worship, transportation networks, neighborhood details, and links to job opportunities.	
1.1.4	Promote the "Move to Waterloo" brand in key target markets, both domestically and internationally, by utilizing targeted social media advertising to reach specific age groups and desired profiles (e.g., LinkedIn).	
Objective 1.2: Grow and diversify jobs in Waterloo region		
1.2.1	Assist employers with business expansion to create jobs in collaboration with local economic development offices. Conduct direct employer outreach through an annual (or semi-annual) survey to local businesses to capture their input on projected labour demand over 12, 24, and 36 months. This survey should be coordinated among organizations seeking employer input to minimize survey outreach initiatives and strengthen employer participation. One way to avoid survey fatigue would be through integrating this action into the ongoing EmployerONE survey.	
1.2.2	Leverage existing partnerships to support local businesses needs and improve networks to strengthen and diversify local supply chains.	
1.2.3	Integrate relevant actions of the (WREDS) into departmental business plan to drive implementation.	
Objective 1.3: Improve labour participation with a focus on equity-deserving groups		
1.3.1	Identify and integrate organizations that support vulnerable populations, immigration, and social support in the region in the planning, implementation, and evaluation of workforce system practices. This can be achieved by inviting representatives from these organizations to participate in relevant meetings, working groups, and decision-making processes. These may include non-profit organizations, community centers, advocacy groups, or government agencies.	









Strategic Pillar: Talent Attraction		
#	Tactics	Priority
1.3.2	Work with regional school districts to increase student awareness of local and regional career pathways in key growth sectors.	
1.3.3	Explore the inclusion of Equity, Diversity, and Inclusion (EDI) considerations across all attraction and retention efforts.	
1.3.4	Maintain engagement and support for Indigenous-led organizations to develop targeted programs that aim to increase Indigenous youth participation in the labour market.	
Objective 1.4: Assess the impact of international students caps in the region’s labour force		
1.4.1	Conduct an economic impact assessment of the potential impact on undergraduate international student gaps in the region.	
1.4.2	Gather and analyze enrollment and graduation data across all educational institutions to inform integrated planning, talent supply and demand alignment.	
Key Performance Indicators (KPIs)		
<ul style="list-style-type: none"> • Participation rates and unemployment rates for vulnerable groups. • Number of survey respondents per year or increase in the numbers of existing business surveys. • Number of childcare spaces created. • Number of connections & outcomes with First Nations representatives and organizations. 		






Strategic Pillar: Talent Retention		
#	Tactics	Priority
Objective 2.1: Retain secondary and post-secondary graduates		
2.1.1	Host sectoral employer panels on PSI campuses to bring together employers and graduating students to showcase career opportunities available in the region.	
2.1.2	Promote knowledge exchange among employers and PSIs to communicate skills requirements for existing work opportunities and employer expectations currently and anticipated future demand.	
2.1.3	Develop cultural programming, events, or peer networks that connect international and domestic students to each other that support the development of peer networks in the region that promote Waterloo region as the place to live and work.	
Objective 2.2: Support business talent retention efforts		
2.2.1	Develop a “best and promising practices information resource” that showcases hiring practices that consider and promote inclusion, diversity, and a welcoming workplace.	
2.2.2	Communicate directly with businesses and economic development partners to share leading practices of workforce retention and recruitment. This ensures that businesses can receive the same information from across the ecosystem	
Objective 2.3: Improve wrap-around supports that help to increase participation in the labour market		
2.3.1	Advocate to the Provincial and Federal governments for transit infrastructure improvements that support the inter-regional connections of the urban and rural areas in the region. <ul style="list-style-type: none"> Advocate for improved GO transit options that operate for more of the day. Advocate for increased connections to major Canadian and US cities from the Strategy Working Group International Airport. 	
2.3.2	Advocate for and invest in the creation and expansion of additional childcare spaces within the region. Connect with major employers within the region to create joint childcare spaces in their facilities to support their workforce.	
2.3.3	Support post-secondary initiatives to increase the number of Certified Early Childhood Educators (ECEs) and childcare workers in the region.	
2.3.4	Develop marketing campaign that centres on the attraction of professionals working in the healthcare sector. <ul style="list-style-type: none"> Promote the quality of life and the lifestyle that the region provides to professionals. Focus the campaign on those who have previously lived in the region as the barrier to attract them will be lower than those new to the region. 	

Strategic Pillar: Talent Retention

Key Performance Indicators (KPIs)

- Number of students who find employment in Waterloo region after graduation.
- Number of new childcare spaces in the region.
- Number of employers who collaborate on PSI campuses to highlight opportunities.
- Number of new health care professionals working within the region.

Strategic Pillar: Talent Readiness		
#	Tactics	Priority
Objective 3.1: Increase alignment of education programming and training with employer attraction needs		
3.1.1	Facilitate access to labour market information tools to continuously track changes in the labour market demand trends and keep regional PSI informed about occupational and skills needs (e.g., Vicinity Jobs).	
3.1.2	Disseminate knowledge and local labour market intelligence among educators and personnel involved in career development discussions with students.	
3.1.3	Create career pathway profiles for high-growth occupations and target sectors. These pathways should be created in collaboration with employers and focus on education/training requirements, competencies, capabilities, and skills. They should also emphasize the transferable skills that can be applied across distinct roles or industries.	
3.1.4	Increase awareness of career pathways for displaced workers to transition from declining and low demand occupations into high-growth occupations in target sectors.	
3.1.5	Support displaced workers to transition to occupations in economic growth sectors. Use regional economic development strategic efforts as an opportunity to target those sectors where transferrable skills are relevant.	
3.1.6	Capture employer input regarding changing job requirements and skills needs to inform training program development. This can help to inform on micro-credentials, shorter-term training programs, and higher-education learning needs.	
Objective 3.2: Strengthen partnerships with education providers to promote continuous experiential learning; micro-credential programming focused on attaining skill(s) or competency(ies) based on industry needs; and soft skills training programs.		
3.2.1	<p>Collaborate with regional PSIs, workforce organizations, employment services, and employers to explore the feasibility of implementing occupation-based programming.</p> <ul style="list-style-type: none"> • These programs can be designed to provide a hybrid teaching environment, combining on-the-job training and classroom instruction. • By offering micro-credentials or skill-based training, participants can acquire the necessary skills and knowledge to excel in their chosen occupation. • These programs can also be structured to build towards a proper certification, providing individuals with a recognized credential to enhance their employability. 	
3.2.2	Continue to promote experiential work term opportunities (internships, co-ops, apprenticeships) with local businesses to increase participation and career awareness for local secondary and post-secondary students.	

Strategic Pillar: Talent Readiness		
#	Tactics	Priority
3.2.3	Explore the Federal Sectoral Workforce Solutions Program for the reskilling, upskilling, and transition of workers into high-demand occupations and target sectors.	
3.2.4	Host workshops/round tables with labour force support partners to identify opportunities for collaboration, promote knowledge sharing to reduce program duplication, and enhance service delivery.	
3.2.5	Promote hiring and training supports to local employers to help them continue to attract local talent. E.g., Canada-Ontario Job Grant , Youth Job Connection Summer , and the Innovative Work-Integrated Learning Initiative , among others.	
3.2.6	Promote and collaborate with national organizations such as Palette Skills to promote and coordinate additional supports available to Waterloo region employers.	
Objective 3.3: Advocate for increased credential recognition for newcomers		
3.3.1	<p>Advocate for the recognition of international experience and qualifications. This can be achieved by studying the feasibility of implementing an evaluation system for international credentials.</p> <ul style="list-style-type: none"> By establishing such a system, we can facilitate the smooth integration of migrant workers into the workforce by providing a fair and transparent process for assessing their qualifications. <p>This evaluation would help employers and relevant authorities understand the value and equivalency of international credentials, enabling them to make informed decisions regarding employment and professional opportunities for migrant workers.</p>	
Key Performance Indicators (KPIs)		
<ul style="list-style-type: none"> Number of education partnerships fostered. Conversion rate of experiential work term opportunities into full-time employment. Number of workshops/roundtables hosted. Number of clients served through upskilling programming. Number of businesses/organizations accessing LMI information. 		

Strategic Pillar: Talent Integration		
#	Tactics	Priority
Objective 4.1: Support the integration of the newcomer workforce in skills aligned occupations		
4.1.1	Maximize resources and leverage networks to increase the Strategy Working Group’s capacity to address local labour force needs by working in collaboration with the Workforce Planning Board of Waterloo Wellington Dufferin and the Workplace Immigrant Network (WIN).	
4.1.2	Support Workplace Immigrant Network through direct employer connections to strengthen the network and link newcomers to employers.	
Objective 4.2: Support equity, diversity, and integration initiatives in the workplace		
4.2.1	Connect with cultural groups across the region to develop EDI practices that can be implemented by businesses to support their diverse workforce and create and inclusionary environment.	
4.2.2	Share the developed EDI practices with employers across the region and ensure that resources are available on the Region of Waterloo’s website.	
4.2.3	Highlight best practices of local employers by sharing their story on the regional website.	
Key Performance Indicators (KPIs)		
<ul style="list-style-type: none"> • Reduction in time that newcomers are seeking employment in the region. • Number of businesses who have implemented DEI measures. 		



Achieving Excellence: Executing for Optimal Results

Implementing the objectives and actions contained in this talent plan requires a collaborative approach that promotes collective impact towards a shared vision. To achieve successful labour market alignment will take desire, a boldness to push boundaries, and dedicated effort of all in the workforce ecosystem to be accountable.

Achieving Excellence

To achieve successful implementation, the Strategy Working Group needs to consider the following:

- Leadership and commitment provided by the Strategy Working Group that clarifies roles of partners and develops a shared commitment and buy-in from workforce ecosystem stakeholders including education and training institutions, workforce partners and intermediaries, employers, and municipal, provincial, and the federal government.
- Working partnerships among the workforce ecosystem stakeholders that supports and advances the implementation of the talent plan through collaboration, knowledge sharing, and working toward a common goal.
- Ongoing coordination and monitoring of initiatives, key performance indicators, and the talent plans overall impact on the workforce ecosystem.
- Procure additional funding to implement strategic initiatives that have been outlined in this talent plan.

Workforce ecosystem partners all have a role in supporting the labour market in the Waterloo region. A partner's specific role will of course depend on their service offerings and their current mandate. Below is a list of primary partners who have a role to play in implementation of the talent plan.

- University of Waterloo
- Wilfred Laurier University
- Conestoga College
- Workforce Planning Board of Waterloo Wellington Dufferin
- Immigration Partnership
- Waterloo EDC
- YMCA of Three Rivers
- Employment and social services in the region (e.g., Lutherwood Employment Services, The Working Centre)
- Economic Development Offices of regional municipalities

The workforce ecosystem in Waterloo region has a strong collection of partners from which expertise and experience can be shared. It is vital to utilize connections within the ecosystem to further develop a 'strength in numbers' approach as opposed to taking on challenges singlehandedly without engaging in the resources available. It is essential for partners to utilize the strengths of the workforce ecosystem to prevent duplication of work and maximize the impact of local and regional initiatives. Sharing opportunities and information between partners can support increasingly positive impacts on the local labour market and further highlight the unique advantages of Waterloo region.

Monitoring progress of this talent plan and future actions identified is crucial to this plan's overall success. Keeping track of actions and their status internally and with partners creates a sense of accountability and can identify areas where additional resources are required for successful implementation. This process of continuous improvement and keeping the region and its partners accountable will support the Strategy Working Group in creating an environment that is attractive to new talent and creates a sense of belonging from newcomers.

While actions identified in this talent plan identify initial desired outcomes, ongoing future conversations with partners will almost certainly uncover new actions that should be taken in conjunction with this plan. In the spirit of a culture of continuous improvement, new goals and actions should be actionable and have a clear outline of what success looks like. This includes setting specific benchmarks and identifying the required resources to bring the desired outcome to fruition.

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PHASE ONE

SUMMARY REPORT

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INTRODUCTION

In the creation of a new economic development strategy, Waterloo Region is seeking to identify growth priorities that reflect current and future economic opportunities that can be accomplished collectively. We believe that such an objective must consider the rise in newcomers calling Waterloo Region home. In the words of Jeffrey MacDonald, a spokesperson for Immigration, Refugees and Citizenship Canada, "Increased immigration means more people in our workforce, contributing to our social programs and growing our communities." This means that the cultural makeup of Waterloo Region is rapidly changing, which provides a unique opportunity for different perspectives, and forward-thinking practices. The creation of a strategic plan is one of these practices.

It is often the case that when such strategic initiatives take place, and consultation occurs, racialized and cultural communities are excluded and underrepresented. For this reason we sought to provide facilitation experiences that were not simply about extracting data from participants, but inviting them into acts of co-creation.

Three sessions were held in 2023: Cambridge (Nov 26), Kitchener (Dec 6), Waterloo (Dec 15). There were 102 participants across the three gatherings and close to 1000 Post-it notes used.

FACILITATION LAYOUT

Across all three sessions our facilitation went through the following 4 movements:

1. **Who are you?** Here we asked participants to share their name, birth place, and skills/education.
2. **Empathy Map** Based on the individuals in the room, we developed a persona and asked participants explore what this “person” is *thinking, hearing, saying* and *seeing*.
3. **Value Map** With this exercise group members were asked to identify *wants, needs, pains*, while providing *solutions, pain relievers*, and articulate their desired life *experience*.
4. **Economic Ecosystem** As a final exercise, we invited people into economic ecosystem discussion, where they were asked what activities, resources, partnerships and communication channels were needed in creating a healthy and sustainable economic ecosystem in the Region of Waterloo.

INSIGHTS ON POST-ITS

Below we list (outside of names) what individuals shared. Because we value transparency, what you will read below is unaltered, uninterpreted, unedited ideas and insights shared at each session.

CAMBRIDGE NOVEMBER 26

Who are You?

Birthplace

India, Syria, Saudi Arabia, Somalia, Iran, Canada

Skills

Healthcare, cooking, chef, cleaning, teacher, warehouse manager, engineering, Arabic studies, math, technician, working with seniors, chemistry, law enforcement, electrical, soccer, digital creation, digital events, hosting shows, banking, radio, photography, videography, social media, managing online content, creating purchase orders, invoices, tendering, construction, plumbing, building, painting, Arabic literature, organize, PSW, culture, BA, sewing, fashion design

Empathy Map

Thinking

Ambition blend-in * I have come to Canada more than three months ago, I came from Iran, but my family now live in Iran, than in the first step, I hope my family will join me as soon as possible * Canada nice and kind people, high rent, challenge in finding first job * Not getting more rec programming *Feeling shy and not confident because of language barrier* Canada is a beautiful welcoming diverse group* The country is free people I feel good job * Thinking about future and employment into a career and starting a family and being happy. When this don't come through my lifestyle being bad for myself my family and friends * Homesick * I feel shame * Feel the economy is not good cost of living is unreal*People are nice really hard to find a job does the country offer jobs that align with my particular skill set, how can I find job effectively what are the best ways for job search?* I'm feeling excited* I feel bad when I don't do good at something, I dream to become a fully licensed attract electrician*

I am thinking of finding a job as a seamstress, I am worried* Maybe be a qualified teacher in Ukraine can't be teacher in Canada me needs to be qualified *How can I find the job that suits my skills? Are there job opportunities that require specific skills that I possess? What about applying to some schools to get into a teacher? *How can I find a job by using these skills if there is any job available how can I find those jobs? *Being a teacher in Ukraine is very difficult. The to have high education, but in Canada the education is easy and it is an easy job for teacher *How to reach out to community how to find high job for my skills?* I am afraid to be frustrated, I cannot find a suitable job for living. I like to find a plumber to learn plumbing or a painter*

Hearing

It is cold and depressing, education is hard, rent is expensive*The difficulty of getting a job, the expenses are crazy. Very difficult to find a house with less rent. The job seekers are focused on providing employment to women in particular jobs and people who have references* No one find a job* It's really hard to find a job, you will get a job only if you have an agency. You will have job if you have a full-time cooks *All kids are happy in school because no homework compared to Ukraine. In Ukraine school provide a lot of homework. Canada a big land * It is difficult to get job with references only we get a job nowadays* I heard that nobody here can find a job without relationship *I am helpful I am from same country I know same language *Because we speak same language I was very comfortable to hear and have information about this workshop* Most of them are getting job with reference of their friends who are here already. They see keep trying and you'll find a job prices are going up every day and employment opportunities are still low*How to do a job search how to adapt to Canada*Schoolwork now things are going their plans upcoming events and news in the world*I'm hearing that the people find hard to be hired*I heard that you can't find a job unless you know someone to help you find it *School life is very challenging with balancing jobs and family obligations*

Saying/Doing

Trying to involve in the community make connections learn new skills improving*Babysitting for neighbors children cleaning going to church cooking for church*Keep trying even if it is a rejection, never give up, do something innovative, do something that beneficial to the community*We should to work hardly and study with searching about jobs*Keep going and doing to find a job and survive. Find job search methods. Not even able to pay bills properly and to have to borrow money from friends*I am doing my best to get a job*Cold weather. Not easy to get work in your profession. Medical system in general retirement benefits*You are doing different religions and speaking a different language*."Keep on applying for jobs check for specific jobs that strongly require skills which you have get some references that can be helpful for getting jobs*Clean around the neighborhood make donation give to homeless people and donating*I'm doing my best to get a job with good salary and suitable*Me no English*Stay positive and be open to minded to new views on many different topics. How lives will be affected or changed with the world changing everyday* keep going*Family saying problems struggle*I say good luck*

Seeing

I see challenge with employment*I see resilience*I see good future*Diversity prosperity*A lot of people newcomer don't find the job rent is expensive learning English take time*Many opportunities, social media taking over everyone, judgment, people around me come and go with their own life, views individuals good or bad depending on culture or religion*Prospects, opportunity, political situation in Toronto*A new place or maybe snow*Different things and people. My neighbors, opportunities, change in growth, weather and climate change. People coming and going*Trusting friendship same origin*Age is not a barrier for work. Every sector having different people to work everybody ready to work*

*I see people are machines*There are no job opportunity even if there are they are not hiring us. It is really hard to survive in this country without a job. Since even grocery prices are going up every day*Friendly comfortable*Lots of jobs available but not getting one. Lots of students going to and fro in shops and giving resumes*I can see a lot of things that have everyone have some opportunity without gender or age difference*There are a lot of opportunity of working

Value Mapping

Wants

Keep trying you will find a right job*Relationships are very important*I think about how to study a suitable field an easy one*Welcoming people help to support*Job opportunity in the field of teaching*Help each other to climb this mountain

Pains

Requirements and qualifications*Mental health*Daycare, car transportation, demand are higher than the offers*Canadian experience if you are qualified*Homesickness*it is difficult to see people working and I'm staying at home without supporting my family *The language and cost of living* Employment service for finding job. Most employment services are just for citizens and the people who are PR or refugees and there are not employing services for work permit holders*Expensive things language afraid of taking first step* Language and rent payment in housing*Financial problems*Feeling alone scared and nervous*Language* Discrimination

Needs

Support from friends and family*Mentorship*Meet with employer have friends who support in job search more programs for kids who meet with other parents*Providing jobs*Affordable cost of living*Jobs for newcomers and support*Jobs and connection and references*Connection with other immigrants* Find a chance of job and be supported by the government*Networking*Language skills and studying specific fields* Find job, speak English, drive skills guidance help*

Pain Relievers

Transportation is a big problem in Canada and providing efficient public transportation is very important* Providing jobs that do not require high qualifications*More accessible transportation*I recently passed my track driver test I need help to find job*Integrating in the community*Childcare*Therapy and group talks* Free daycare*social circles

Solutions

Help upgrading skills to match Canadian expectations*Arranging 10 information and interviews with company people and learn name*Getting transportation*Reaching out to someone close to you and express how you feel*Employment services that they can make contact between employers and employees*The employers must accept a lot of people at their factories and make them raise up to be active and happy* Affordable housing*Job fair and grant for study or education*Good references networking* References networking, engaging with college professors so that we can know about how we could survive this situation* Free English course free day camp free trade schools, support in finding job, driving lessons* Internships and Co-op* Integration into society and study*Therapy for mental health*Offer job for English beginners with transportation and rent

Experience

Volunteer*Connected*housed*Employed

Economic Ecosystem

Key Partners

Teachers and professors*city and government*employers all levels of government*religious places
*advocacy groups*neighbors family friends*community centers*colleges universities*religious or cultural communities*banks

Key Activities

Asking about jobs*investing in social enterprises*more inclusion and diversity*learn English*listening campaign for the community*reach out to students struggling to find jobs and help them update their resumes in the Canadian way*Help update resume and cover letter*make connection with both the employers who are searching for employees and students and link them up*training*engage in the community*volunteer opportunities*workshops*language study groups*opportunities to gain experience

Key Resources

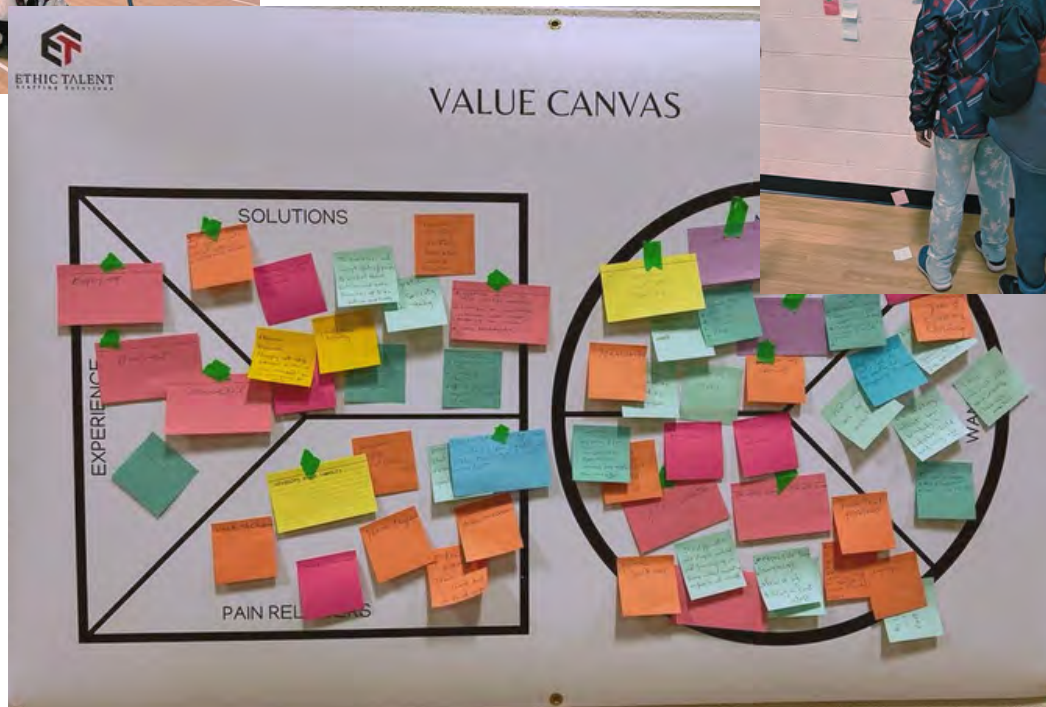
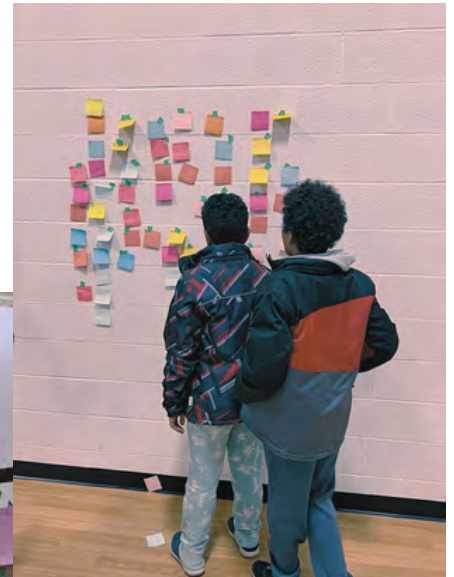
Translation*Grants*Transportation*Healthcare*free tuition*drivers license coverage*close friends and family*public transportation*language tutor*job search support*friends

Relationships

Connected with people in the community*Integrated*Climb mountain together

Communication

In person*phone call to practice English*e-mail*website*social media*text*community led advocacy*effective information sessions*reaching out to residents



KITCHENER DECEMBER 6

Who are You?

Birthplace

Ethiopia, Oklahoma, Somalia, Ontario, Kenya, England, Nigeria, Jamaica, Iraq, Ghana, Egypt

Skills

Poetry, talking, reading and writing, politics, research, BA communications, teacher, community activist, sewing, knitting, cooking, computer science, IT hardware, manufacturing, English tutoring, gender studies, indigenous studies, published author, organizing, planning, media and design, International relationships, advocacy, community building, masters degree computer engineering, listening, immigration consultants, editor, medical office assistant, PSW, paralegal, library science.

Empathy Map

Thinking

Hopeful*getting a job based on my education and background*frustrated, not happy, do not know what to do*shouldn't need to go back to school*I have highly skilled training and education if I could be able to get a job because I'm qualified*earning enough income to support my lifestyle*confused*find a job that fits existing skills*will qualifications be accepted?*Can I write a resume*safety community, food, a new learning about the system, mentor needed*belonging and security*language, belonging, safe place, community, finding the right resources*optimistic, excited to be included, find mentors*languages may not include English*confusion*overwhelmed

Hearing

You cannot do*you don't have Canadian experience*not qualified*Work is hard to get*good work and pay in your field and supportive job it's impossible*Canada lied*you have too much education*you don't have the qualifications*I'm hearing a lot of confusing things good and bad*Canada wants you*tough job market*you lack Canadian experience*trouble navigating industry and sector*getting access opportunities on people*Canada is hard*go back to country*you don't have enough qualifications*you need to retrain*Canada is friendly*go look for a job*you are overqualified*your experience is not realized here go back home*your education is worth nothing*you don't have Canadian experience*you're taking Canadian jobs*you won't take my resume because I don't have references or experience*you don't have Canadian experience*you don't have Canadian qualifications or experience *work hard and you can have this too*my resume is not canadian enough

Seeing

An inclusive workplace with opportunities to grow*community supports and finding something you need *community supports and recognition*people with similar social status*stability and enough income to meet needs a good job in this society a better life*Potential meaningful employment*belonging health*different people interacting in the park*leadership workshops*coffee houses*summer and being *outside*free services

Saying/Doing

I've become invisible*I hate it here, I should go back home*I doubt myself, regret*when I landed I thought I am in heaven, after many years I taught myself I made a mistake by coming to Canada*They're both optimistic and negative*I don't know this*depressed no one wants to give me a chance*I want to go back home*wish I had info before I came*imposter syndrome frustration, I can't get the right information*I'm doing good and bad depending on the information*I didn't expect this*I want to go home*I'm working hard*I'm worried about survival no food no jobs housing and people aren't welcoming*I feel stressed *I must make it better for my children*I'm trying to network*not enough support for my basic needs I don't have enough money to upgrade my skills

Value Mapping

Wants

Better life, education, build family*my job*home, food, education, money, health*belonging*a thriving family*respect, green space, no more intrusion of agriculture and nature*survival*encouragement and hope
*couple of opportunities and chances to progress*respect*mental health support ,mentorship, balance in life, affordable housing*affordable and safe housing*cultural foods*affordable spaces*connection*better rental system*transit*one stop shop support system*supportive jobs that pay*training*newcomer app that supports needs

Pains

Lack of specialized individual supports*communication barriers*missing loved ones*no transportation*racism, ignorance about other countries*inability to get qualifications recognized*discrimination
*lack of value or worth*the loss of family*housing*wage barriers*weather*culturally shook*food costs
*discrimination*misinterpreting the culture*not enough jobs*xenophobia*No safe access to food or cultural space*unsafe housing*not been able to network*not knowing where to start*understanding the new culture
*don't speak good English*having to study again*work long hours*don't have enough time with family

Needs

Equitable processes*Affordable training that qualifies you for your profession*mentorship money housing
*community support*free training and counseling*training and education*good job opportunity
*money*good home safety and security

Pain Relievers

The education around the local labor market*lower cost of living*one-on-one support from a mentor
*access to affordable mental health support*community events*good child care/family ESL support
*more community events to meet more people*Opportunity to gather with others in your culture
*mentorship programs*more employers willing to hire newcomers*give me support*a foot in the door
*meaningful connection with someone in the field*a form of community participation*more specific transit
*based on the population*networking*free tickets to get home*mentorship*systems navigator*equal treatments*help from people around you*culturally relevant settlement services*programs at community centers*scholarships are funding*training and networking*form mainstream of newcomers value

Solutions

Implementation of laws and policies*Reduce bus sizes and open up more lines and destinations
*networking events for newcomers*accessible community and public housing*formal industry sector
*mentorship programs*grassroots public participation*cross cultural events and networking
*subsidies for housing transit food and work*proper support on resumes*education for Canadians and white immigration matters*federal government needs to talk to provinces so immigrants are not given false promises*lowering rents dependent on income*creating jobs based on newcomers unique skills
*efficient public transit*education for Canadian employers*Remove need for credit checks to rent the house
*The fill promises*Provide opportunities for government to come and listen to the community*Services go into community centers to listen and learn*creating opportunities for a connection to be made between newcomers and citizens*listen to the community*proper support one-on-one coaching on employment
*protection

Experience

*Belonging *Safe peaceful and connected*Supported*Community proud*Wanted* Valued*Safety and hope
*Satisfaction prosperity well-being and health*Psychological safety*No stress*Feeling over the moon
satisfied hopeful relaxed with needs met*Feeling happy*Confidence *Joy*giving back*Build
community*Joyful *Hopeful*Accepted and recognized

Economic Ecosystem

Key Partners

Immigration Services*Employers*community leaders*faith leaders*universities

Key Activities

Coffee houses*events where you could bring families*summer outdoor events*bring different people
together in parks*lists of free services*mentorship training and networking

Key Resources

Mentorship programs from businesses, governments for both adults and young*training programs
*a list of in demand skills in the KW region*unrestricted funds for grassroots organizations*computers
*transportation*access to sports

Relationships

Socialize with others in an outside cultural group*family*supported

Communication

E-mail*word of mouth*social media*LinkedIn*phone call*cultural WhatsApp group



WATERLOO DECEMBER

Who are You?

Birthplace

Ethiopia, Uganda, Kitchener, Ibadan Nigeria, Ontario, Syria, Canada, Trinidad West Indies, Ottawa, India, England, Senegal, Vancouver, Nigeria, Somalia

Skills

Accountant, religion teacher, research, teaching, reading, writing, training, mathematics, running, singing, organization, master of engineering, entrepreneurship, innovation, community builder, organizational skills, medicine, community engagement, analysis, multitasking, graphic designer, people skills, artist, planning, enthusiasm, professor, manipulating data, speaking Arabic, community connector, project management, community programming, community mobilizing, microbiologist, coordination, cooking, sewing, advocacy, communications, in ministration

Empathy Map

Thinking

Dream is to have a house and live happily with my family**Misunderstood***Not confident yet with the culture***Isolation for most everything unfamiliar to me***Frustrated with the complexity of the various systems***The sense of belonging***Not welcome***Change the system so that no one rely on food bank***Feeling overwhelmed due to the inability to navigate the complexities of family life balance and career advancement***It motivates when I see people are talking about people in community***Baffled by health systems***Alone***Feeling rejected due to race and accent***Sorrows since skills are not valued***worry of the unknown***she always feels happy... for most of the time, she doesn't like when no one listens to her, she hopes to have the greatest IQ in the world***difficulty of adjusting***Building network***Will I get a job or career that matches my skills***Education system was difficult to understand***Lost***Safety for my family***Teaching religion makes them feel good***Will I be accepted and welcome***Support systems***Meaningful opportunities***Confused navigating around***How do I find employment?***Where do I find my community?***Want to live a good life***How do I get around?***Watch***I think that she hopes to reach her full potential. Maybe she wants to make someone proud or something***feel bad to see homeless people***I think she feels happy***Trying to belong to the community***Confused about navigating the new system***The language is hard to be learned***Wanted you to be good example for kids***She's feeling good she is hoping to run*

Hearing

Need help**How they are valued***You are my friend***Pressure to follow a preferred career***No time to socialize more traffic in the region crime rate in the region increase in cost of living***She hears some racist things... but that doesn't stop her. She trains every day to get better at her favorite sport, soccer because she wants the whole school know that even if she's Indian she's amazing.***She hears unencouragement***Friends are getting busier every day due to workload***a lot of Google search and LinkedIn learning***you have to have the Canadian experience***it is difficult to find jobs***you need to change***you have to introduce yourself to the community***you have to be a volunteer to get a job***you need to get Canada education***you need to fit in more***we have to make too many accommodation***wanting too much hand holding***they are being needy***never felt appreciated***Knowledge from friends community and media***they socialize with people from their cultures through events analyzed by the group***what I hear is not what I see***no I don't feel appreciated and awards to my profession***kindness***Language barrier***money is hard to make***hopelessness***they hear there are job opportunities and ways to earn money but are unsure how to get into the labor market.*

Seeing

Snow**People who are different***potential***Different culture***Ambition***Fear***Big businesses, multinationals, McDonald's, Tim horton's, no local businesses small family shops***Consumerism*

*Diverse backgrounds*No people*Concrete no green space*Only English*Traffic homeless people construction *more people of different backgrounds*She sees the trees cut down littering and she has to do something about it she has lots of goals*Urban environment streets and buildings*Falling standards *They see that the dominant religion is different but there are still many people of their background*youth *At times overt racism* Homelessness in the region*subtle racism*difference*connection*volunteering*clothes related to original country

*importance of community to welcome us*fear of unknown*inequalities all around*rising disparity*Canada hockey

*advertisement doesn't reflect the diverse community live in*beauty of the region gradually eroding away

Saying/Doing

Government action plan for housing, mortgage rates, higher rent, government support for newcomers.

*Seeking grocery store market stalls*They talked about better job opportunities*wanting to preserve culture of life family and religious values while also succeeding in Canada and Waterloo*what can I help you with

*I walk in the park*I need opportunities to start*Disconnected*go to school*I feel that I am alone here

*why I come*ambitious*watching Netflix*daytime routine, school runs work, spend evenings with family, and the circle continues*Dislike winter cold and lonely*Lonely

Value Mapping

Wants

They want their voice to be heard related to politic*to be well fed*life with no discrimination *peace and security*a community*diverse events*fund for opening their businesses*jobs to raise children that are good citizens to get along with people they don't look like*better jobs*to feel included*opportunities

*employment*careers that match their skills*jobs*affordable housing *training*seen*opportunity*valued *people who look like me to come help others in their community e.g. Somalis helping Somalis*wants to be able to send kids the postsecondary school*jobs with opportunities for advancement*more knowledge about government support*appreciated

Pains

Being neglected in the system*cost of living*feelings of not belonging*networking*skills*funding for businesses*language barrier*accessibility to support*housing crisis*language*the Canadian history related to work*degree*training*lack of support*transportation*isolation*financing*language*networking*lack of information

Needs

Belong*Heard*safe transportation*safe*food*fix housing issue *information *opportunities *safety *socializing with like minded people*equity*housing*education*entertainment*diversity*guidance*safe places to engage

Pain Relievers

Create event which all communities celebrate their culture and feel belong and respect*funding for *community ideas*exercise *talk to community*needs assessment*community hubs with information *free education costs*business networking*change in policies*language training*community programs *community funding*children's programming*buddy to provide advice*network*library services*support *funding*safe spaces for kids*spaces to interact

Solutions

Resources*better public transit extended routes*amend land use act*information*community safety training*list of doctors accepting patients*website to store problems*food donation*employment training *free transit*community organizations helped the community by workshops and one-on-one support *celebrate the diverse*repurpose existed vacant building

Experience

Fulfilling life*a sense of realization*contentment*sense of fulfillment*sense of belonging*being part of a community*supportive*belongings*safe biking lanes*find a job*time to enjoy*better community*happy life
*feeling accomplished*supported*fulfilling*engaging*connected*warm*free or low cost activities
*Acknowledge the community members*keep the word build the community*make sure the community doesn't need to run from the community*ethical*transparency

Economic Ecosystem

Key Partners

Cultural leaders*religious leaders*university*community organizations*neighborhood associations
*schools*field experts*implementing new policies with cities*small businesses need to be supported*Diverse school board that bring relation*regional governments and provincial*all tiers of governments*cultural leaders officials

Key Activities

Building trusts around the community*family and community oriented business with diversity*small business support focus*access to space*neighborhood building

Key Resources

Experts in different fields*Information Center*human capital*community oriented services*expertise in different areas*money since life is expensive*translators*programs to eliminate isolation with grassroots movement funding*systems in place for humans not machines*gifts & skills*schools teachers do not reflect
*keep promises by policymakers*library services*accessible activities*easy to participate activities
*research is to be excessive for low income families*stigma around free programs*services should not require money*free community based programs regular people contribute and give back*human centric systems instead of corporate and for profit*translator is an info center experts from different areas
*recreational services shouldn't entitle people as needy if they can't afford the resources they are place for youth and kids*Mentorship by community members*accessibility by community. Community needs to be reflected*access to space for community how do policymakers keep the community in mind

Relationships

Community level*gathering with others*events

Communication

E-mail*information gatherings*



HIGH-LEVEL CLOUD

As another step in capturing content, the team at Ethic Talent created a word-cloud to draw out and display the most prominent words and themes written on 1000 Post-Its.



THINGS TO EXPLORE

- 📍 **Mentorship & Networking**
- 📍 **Ways religious groups and leaders can contribute to the economic development conversation.**
- 📍 **Newcomer mental health resources**
- 📍 **Economics on a neighbourhood level**
- 📍 **Asset-Map that inventories the economic and talent building resources in the Region.**



NEXT STEPS

- 📍 **Interview Cultural/Newcomer Business owners.**
- 📍 **Create a draft report and present it to the community during at a Celebration**
- 📍 **Create final report with recommendations**



FINAL REPORT

PREPARED FOR

Economic Development
Region of Waterloo

PREPARED BY

Ethic Talent



INTRODUCTION

In the creation of a new economic development strategy, partners within Waterloo Region are seeking to identify growth priorities that reflect current and future economic opportunities that can be accomplished collectively. It is believed that such an objective must consider the rise in newcomers call Waterloo Region home. In the words of Jeffrey MacDonald, a spokesperson for Immigration, Refugees and Citizenship Canada, "Increased immigration means more people in our workforce contributing to our social programs and growing our communities." The cultural makeup of Waterloo Region is rapidly changing, which provides a unique opportunity for different perspectives and forward-thinking practices. The creation of a strategic plan is one of these practices.

It is often the case that when such strategic initiatives take place, and consultation occurs, racialized and cultural communities are excluded and underrepresented. For this reason aim was to provide facilitation experiences that were not simply about extracting data from participants, but inviting them into acts of co-creation.

With a focus on talent, business development and entrepreneurship among cultural and newcomer communities, Ethic Talent held four facilitated gatherings with a total of over 200 people in attendance. In addition, using an ethnographic approach, Ethic Talent conducted 10 semi-structured interviews with cultural & minority business owners.



PHASE 1

In Phase 1 three sessions were held in in 2023: Cambridge (Nov 26), Kitchener (Dec 6), Waterloo (Dec 15). There were 102 participants across the three gatherings and close to 1000 Post-it notes used.

Across all three sessions our facilitation went through the following 4 movements:

1. **Who are you?** Here we asked participants to share their name, birth place, and skills/education.
2. **Empathy Map** Based on the individuals in the room, we developed a persona and asked participants explore what this “person” is thinking, hearing, saying and seeing.
3. **Value Map** With this exercise group members were asked to identify wants, needs, pains, while providing solutions, pain relievers, and articulate their desired life experience.
4. **Economic Ecosystem** As a final exercise, we invited people into economic ecosystem discussion, where they were asked what activities, resources, partnerships and communication channels were needed in creating a healthy and sustainable economic ecosystem in the Region of Waterloo.

Here is a snippet of what was heard during the Empathy and Value Mapping exercises:



"I hate it here, I should go back home"

"Feeling shy and not confident because of language barrier"

"overwhelmed"

"mentor needed"

"I've become invisible"

"I am afraid to be frustrated"

" I feel shame"

"How to do a job search how to adapt to Canada"

"It is difficult to see people working and I'm staying at home without supporting my family"



In relation to the Economic Ecosystem piece, participants identified key partners, activities and resources. Below is a categorized version of what was shared.

Key Activities:

- Small Business Support & Investment
- Networking events
- Mentorship Programs
- Resume Writing Workshops
- Volunteer opportunities to gain experience
- Translation and language learning opportunities.
- Sharing and mapping of available resources.

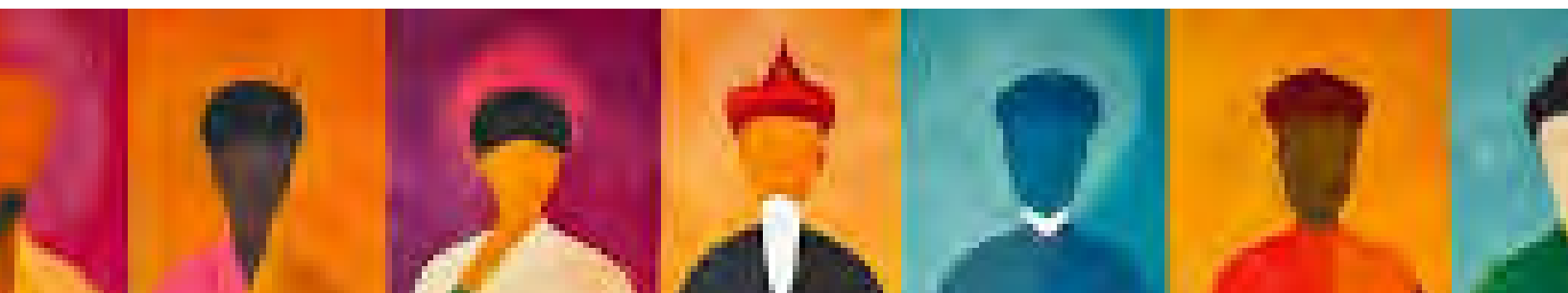
Key Resources:

- Mentors
- Friends
- Religious Organizations
- Cultural Associations
- Community Space
- Communication Channels (ex. word of mouth, WhatsApp)

Key Partners:

- Cultural leaders
- Religious leaders
- Municipalities
- Neighbours
- University
- Social Service providers

What is of note is that people identified Religious and Cultural institutions, along with Religious and Cultural leaders. These are resources and partnerships that are not often spoken of in relation to economic development.





Across the three sessions, **COMMUNITY** was a major theme. In addressing mental health, attaining employment assistance or system navigation, it was apparent that people's first line of support was their cultural or religious communities.



THINGS TO EXPLORE



[Mentorship & Networking Opportunities](#)



[Religious and Cultural groups contribution to economic development](#)



[Asset-Map that inventories the economic and talent building resources in Waterloo Region.](#)



[Mental Health Resources for newcomers](#)



PHASE 2

In phase 2 of the plan, the focus was on entrepreneurship and engaging cultural & minority businesses. Ethic Talent visited and spoke with 10 business owners from around the Region. The businesses engaged represent the following sectors: food & beverage, retail, healthcare, financial, fashion, distribution.

THE APPROACH

In engaging the 10 businesses, Ethic Talent took an ethnographic approach noting observations and conducting semi-structured interviews.

The following questions were asked:

1. Can you tell us a little bit about your business?
2. In the beginning, what or who helped in getting your business going?
3. What were some hurts or challenges you experienced in starting your business?
4. When starting your business, what are some things you wished you knew then that you know now?
5. What are your hopes for the future of your business?
6. Are you aware of any available resources that can help your business?

WHAT WE HEARD

- When starting their business owners had difficulty navigating the various municipal departments.
- Difficulty generating start-up capital.
- Difficulty paying rent during the construction phase of their business.
- Not being aware of services, or funding that could help their business.
- The need for financial assistance, marketing, networking opportunities, and self-care.

MAJOR THEME: STOREFRONT AS CENTRE OF COMMUNITY

Every business owner shared how they were engaged in activities/supports that were beyond the scope of their business, such as:

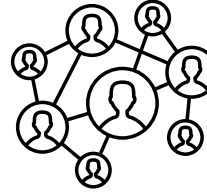
- Employment service
- Translation services
- Resource navigation
- Food subsidies
- Mental health support
- Community building
- Financial support
- Business mentorship
- Business incubation

"Real Capitalism"



Economic Capital

- GDP - How we often determine a society's well-being



Social Capital

- How we interact, the networks that we build



Human Capital

- Assets, Capacities and Abilities



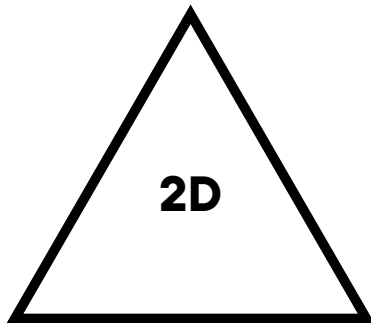
Natural Capital

- Nature, ecosystems, natural resources

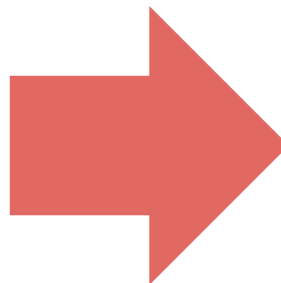
Through the facilitated sessions, and semi-structured interviews, we recognized that participants were not solely focused on economic capital, but were actively committed to building and sustaining other forms of capital, as they sought health and wellbeing not only for themselves but for others.

2D TO 3D

GOVERNMENT



SOCIAL SERVICES



When dealing with economic or social issues, or when engaging in economic or community development, we often take a 2D approach. Here we look to government and social services to develop policies, offer funding, and develop programs to help address societal needs. What emerged in our consultations is a 3D model, where the community is the primary actor that looks to social services and government to amplify their efforts.



The communities that we engaged took on the following [functions](#):

**Enabling Health
Assuring Security
Stewarding Ecology
Shaping Local Economies
Contributing to Local Food Production
Raising our Children
Co-creating Care**

PHASE 3

In Phase 3 we held a final gathering and shared our findings from Phase 1 & 2. After sharing we welcomed participant input by asking the following question:

What can the community continue to do with outside support?

“Connect before you collect”

- Connect to mentors
- Networking opportunities
- Knowledge sharing
- Opportunities for storytelling
- Community ambassadors that are compensated for their time



- Continue to invest in social capital
- New business rent subsidies
- Opportunities for storytelling
- Micro-lending
- Explore alternative funding models
- Community formed partnerships to provide funding
- Support newcomer women in developing businesses
- Land trusts





- Small business classes
- Develop case studies to learn, develop and build processes
- Translation services
- Publicizing and translating municipal policies and procedures
- Translate contracts into multiple languages
- Educate employers about programs and services and funding that are available that can help them hire employees
- Offer entrepreneurial classes

“Access to ...”

- Community space to gather or start business
- Technology
- Funding opportunities
- Marketing support
- Mentors
- Information

“Spread the word”

- Learning events
- Networking events
- Available support services
- Helping organizations and services
- Volunteer opportunities



RECOMMENDATIONS

- Create or identify mentorship opportunities/programs
- Develop a case study to inform and develop a culturally relevant business/entrepreneurial process or program.
- Rent subsidy for new businesses.
- Development of an Asset Map.
- Explore a community ambassador program.
- Explore Community accessible/[Community owned space](#)



ETHIC TALENT

Deloitte.



Waterloo Region Talent, Attraction, Retention, and Reskilling Plan and WREDS Facilitation and Recommendations

Survey Results

January 2024



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Business Survey Results

The focus of this mixed mode survey was to obtain critical information on local workforce attraction, development and retention capabilities from employers across the region.

Survey Objectives and Methodology

Deloitte conducted a survey amongst businesses and organizations within the Waterloo Region to understand workforce needs. Using a mix-mode methodology that leveraged computer-assisted telephone interviewing (CATI) and computer-assisted web interviewing (CAWI), Deloitte was able to gather responses to assess the challenges the business community faces along with the supports needed to address them. Respondents were screened to ensure they currently reside in Waterloo Region which includes the Cities of Cambridge, Kitchener, and Waterloo along with the Townships of North Dumfries, Wellesley, Wilmot, and Woolwich. A random sample was conducted with 250 completed surveys.

Summary of Key Findings

Access to required labour – Many employers in the Waterloo region have been experiencing difficulties accessing labour. Almost half of employers (49%) reported that required labour has become harder to access in the last year. Businesses most commonly noted that higher skilled workers were the most difficult to access, this includes occupations that require college, skilled trades, and/or university level education/training.

Satisfaction with availability of required labour – Employers were moderately satisfied with the availability of labour in the region. Among respondents, 61% were at least somewhat satisfied with the availability of required labour to support the growth and success of their business. Respondents were most satisfied with the availability of a diverse labour force (84%) and the productivity of their labour force (83%). Respondents were least satisfied with the availability of workers experienced in their industry (46%).

Employee attraction and retention – The Waterloo region was seen by employers as a good place to attract and retain workers. 79% of businesses were at least somewhat satisfied with the region as a place to attract workers. When asked about their overall satisfaction with the region as a place to retain workers, 86% of businesses were at least somewhat satisfied.

Attraction and retention priorities - Using Deloitte's proprietary derived importance methodology, it was found that the top priorities related to talent attraction were the presence of attainable housing, overall cost of living aside from housing, and local/regional marketing efforts to support talent attraction.

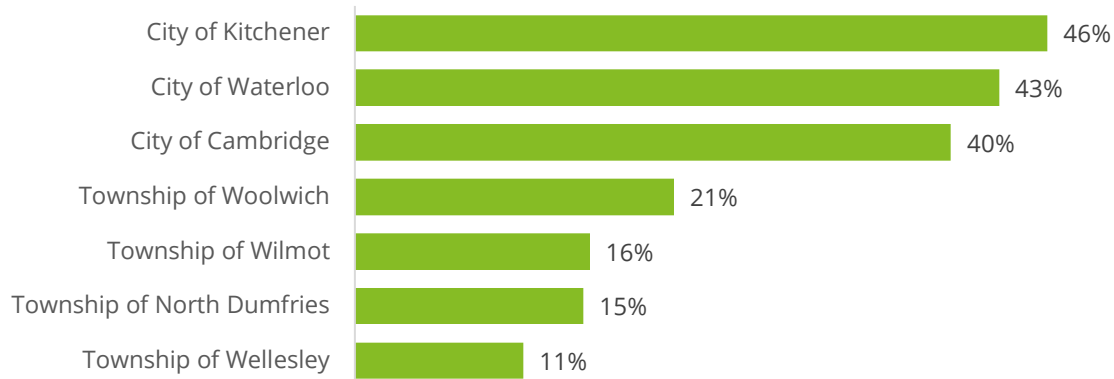
Recruitment outside of the region – Among employers, 22% reported that they directed employee recruitment efforts outside of the region in the last two years. These businesses primarily targeted their recruitment within Ontario (58%). 75% of employers at least somewhat agreed that they had been successful in hiring individuals from outside of the region.

Detailed Findings

Q1. Does your business or organization currently operate in any of the following areas within the region?

Respondents were screened to ensure businesses were operating in one of following municipalities within the Waterloo region.

Figure 1: Businesses operating within the following regions (n=250)

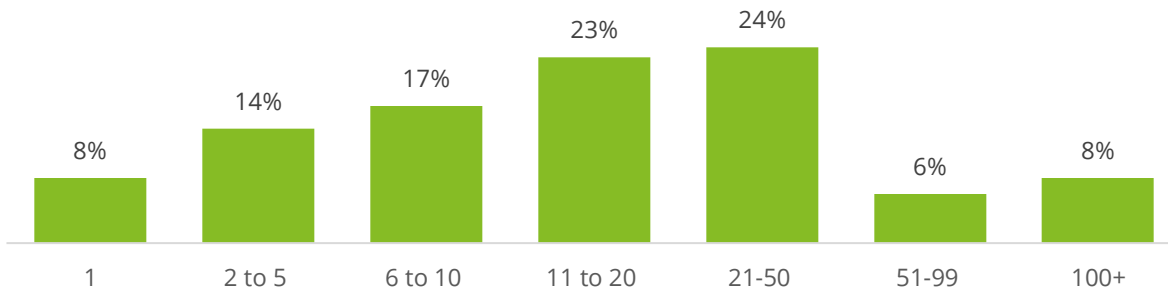


Firmographics

Q2. Including yourself, how many full-time employees (minimum of 30 hours per week) currently work at all locations within the Region of Waterloo? This would include all staff, temporary foreign workers and contractors.

The survey was able to capture businesses of various sizes within the region.

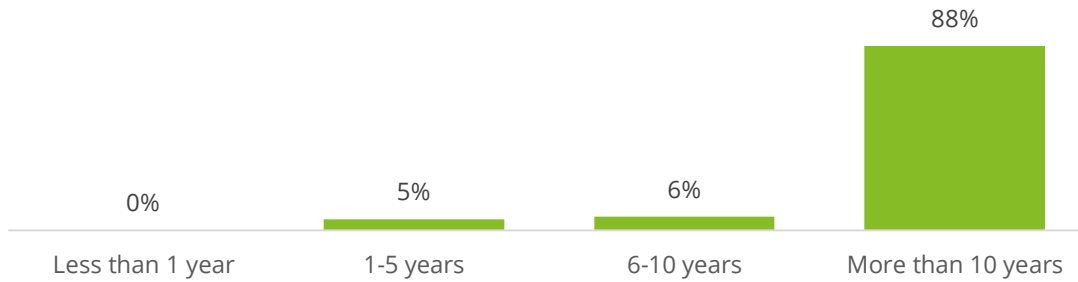
Figure 2: Number of full-time employees (n=250)



Q3. To the best of your knowledge, how long has your business/organization been operating in the region?

The vast majority of business (88%) were long-standing, having been in operation for more than 10 years.

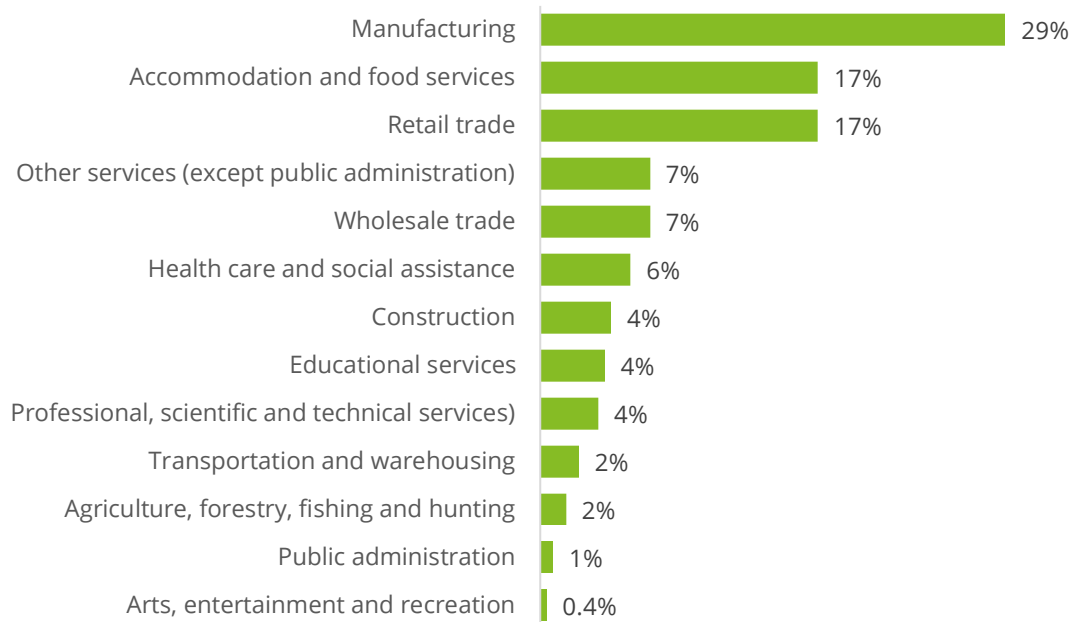
Figure 3: Years operating in the region (n=248)



Q4. Which one of the following industries best describes your organization's primary activities?

Businesses in the survey were most commonly in the manufacturing sector (29%), followed by accommodation and food services (17%), and retail trade (17%).

Figure 3: Sector (n=250)

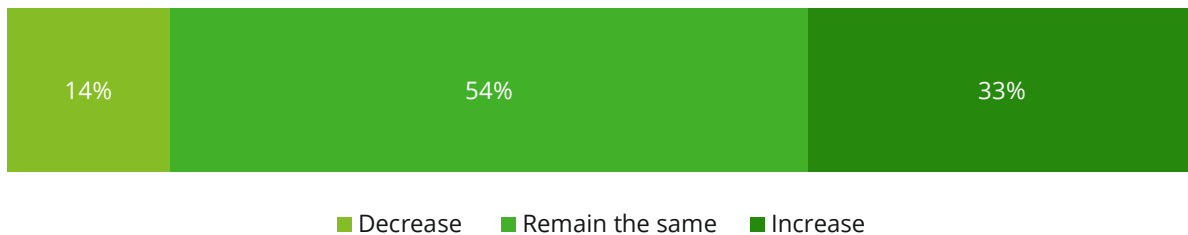


Local Labour Force Satisfaction & Hiring Patterns

Q5. Thinking about the past 12 months, did your total number of employees

Most businesses (54%) reported that their number of employees had remained the same over the past year.

Figure 4: Staffing changes in the past 12 months (n=249)



Q6. In the next 12 months, do you expect your total number of employees to

Most respondents (60%) reported that they expected their total number of employees to remain the same in the following year, while many expected their staff size to increase (34%).

Figure 5: Expected staffing changes (n=244)



Q6a. What is the main reason you expect your total number of employees to...

Respondents who were expecting an increase in their number of employees in the following year were commonly **expecting an increase in business (54%)**. 63% of businesses who expected their total number of employees to remain the same reported that this was because their current needs are being met (63%). The majority of businesses expecting a decrease reported that it was due to economic constraints (75%).

Figure 7: Reasons for expected changes in total number of employees (Open response, n=234)



Q7. Over the past 12 months, would you say required talent...

Almost half of the employers surveyed felt that the required talent for their business **had become harder to access**.

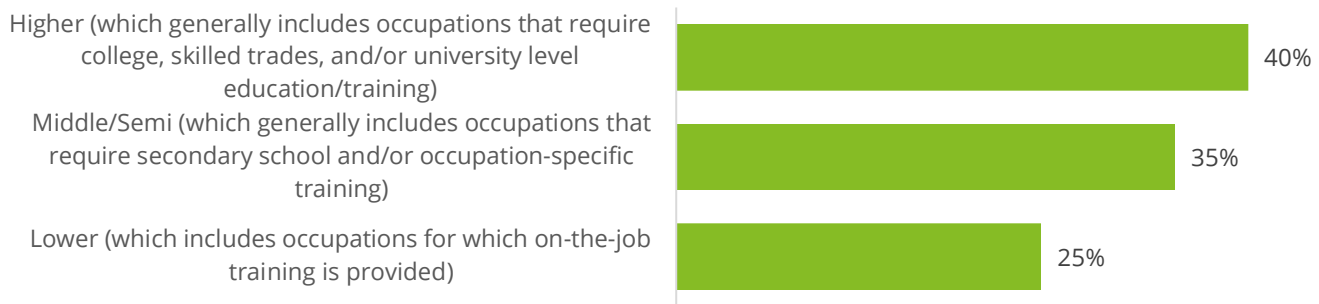
Figure 8: Access to required talent within business over past 12 months (n=244)



Q8. What skill level was most difficult to access?

Businesses who felt that required labour was more difficult to access compared to a year ago often felt that **higher skilled workers were the most difficult to access (40%)**.

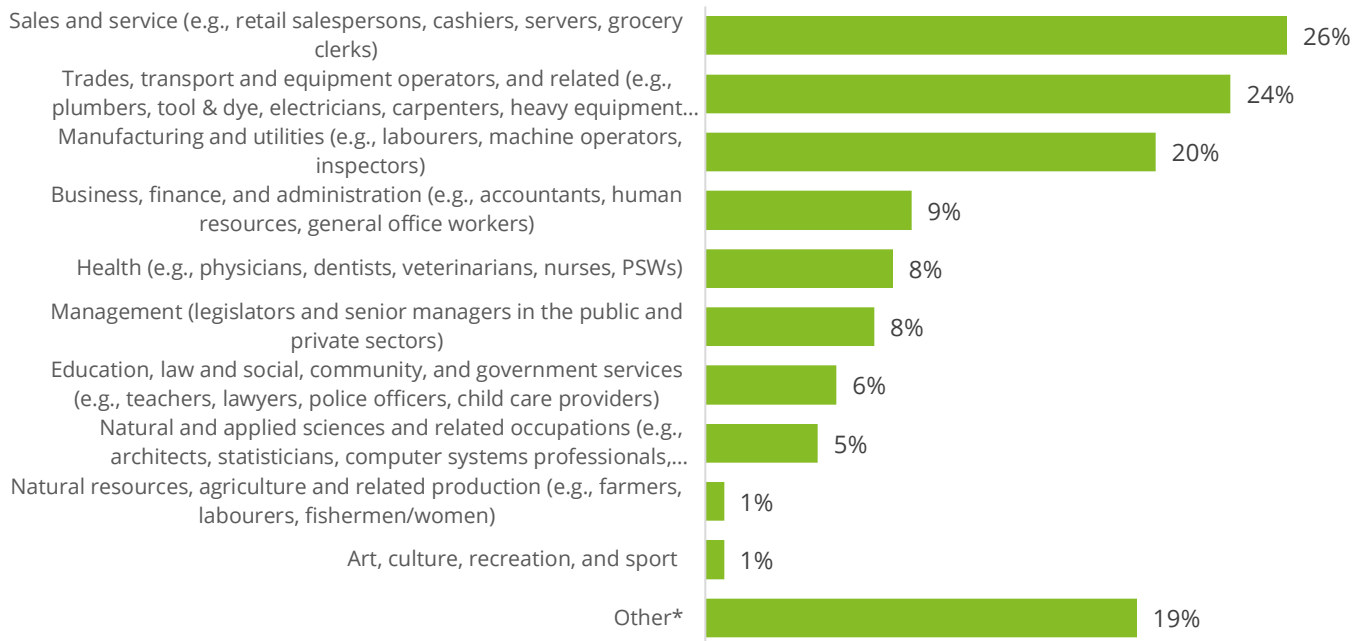
Figure 9: Skills deemed the most difficult to access (n=118)



Q9. What occupations were most difficult to access?

Businesses who felt that the required labour had become more difficult to access felt that sales and service occupations were most difficult to access (26%).

Figure 10: Occupations deemed the most difficult to access (n=117)

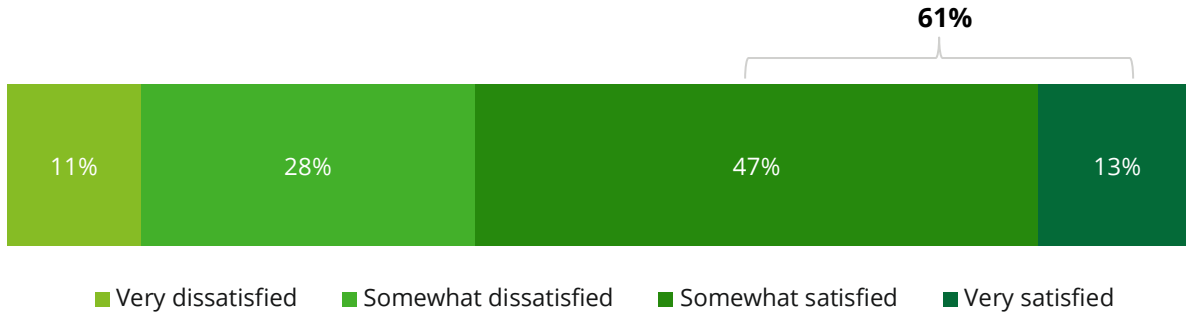


*Other responses included general labour, technical sales, skilled workers, and early childhood educators.

Q10. Overall, how satisfied are you with the availability of required labour to support the growth and success of your organization/business?

Most businesses (61%) were at least somewhat satisfied with the availability of required labour within the region to support the growth and success of their business.

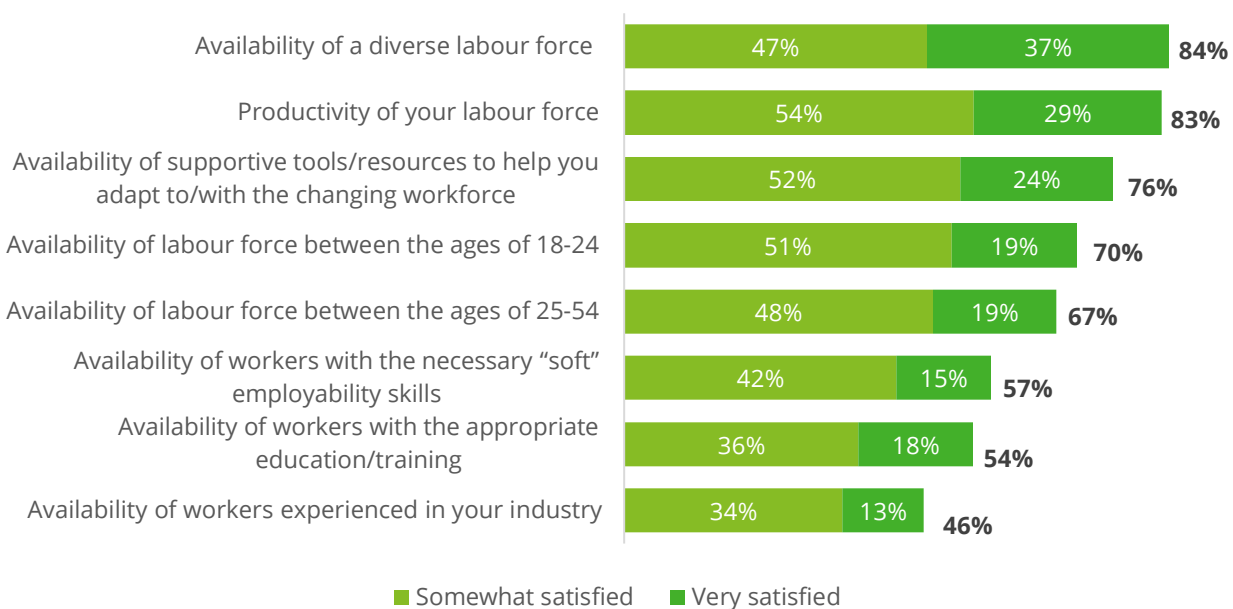
Figure 11: Satisfaction with availability of required labour to support growth and success of business (n=250)



Q11. How satisfied you are with each of the following labour force related factors. For each item, please indicate if you are: Very Satisfied, Somewhat Satisfied, Somewhat Dissatisfied or Very Dissatisfied.

Respondents were most satisfied with the availability of a diverse labour force (84%) and the productivity of their labour force (83%). Respondents were least satisfied with the availability of workers experienced in their industry (46%).

Figure 12: Satisfaction with labour force related factors (n=249)



Priority Matrix

Using respondents' satisfaction levels with labour force related factors in the region as well as their overall satisfaction, a priority matrix was created using Deloitte's proprietary derived importance methodology. The Priority Matrix consists of three metrics:

- **Performance:** The percentage of respondents who are somewhat satisfied or very satisfied with each factor.
- **Level of Importance:** A statistical measure using a machine learning algorithm to determine the strength of the relationship between the factor and their overall satisfaction with availability of required labour. Attributes with a high importance tend to matter greatly for individual's overall satisfaction. In other words, factors that are very important will have a large influence on overall satisfaction whereas factors that are not important will not have much influence on overall satisfaction.
- **Priority Rank:** This was determined for each attribute based on high levels of importance and low levels of performance. Top priorities are factors where many respondents registered low levels of satisfaction and have a high importance.

Using Deloitte's proprietary derived importance methodology, it was found that the top priorities related to the availability of required labour were the availability of workers experienced in your industry, availability of workers with the appropriate education/training, and the availability of labour force between the ages of 25-54.

Table 1: Priority Matrix

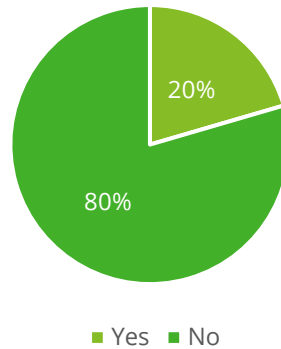
Factor	Performance	Importance	Priority Rank
Availability of workers experienced in your industry	46%	7.5	1
Availability of workers with the appropriate education/training	54%	7.5	2
Availability of labour force between the ages of 25-54	67%	9.4	3
Availability of workers with the necessary "soft" employability skills	57%	7.1	4
Availability of labour force between the ages of 18-24	70%	8.6	5
Availability of supportive tools/resources to help you adapt to/with the changing workforce	76%	6.7	6
Productivity of your labour force	83%	5.9	7
Availability of a diverse labour force	84%	6.1	8

Remote Work

Q12. Is remote work possible for your business/organization's activities?

80% of businesses reported that remote work was not possible for their organization's activities.

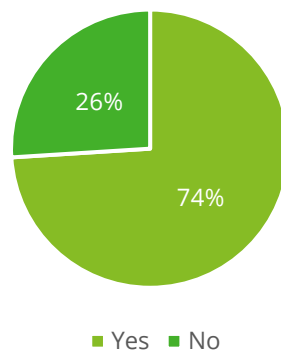
Figure 13: Possibility of remote work within the business (n=250)



Q13. Do you offer remote/hybrid work arrangements for your employees?

Among the respondents who reported that remote work was possible for their business, 74% offered remote/hybrid working arrangements for their employees.

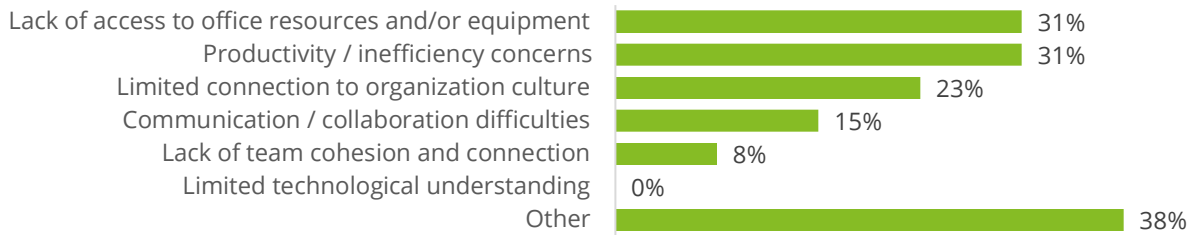
Figure 14: Availability of remote/hybrid work arrangements (n=50)



Q14. Why does your business/organization choose not to engage in remote/hybrid work options?

Individuals who did not offer remote/hybrid work arrangements despite this being possible in their business model were asked why their organization did not choose to engage in remote/hybrid work. Respondents most commonly reported the lack of access to office resources/equipment (31%) or productivity/inefficiency concerns (31%).

Figure 15: lack of remote/hybrid work engagement (n=13)

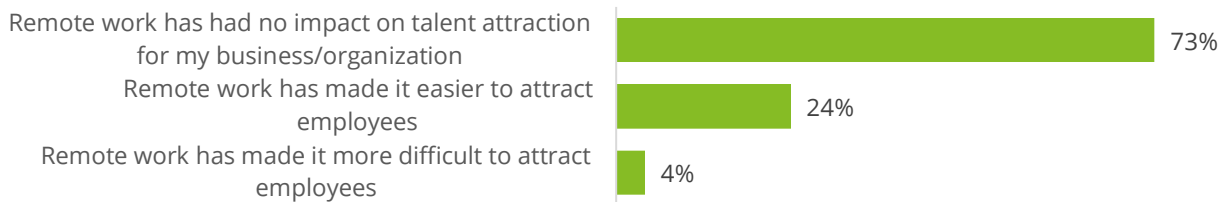


**Other responses included lack of engagement, seeing patients in person, and being a catering business.*

Q15. How has the recent shift to remote work impacted your business/organization's ability to attract employees?

Respondents who had remote/hybrid work arrangements most commonly indicated that remote work either had no impact on talent attraction for their business/organization (73%) or made it easier to attract employees (24%).

Figure 16: Ability to attract employees (n=51)



Q16. How has the recent shift to remote work impacted your business/organization’s ability to retain employees?

Most respondents who had remote work arrangements indicated that remote work had either not impacted their ability to retain employees (69%) or made it easier for them to retain employees (27%).

Figure 17: Ability to retain employees (n=51)

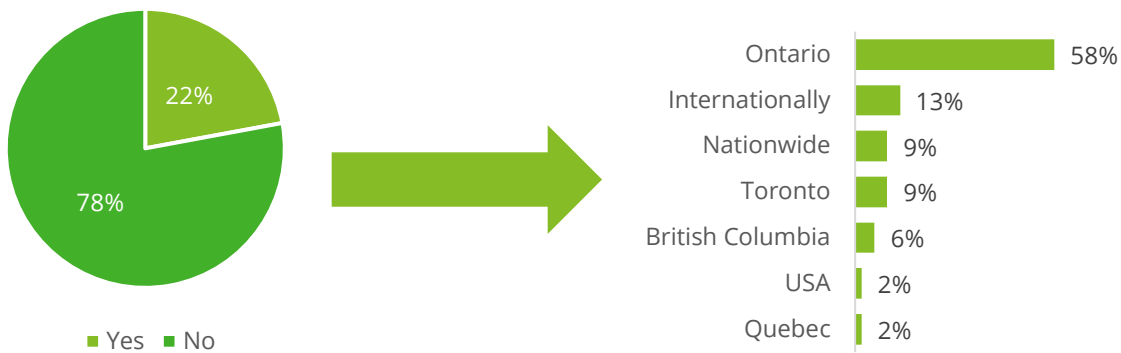


Recruitment to the Region

Q17. In the past 24 months have you directed any employee recruitment efforts outside of the region?

22% of respondents reported that they had directed employee recruitment efforts outside of the region. The majority of these employers (58%) reported that they directed their recruitment primarily within Ontario.

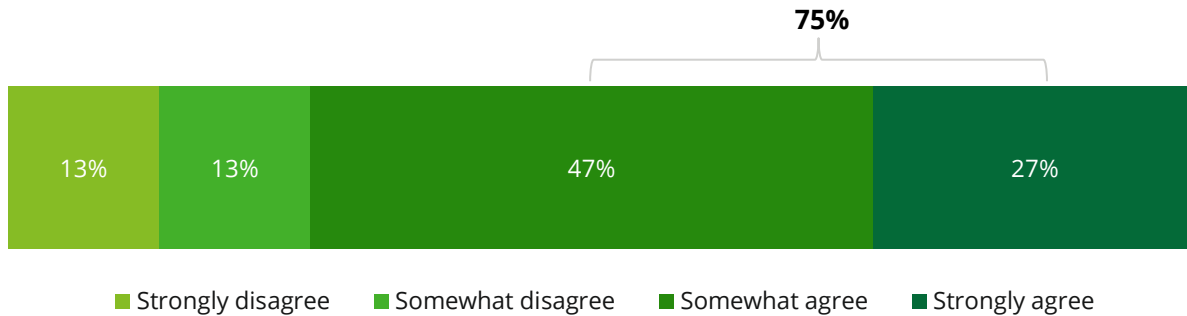
Figure 18: Employee recruitment efforts outside of the region (n=250)



Q18. Would you agree that you were successful in hiring individuals from outside of the region?

75% of businesses who have directed recruitment efforts outside of the region at least somewhat agreed that they were successful in their recruitment efforts.

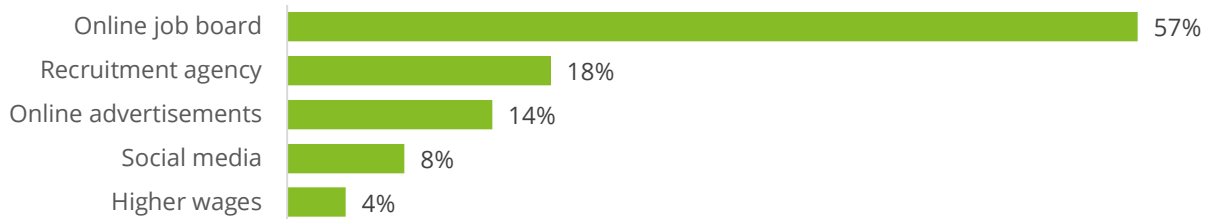
Figure 19: Success in hiring individuals from outside the region (n=55)



Q18A. Please describe the recruitment strategies you typically use to attract employees from outside the region.

Most businesses used online job boards to recruit employees from outside of the region.

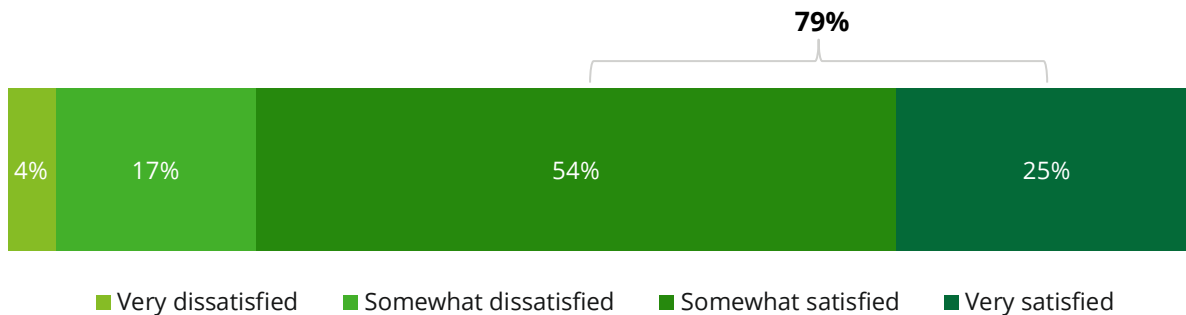
Figure 20: Recruitment strategies to attract employees outside the region (Open response, n=51)



Q19. Overall, as an employer, how satisfied are you with the region as a place to attract workers?

79% of respondents were at least somewhat satisfied with the region as a place to attract workers.

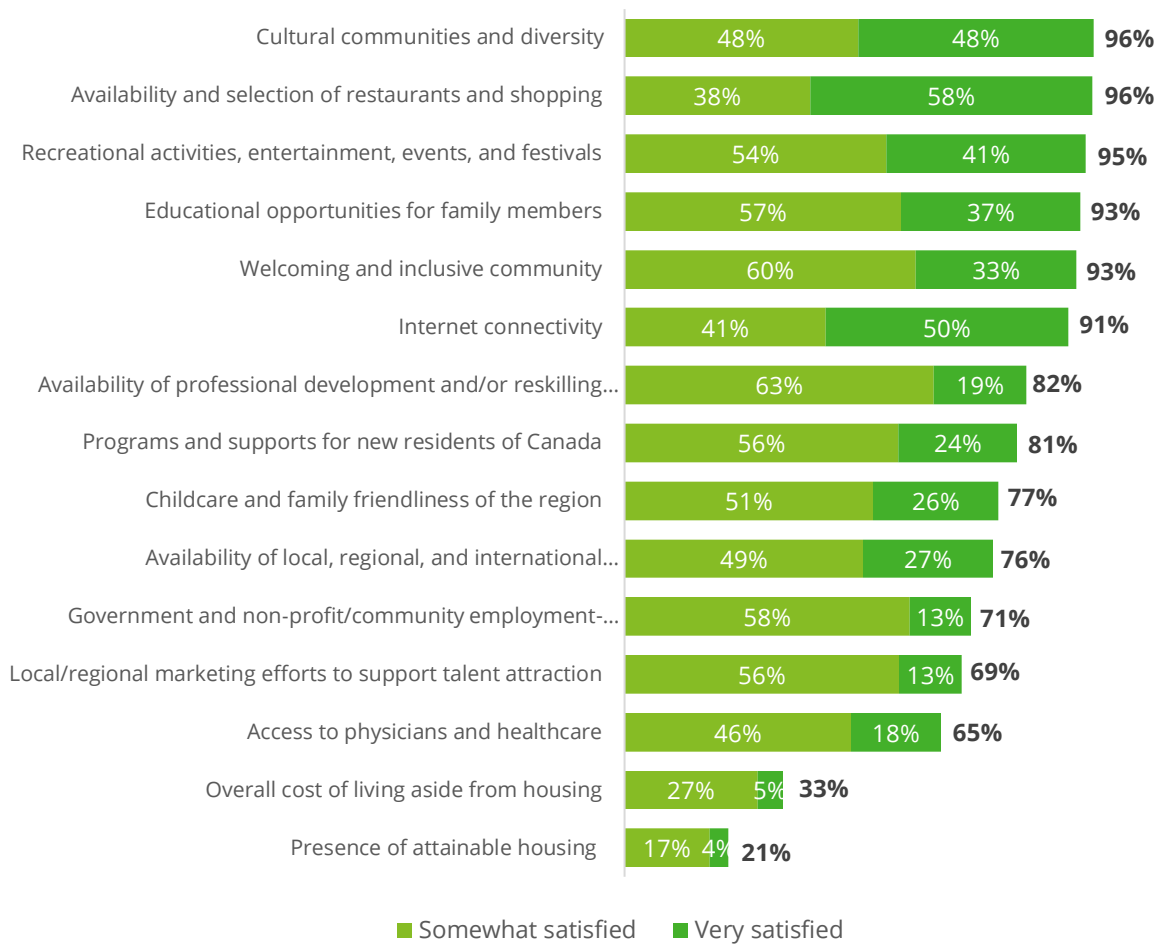
Figure 21: Satisfaction with the region as a place to attract workers (n=250)



Q20. As an employer, how satisfied are you with the following attributes of the region for attracting employees for your business/organization?

From a workforce attraction perspective, almost all respondents were satisfied with the cultural communities and diversity (96%) and the availability and selection of restaurants and shopping (96%). Respondents were least satisfied with the presence of attainable housing (21%).

Figure 22: Satisfaction with the following attributes for attracting employees (n=250)



Priority Matrix - Attraction

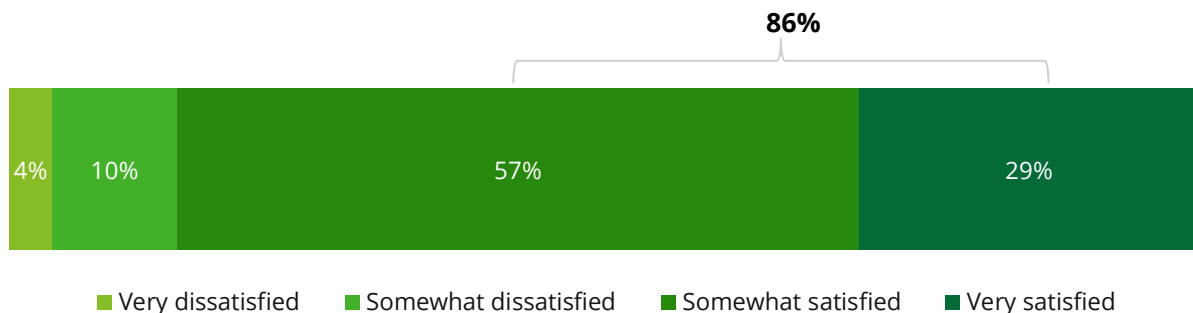
Using Deloitte’s proprietary derived importance methodology, it was found that the top priorities for employers relating to **attracting** workers to the region were the presence of attainable housing, overall cost of living aside from housing, and local/regional marketing efforts to support talent attraction. These factors showed the largest room for improvement from employers’ perspectives and were relatively higher in importance to employers.

Factor	Performance	Importance	Priority Rank
Presence of attainable housing (affordable, adequate, and available)	21%	6.7	1
Overall cost of living aside from housing (groceries, services, etc.)	33%	6.7	2
Local/regional marketing efforts to support talent attraction	69%	9.4	3
Access to physicians and healthcare	65%	7.0	4
Government and non-profit/community employment-related support services	71%	6.5	5
Programs and supports for new residents of Canada	81%	9.2	6
Availability of local, regional, and international transportation options and accessibility from other areas	76%	7.0	7
Availability of professional development and/or reskilling opportunities for employees through local education/training providers	82%	9.2	8
Childcare and family friendliness of the region	77%	6.5	9
Internet connectivity	91%	6.2	10
Welcoming and inclusive community	93%	5.5	11
Educational opportunities for family members	93%	6.0	12
Recreational activities, entertainment, events, and festivals	95%	6.0	13
Availability and selection of restaurants and shopping	96%	5.0	14
Cultural communities and diversity	96%	5.2	15

Q21. Overall, as an employer, how satisfied are you with the region as a place to retain workers?

The vast majority of employers (86%) were satisfied with the region as a place to retain workers.

Figure 23: Satisfaction with region as a place to retain workers (n=250)



Q22. As an employer, how satisfied are you with the following attributes of the region for retaining employees for your business/organization?

From a worker retention perspective, almost all respondents were satisfied with the cultural communities and diversity (97%) and the availability and selection of restaurants and shopping (96%) for retaining employees.

Figure 24: Satisfaction with attributes for retaining employees for business/organization (n=250)



Priority Matrix - Retention

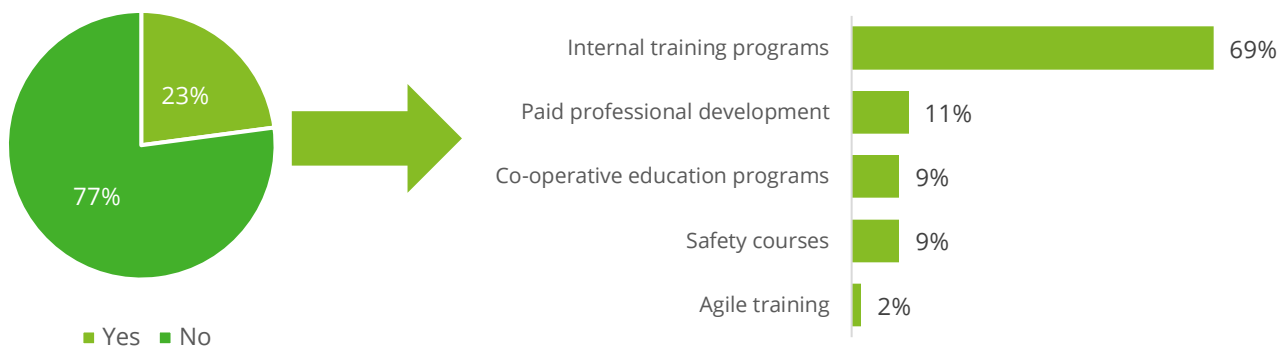
Using Deloitte’s proprietary derived importance methodology, it was found that the top priorities for employers related to employee **retention** were the presence of attainable housing, overall cost of living aside from housing, and access to physicians and healthcare.

Factor	Performance	Importance	Priority Rank
Presence of attainable housing (affordable, adequate, and available)	27%	6.2	1
Overall cost of living aside from housing (groceries, services, etc.)	34%	6.0	2
Access to physicians and healthcare	61%	7.4	3
Childcare and family friendliness of the region	77%	9.4	4
Government and non-profit/community employment-related support services	77%	7.4	5
Availability of local, regional, and international transportation options (e.g., airport, LRT, GO) and accessibility from other areas	81%	6.7	6
Availability of professional development and/or reskilling opportunities for employees through local education/training providers	87%	8.5	7
Programs and supports for new residents of Canada	85%	6.5	8
Internet connectivity	89%	6.2	9
Educational opportunities for family members	93%	5.8	10
Recreational activities, entertainment, events, and festivals	94%	6.2	11
Welcoming and inclusive community	94%	5.6	12
Availability and selection of restaurants and shopping	96%	5.3	13
Cultural communities and diversity	97%	5.8	14

Q23. Have you used or developed any reskilling programs for your workers?

23% of respondents had developed or used any reskilling programs, the majority of which were internal training programs.

Figure 25: Use/development of reskilling programs for workers (n=250)



Workforce Survey Results

Survey Objectives and Methodology

Deloitte conducted a survey to understand the needs of the local workforce and challenges they have experienced in the Waterloo Region. The survey was conducted via panel methodology and ran from October 24th to November 1st, 2023, resulting in 200 demographically represented completed surveys. Additionally, an open-link survey was distributed by Waterloo Region, which resulted in 153 completed surveys.

Summary of Key Findings

Job Seekers – 17% of respondents who participated in the survey indicated that they were not currently working. Among those respondents, 37% reported that they were not currently searching for work, commonly noting that this was due to childcare/family responsibilities (30%).

Overall Satisfaction - The vast majority of respondents (87%) were somewhat satisfied or very satisfied with the region as a place to work. Respondents had the highest levels of satisfaction with the following attributes of the labour market: the safe and respectful work environment (82%), the suitable jobs in their chosen trade or profession (80%), and job security (80%). Respondents expressed the lowest levels of satisfaction with the pay and compensation standards in the region, with only 60% reporting that they were satisfied.

Top Priorities - Using Deloitte's proprietary derived importance methodology, it was found that the top priorities for improvement from a workforce perspective were the **accessibility of the region from other areas, adequate pay/compensation, and commute times.**

Career Progression – 20% of respondents strongly agreed that the regional employers in their chosen trade/industry provide opportunities for career progression within their field, with 51% who somewhat agreed suggesting some room for improvement in this area.

Likelihood to Relocate Outside of the Region – 43% of respondents mentioned they would be at least somewhat likely to relocate outside the region to secure employment in their field of interest. 27% of respondents reported that they would not move even for employment opportunities. Among the respondents who were likely to move outside of the region for employment, 45% cited better wages as the primary potential reason.

Barriers to Employment - The biggest challenges to working in the region expressed by the workforce were age (too old), with 37% of respondents citing this a barrier. Additionally, 27% of respondents felt that a lack of related work experience was a challenge.

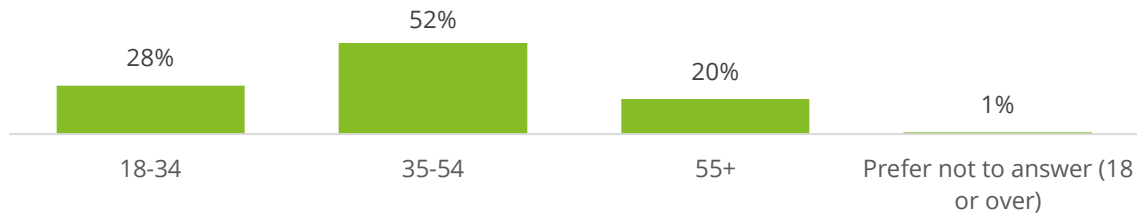
Achieving employment Goals – Labour force participants felt that skills training and/or reskilling programs (27%) would be most helpful to achieving their employment goals, followed by access to labour market opportunities (22%) and networking opportunities (21%).

Detailed Findings

Q1. Please select your age group:

Respondents were screened to ensure they were over the age of 18.

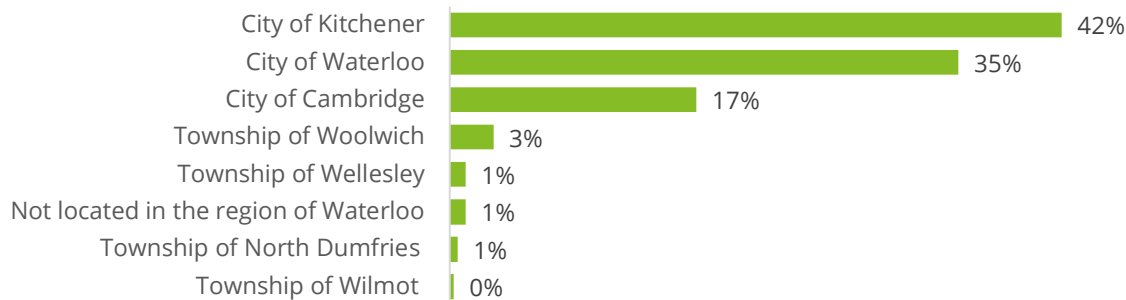
Figure 6: Age (n=366)



Q2. Where do you currently live?

Respondents most commonly lived in the City of Kitchener (42%) or the City of Waterloo (35%).

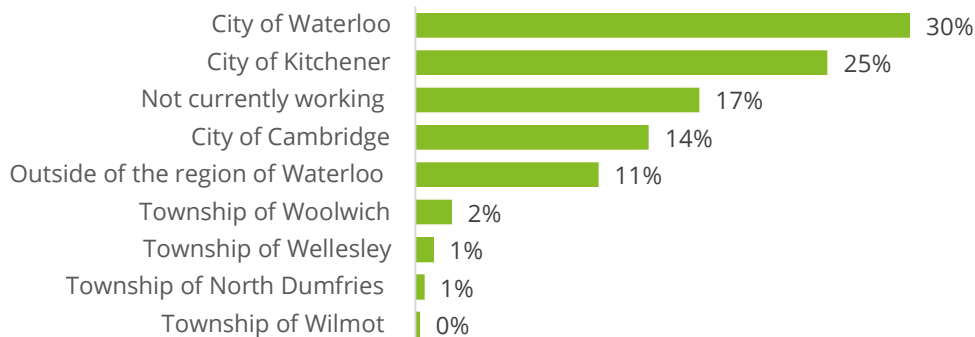
Figure 7: Where respondents live (n=366)



Q3. Where do you currently work?

Respondents most commonly worked in the City of Waterloo (30%), followed by the City of Kitchener (25%).

Figure 8: Working region (n=366)

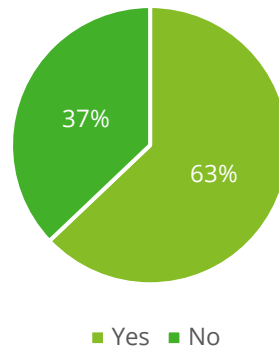


Job Seeking

Q4. Are you currently searching for work?

Among the respondents who reported they were not currently working, 37% indicated they are not currently searching for work.

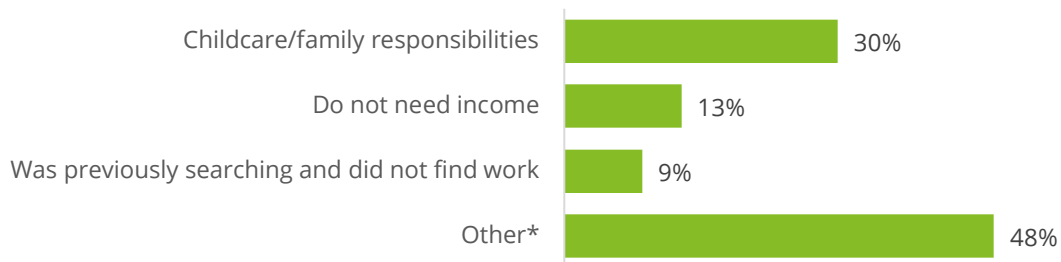
Figure 9: Unemployed respondents searching for work (n=62)



Q5. Why are you currently not searching for work?

When asked about why they are not currently searching for work, respondents most commonly noted childcare/family responsibilities (30%).

Figure 10: Reasons for not searching for work (n=23)



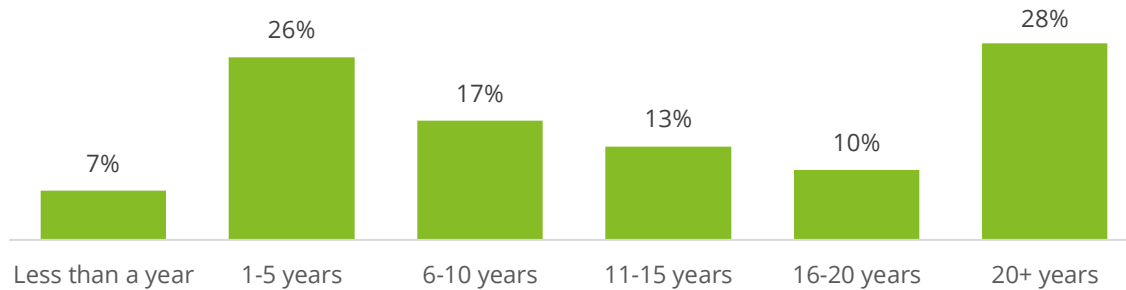
*Other responses include illness, disability, and being a student.

Employee Satisfaction

Q6. How long have you been employed in the region?

Most respondents (50%) had been employed in the region for less than 10 years.

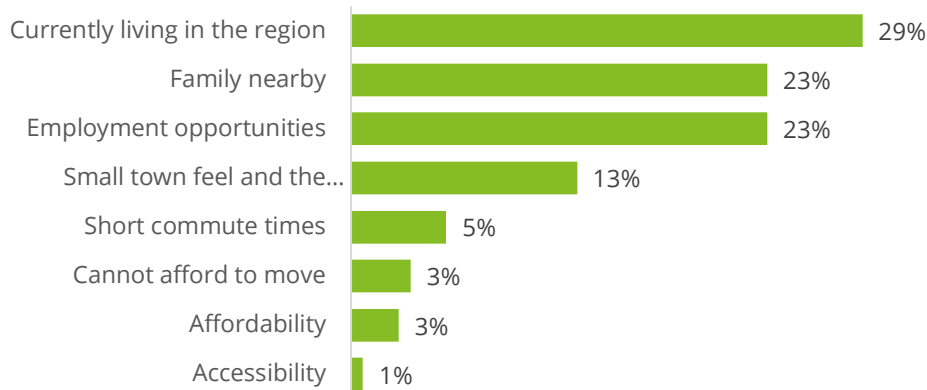
Figure 11: Years working in the region (n=304)



Q7. What factors have influenced your decision to continue working in the region?

29% of respondents noted that living in the region has been the most important factor influencing their decision to continue working in the region.

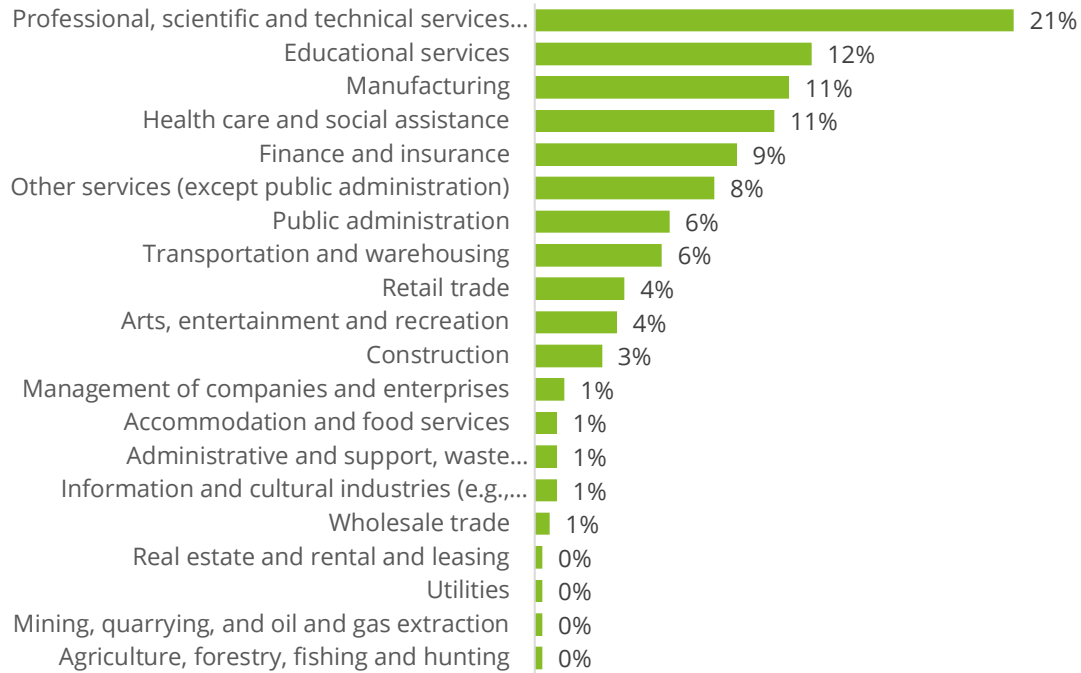
Figure 12: Factors impacting decision to continue working in the region (Open text, coded, n=150)



Q8. Which one of the following industries best describes the primary activities of the organization you work for?

Respondents most commonly worked in the professional, scientific, and technical services sector (21%).

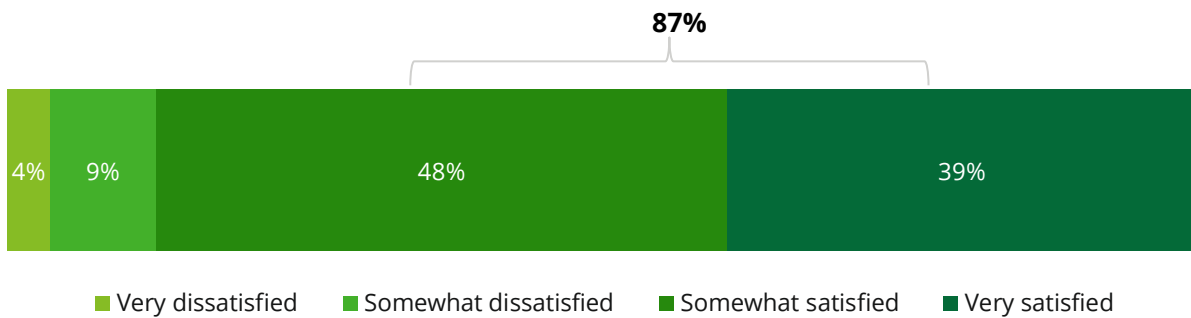
Figure 13: Sector (n=304)



Q9. Overall, how satisfied are you with the region as a place to work?

The vast majority of respondents (87%) were satisfied with the region as a place to work.

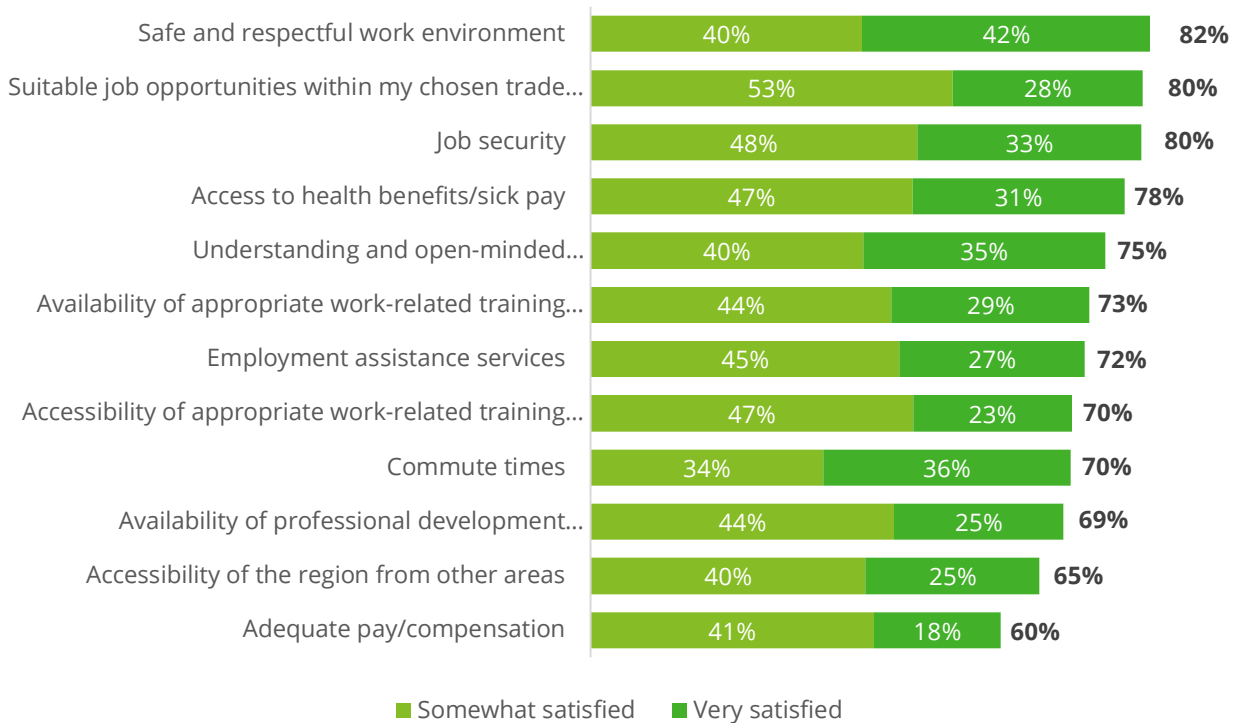
Figure 14: Overall satisfaction with the region as a place to work (n=304)



Q10. How satisfied are you with each of the following factors related to working in the region?

Respondents were most satisfied with the following factors in the regional labour market: safe and respectful work environment (82%), the suitable jobs in their chosen trade or profession (80%), and job security (80%). Respondents were least satisfied with adequate pay/ compensation in the region (60%).

Figure 15: Satisfaction with factors related to working in the region (n=366)



Priority Matrix

Using respondents' satisfaction levels with factors related to working in the region as well as their overall satisfaction, a priority matrix was created using Deloitte's proprietary derived importance methodology. The Priority Matrix consists of three metrics:

- **Performance:** The percentage of respondents who are somewhat satisfied or very satisfied with each factor.
- **Level of Importance:** A statistical measure using a machine learning algorithm to determine the strength of the relationship between the factor and their overall satisfaction with the region as a place to work. Attributes with a high importance tend to matter greatly for individual's overall satisfaction. In other words, factors that are very important will have a large influence on overall satisfaction whereas factors that are not important will not have much influence on overall satisfaction.
- **Priority Rank:** This was determined for each attribute based on high levels of importance and low levels of performance. Top priorities are factors where many respondents registered low levels of satisfaction and have a high importance.

Using Deloitte's proprietary derived importance methodology, it was found that the top priorities were accessibility of the region from other areas, adequate pay/compensation, and commute times.

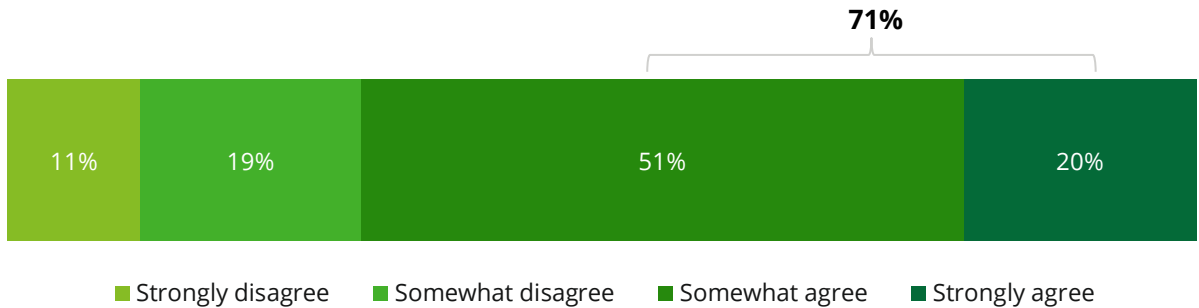
Table 2: Priority Matrix

Factor	Performance	Importance	Priority Rank
Accessibility of the region from other areas	65%	9.4	1
Adequate pay/compensation	60%	7.8	2
Commute times	70%	8.7	3
Availability of professional development opportunities through local education/training providers	69%	8.2	4
Accessibility of appropriate work-related training (pricing, location, convenience)	70%	7.5	5
Employment assistance services	72%	7.8	6
Availability of appropriate work-related training options	73%	7.2	7
Understanding and open-minded employers/workplaces	75%	6.9	8
Access to health benefits/sick pay	78%	7.5	9
Suitable job opportunities within my chosen trade or profession	80%	8.4	10
Job security	80%	7.2	11
Safe and respectful work environment	82%	6.8	12

Q11. To what extent do you agree that the regional employers in your chosen trade or industry provide opportunity for career progression in your field?

71% of respondents agreed that the regional employers in their chosen industries provided opportunities for career progression within their fields.

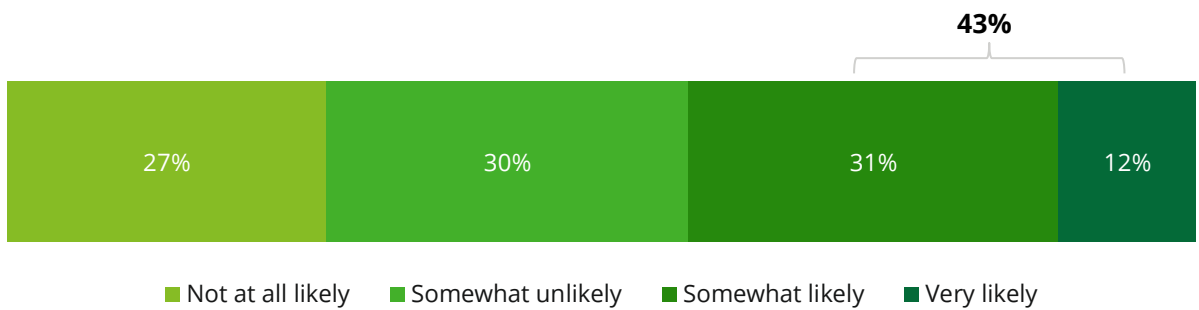
Figure 16: Career progression opportunities in chosen trade or industry (n=286)



Q12. How likely are you to move outside of the region to secure employment in your field of interest?

43% of respondents indicated they would be at least somewhat likely to move out of the region to secure employment in their field of interest, while 27% reported that they would not move.

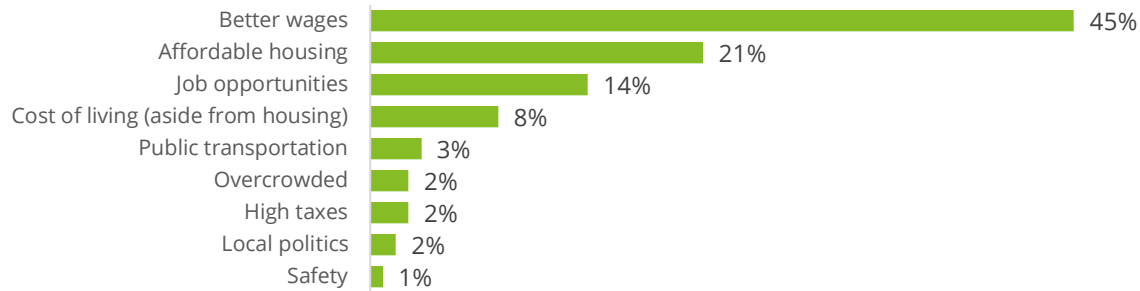
Figure 17: Likelihood to move outside of the region (n=302)



Q13. What do you feel is the most significant reason for being willing to move outside of the region for employment? For example, better wages, childcare, affordable housing, etc.

Most respondents who were likely to move outside of the region to secure employment reported that better wages (45%) would be the most significant reason that they would be willing to move.

Figure 18: Most significant reason for being willing to move outside of the region (Open text, coded, n=121)

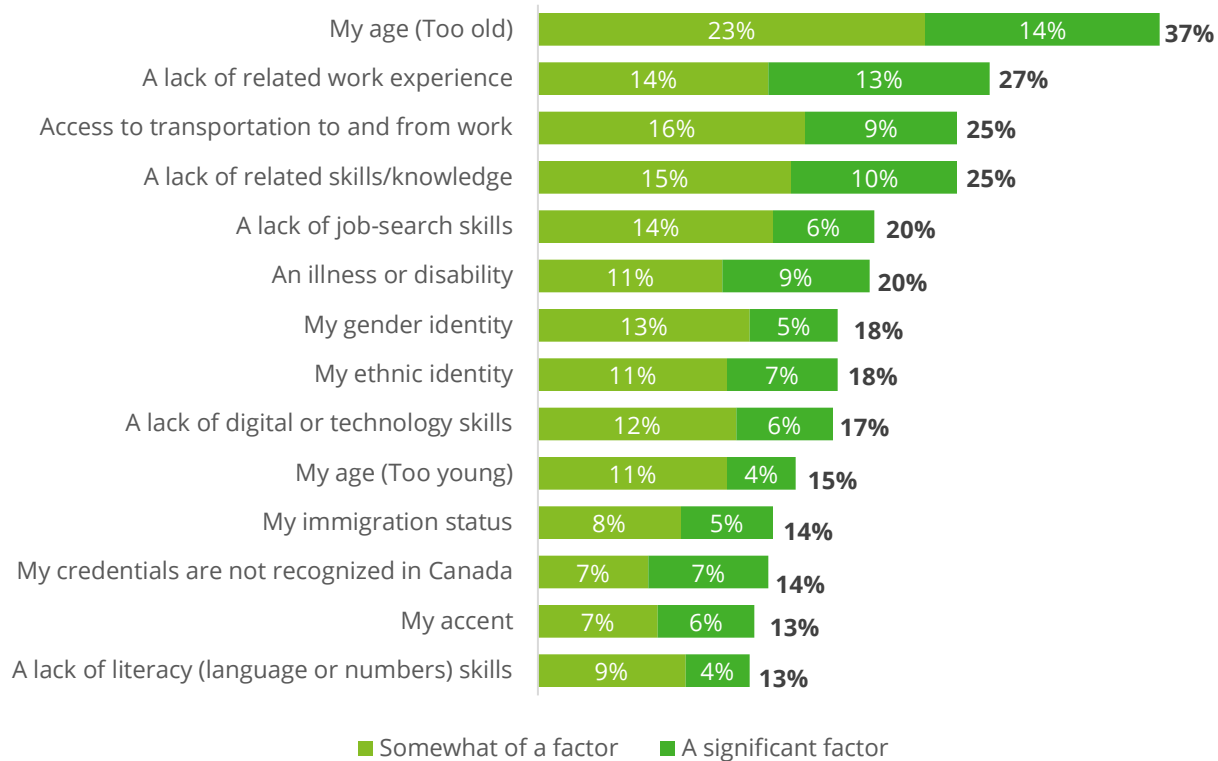


Labour Force Participation Challenges and Barriers

Q14. Please rate the extent to which the following factors pose as a barrier or challenge to working in the region.

Respondents most commonly felt that advanced age (37%), a lack of related work experience (31%), and a lack of related work experience (27%) were the biggest factors that pose as barriers or challenges to working in the region.

Figure 19: Barriers to labour force participation (n=366)

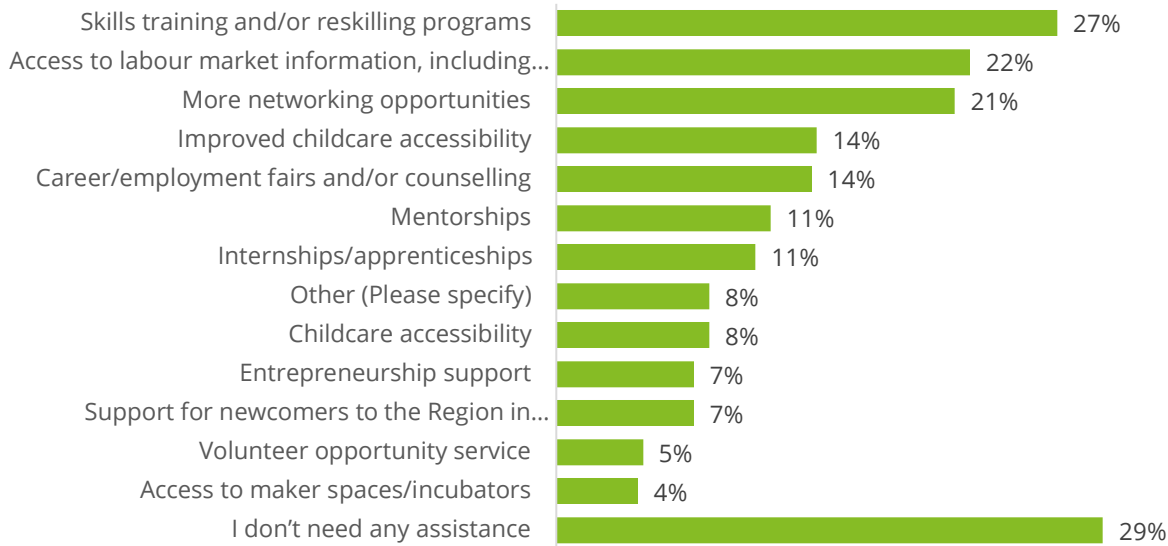


*Other responses include gender, pay equality, availability of jobs in their field, and transportation.

Q15. What assistance within the region would be most helpful to achieving your employment goals?

Labour force participants commonly indicated that skills training and/or reskilling programs (27%) would be most helpful to achieving their employment goals, followed by access to labour market opportunities (22%) and networking opportunities (21%).

Figure 20: Assistance for achieving employment goals (n=366)



**Other responses include transportation, disability support, and food assistance.*

Q16. Which of the following methods have you used when looking for a job?

Most respondents have used online job boards (69%) when looking for a job.

Figure 21: Methods used for job search (n=342)

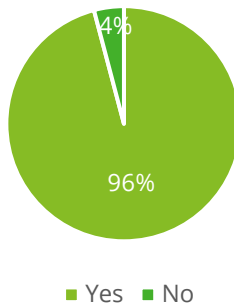


**Other responses include industry associations, previous employers, and agencies.*

Demographics

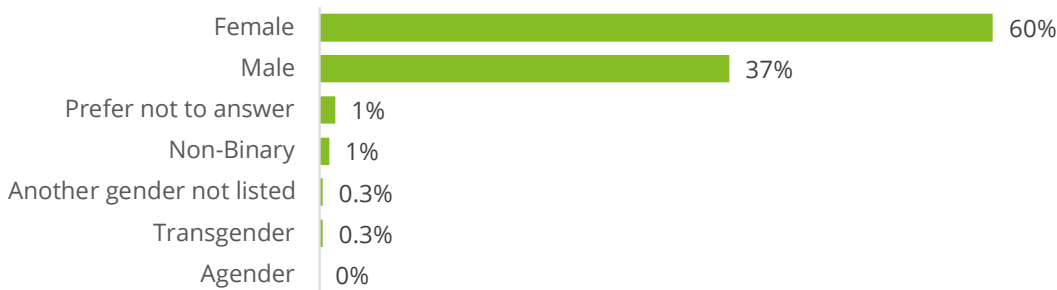
Q17. Do you give your consent to continue with the last few [demographic] questions?

Figure 22: Consent (n=366)



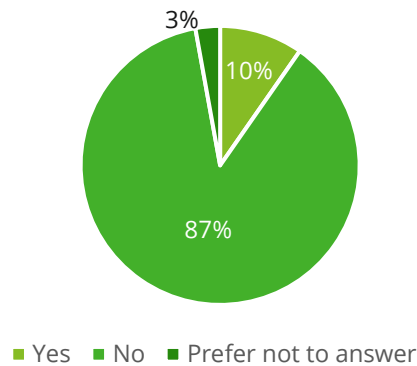
Q18. Please select the option that best describes your gender identity:

Figure 23: Gender (n=351)



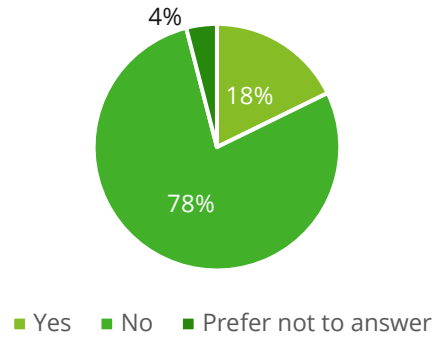
Q19. Do you identify as a member of the 2SLGBTQ+ community?

Figure 24: 2SLGBTQ+ (n=351)



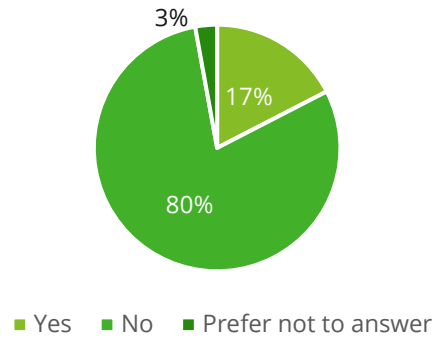
Q20. Do you identify as a visible minority?

Figure 25: Visible minorities (n=351)



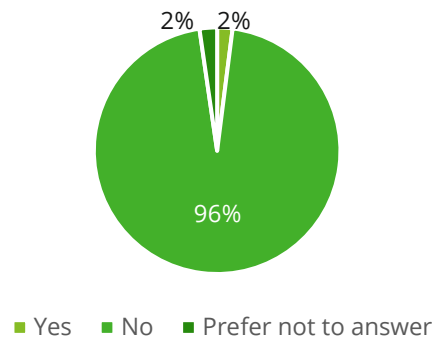
Q21. Do you identify as someone with a visible or invisible physical, developmental, learning or mental health disability?

Figure 26: Visible or invisible disability (n=351)



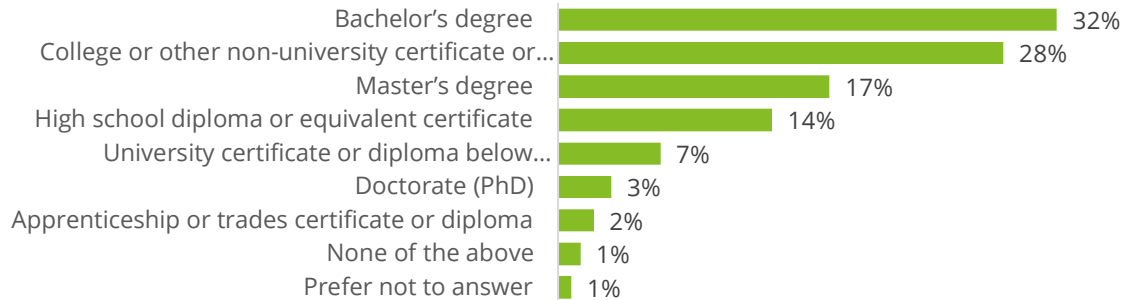
Q22. Do you identify as Indigenous to North America? Indigenous here is defined by First Nations, Inuit and Métis.

Figure 27: Indigenous to North America (n=351)



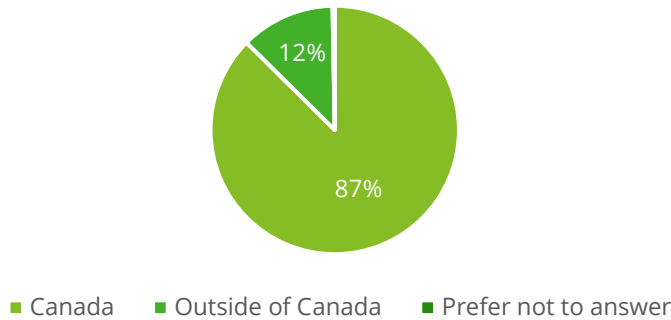
Q23. What is the highest level of educational attainment you have completed?

Figure 28: Educational Attainment (n=351)



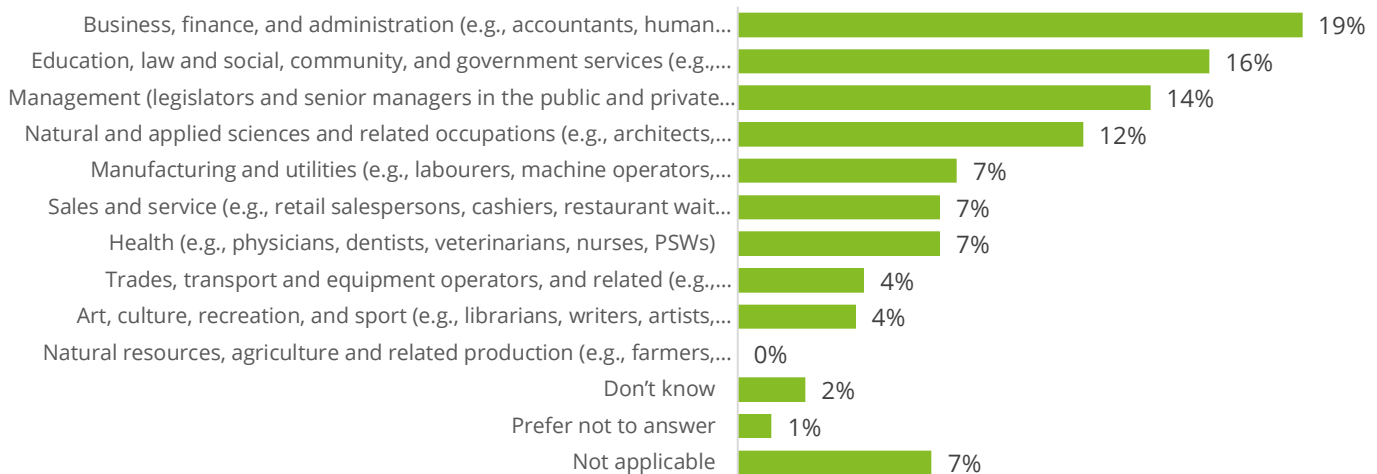
Q24. Where did you complete your highest level of education?

Figure 29: Where education was completed (n=207)



Q25. How would you classify your current OR most recent job?

Figure 30: Job classification (n=351)



Quality of Life Survey Results

Survey Objectives and Methodology

Deloitte conducted a survey to identify key drivers of resident perceptions of quality of life and overall satisfaction with the Waterloo region among community members. Using a mix of cell and landline phone numbers in the region, numbers were randomly dialed by live interviewers. Respondents were screened to ensure they currently reside in Waterloo Region and were over the age of 18. This methodology resulted in 507 statistically valid completes. The survey responses have been weighted by age and gender according to the 2021 Canadian Census profile Waterloo Region to ensure the findings are representative of the adult population.

Summary of Key Findings

Quality of Life – The vast majority of respondents (84%) were either somewhat satisfied or very satisfied with the overall quality of life in the region.

Satisfaction with Factors Related to Living in the Region - Respondents were most satisfied with access to outdoor amenities (93%) and recreational activities (91%) in the region. Respondents were least satisfied with the availability of adequate housing (34%), overall cost of living aside from housing (38%), and affordability of housing (41%).

Top Priorities - Using Deloitte's proprietary derived importance methodology, it was found that the top priorities for improvement related to quality of life include the overall cost of housing, overall cost of living, availability of adequate housing, availability of health and medical services, and availability of childcare.

Challenges Faced by Residents - Most participants who had resided in the region for less than four years encountered challenges in securing affordable housing (74%) and employment (71%) either during or soon after relocating to the region. The primary issues faced by long-term residents were either finding a family doctor, physician, or dentist (33%) or securing affordable housing (33%).

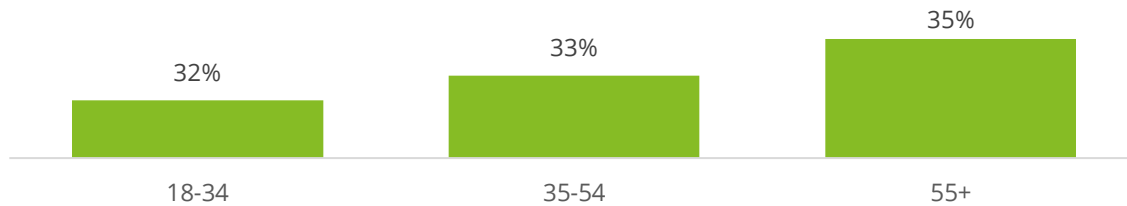
Years Living in the Region - 86% of respondents had been living in the region have been living there for more than five years. Most participants (59%) intended to reside in the area for more than a decade, while only a small percentage (5%) plan to leave the region within a year.

Detailed Findings

Q1. Which of the following categories best describes your age?

Respondents were screened to ensure they were over the age of 18.

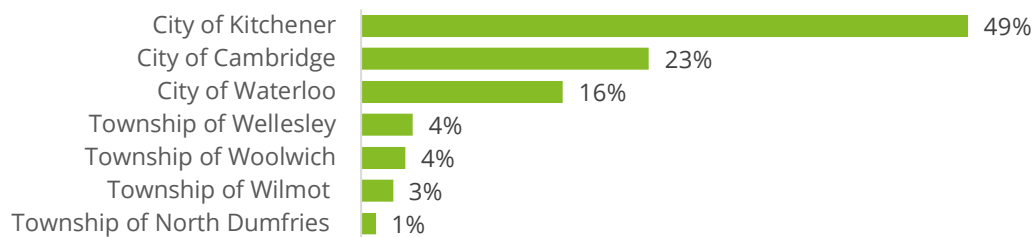
Figure 31: Age (n=507)



Q2. Which municipality do you reside in for at least 6 months of the year?

Respondents were screened to ensure they reside in Waterloo Region.

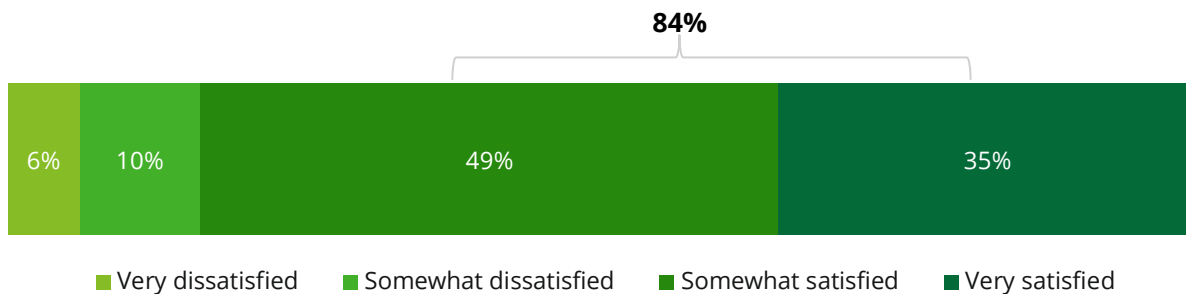
Figure 32: Where respondents live (n=507)



Q3. How would you rate the overall quality of life in the region?

The vast majority of respondents (84%) were satisfied with the quality of life in the region.

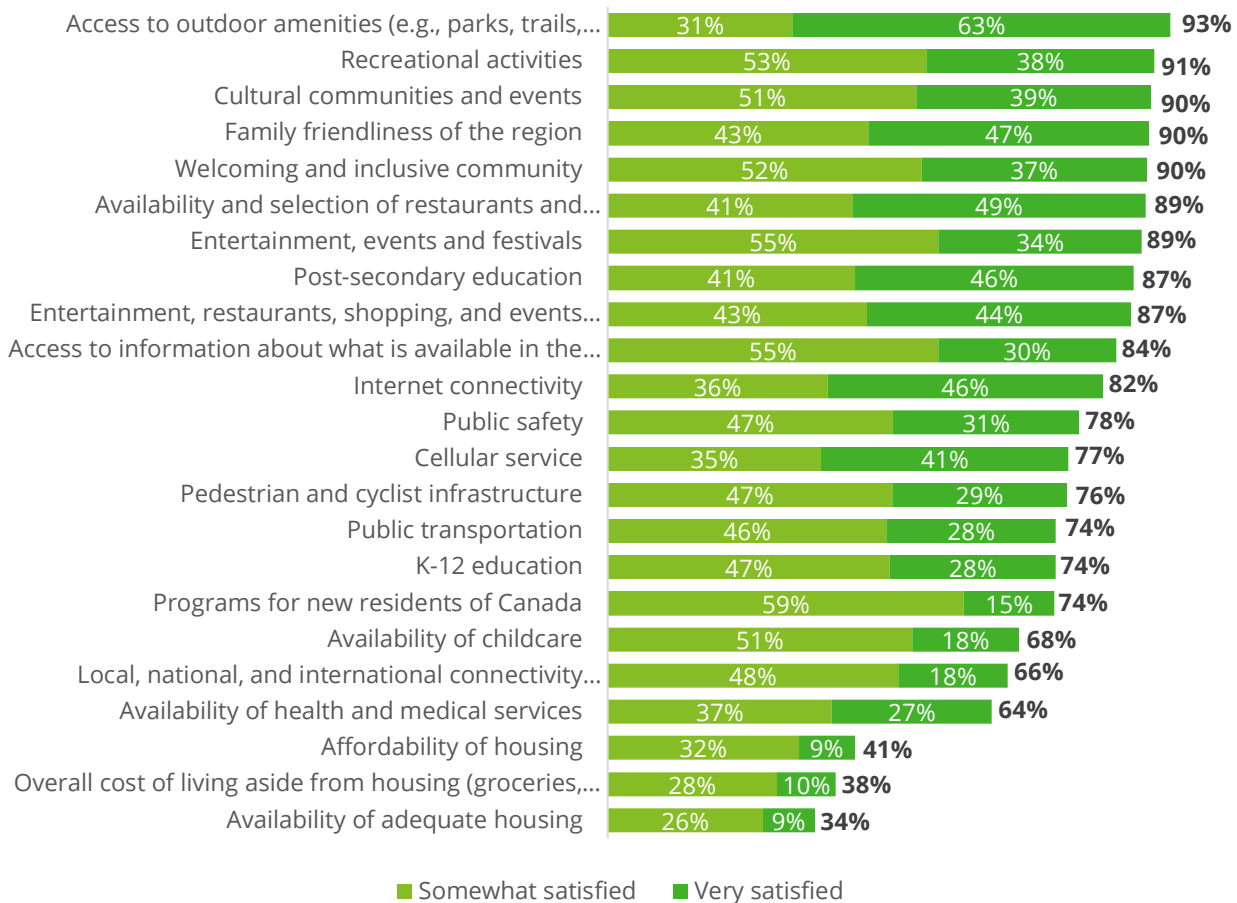
Figure 3: Overall quality of life rating (n=507)



Q4. How satisfied are you with each of the following factors related to living in the region?

Respondents were most satisfied with access to outdoor amenities (93%) and recreational activities (91%). Availability of adequate housing (34%), overall cost of living aside from housing (38%), and affordability of housing (41%) were all factors that had lower satisfaction rates.

Figure 33: Satisfaction with quality of life factors (n=507)



Priority Matrix

Using Deloitte's proprietary derived importance methodology, it was found that the top priorities related to quality of life include the overall cost of housing, overall cost of living, availability of adequate housing, availability of health and medical services, and availability of childcare.

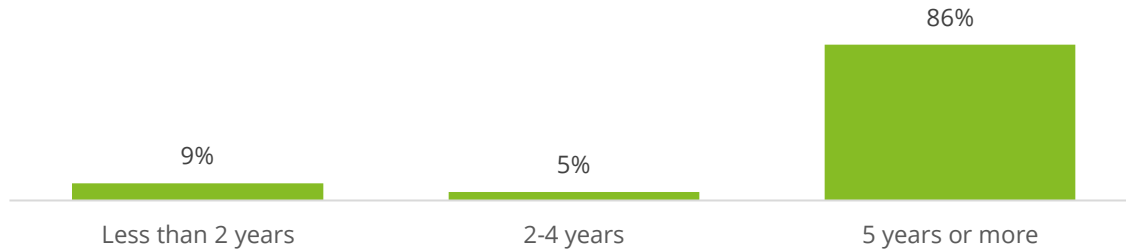
Table 3: Priority Matrix

Factor	Performance	Importance	Priority Rank
Affordability of housing	41%	8.9	1
Overall cost of living aside from housing (groceries, services, etc.)	38%	8.0	2
Availability of adequate housing	34%	7.0	3
Availability of health and medical services	64%	8.5	4
Availability of childcare	68%	7.8	5
Local, national, and international connectivity (intercity transportation)	66%	7.0	6
Public safety	78%	9.4	7
Public transportation	74%	7.8	8
Pedestrian and cyclist infrastructure	76%	7.8	9
K-12 education	74%	7.0	10
Cellular service	77%	7.0	11
Programs for new residents of Canada	74%	6.3	12
Access to information about what is available in the region and communities (e.g., amenities, services jobs, etc.)	84%	8.5	13
Internet connectivity	82%	7.0	14
Post-secondary education	87%	6.6	15
Entertainment, events and festivals	89%	7.3	16
Family friendliness of the region	90%	7.8	17
Entertainment, restaurants, shopping, and events in the downtown/core area of my municipality	87%	5.9	18
Welcoming and inclusive community	90%	5.9	19
Recreational activities	91%	6.1	20
Availability and selection of restaurants and shopping	89%	5.2	21
Availability and selection of restaurants and shopping	89%	5.2	21
Access to outdoor amenities (e.g., parks, trails, community centres)	93%	5.4	23

Q5. How long have you lived in the region?

The majority of residents have been living in the region for over five years (86%).

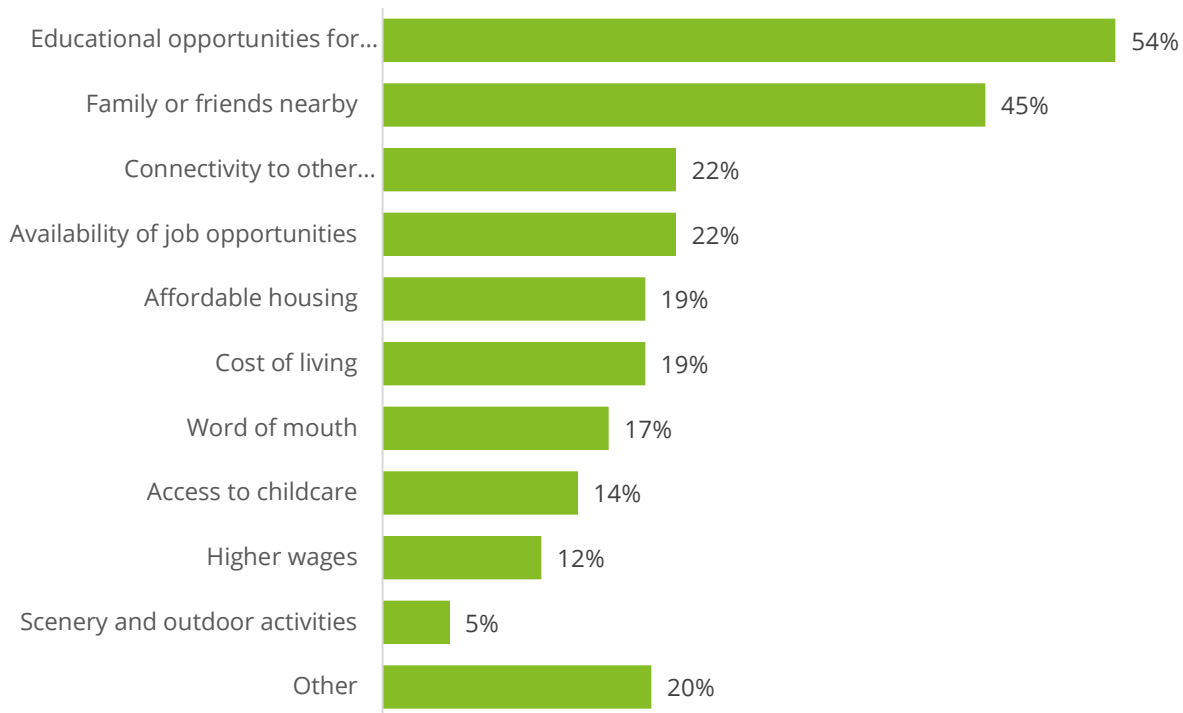
Figure 34: Years living in the region (n=507)



Q6. What were the key drivers that influenced you to move to the region?

Most respondents that moved to the region in the last four years reported that the educational opportunities for children, family members, or themselves influenced them to move to the region. 45% of respondents also reported that having family or friends nearby was a driver as well.

Figure 35: Key drivers related to moving to the region (n=35)



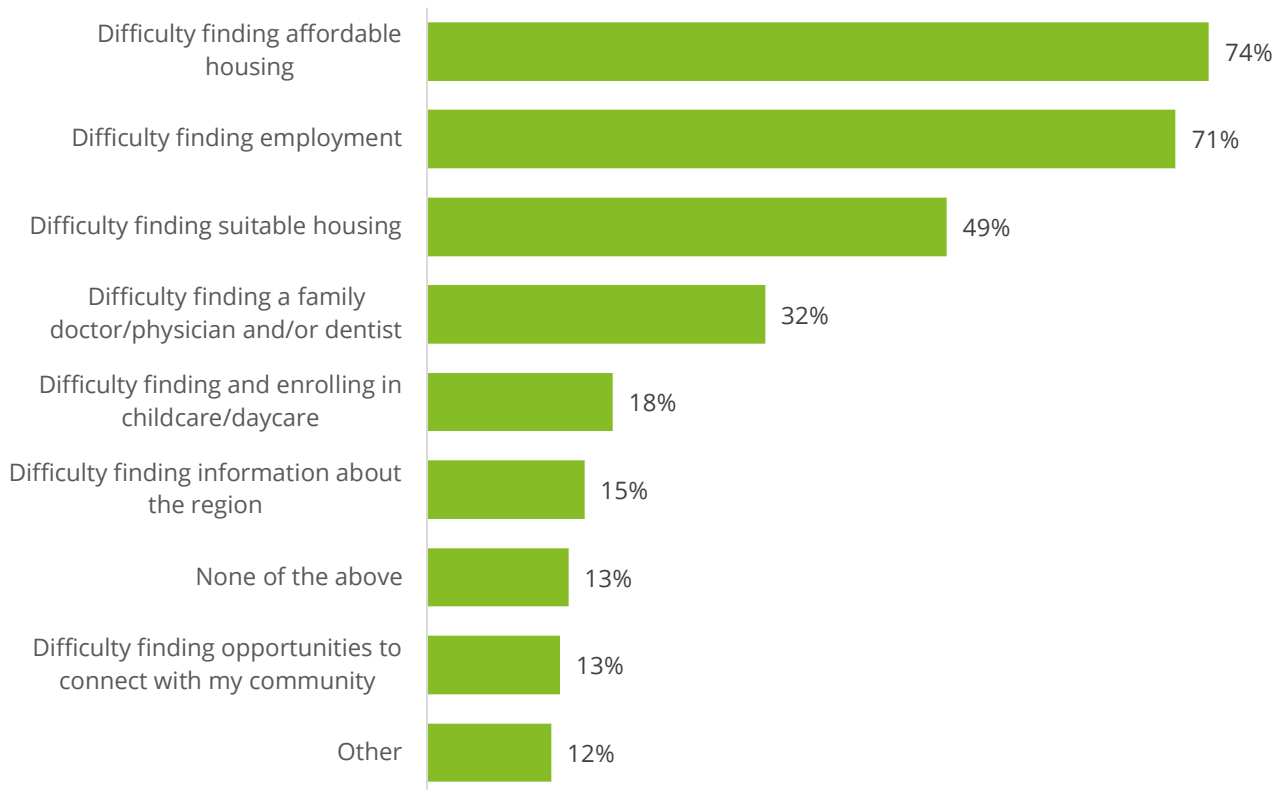
*Respondents were able to select multiple options so totals may be greater than 100%

Other responses include cultural communities, transportation, and accessibility.

Q7. Did you face any of the following challenges during or shortly after your move to the region (i.e., within 1-2 years)?

The majority of respondents who had been living in the region for less than four years reported that they had difficulty finding affordable housing (74%) and employment (71%) during or shortly after their move to the region.

Figure 36: Challenges faced by newcomers when moving to the region (n=35)



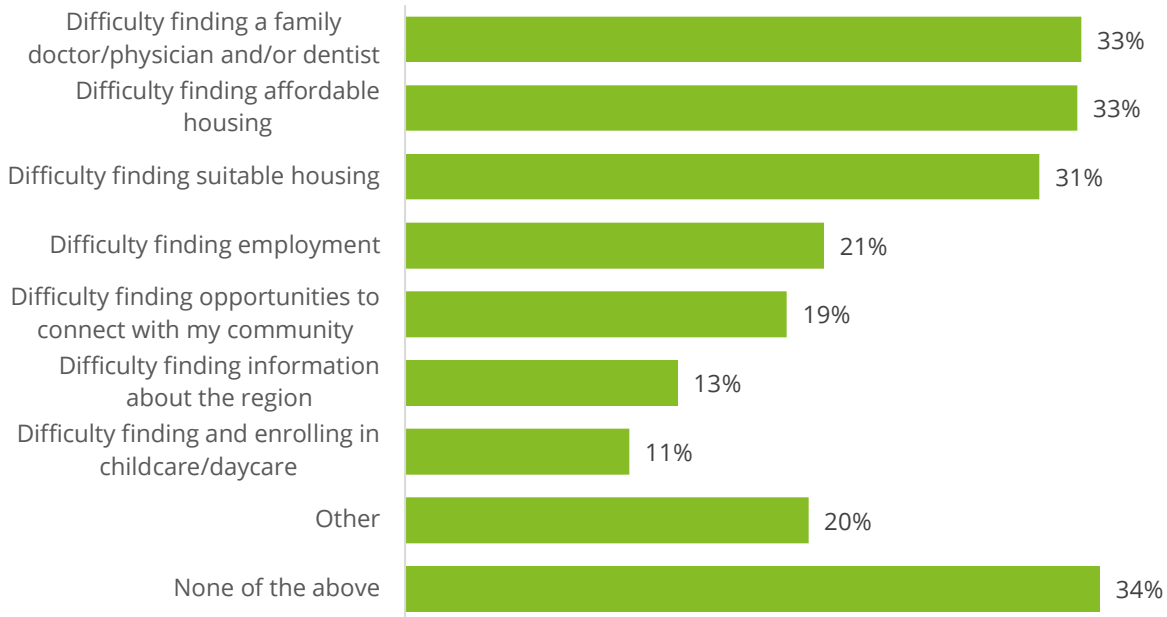
*Respondents were able to select multiple options so totals may be greater than 100%

Other responses include public transportation and policing.

Q8. As a long-term resident of the region, do you currently experience any of the following challenges?

Long-term residents most commonly reported having encountered difficulties finding a family doctor, physician, or dentist (33%) or difficulties finding affordable housing (33%).

Figure 37: Challenges faced by long-term residents (n=470)



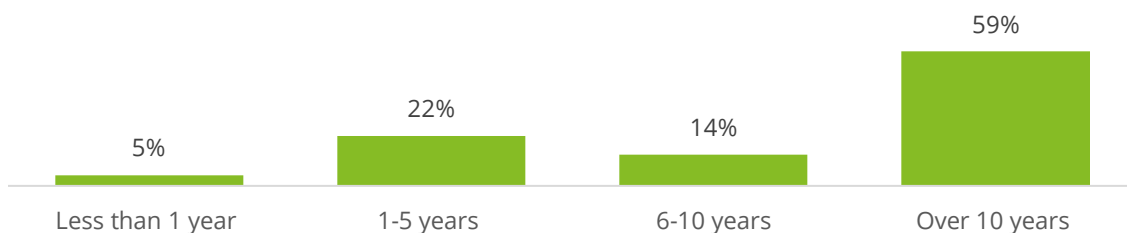
*Respondents were able to select multiple options so totals may be greater than 100%

Other responses include cost of living, garbage collection, law enforcement, accessibility, public transportation, and supports for seniors.

Q9. How long do you expect to continue living in the region?

Most respondents plan to continue living in the region for a long time, over 10 years (59%), while only 5% planned to live in the region for less than a year.

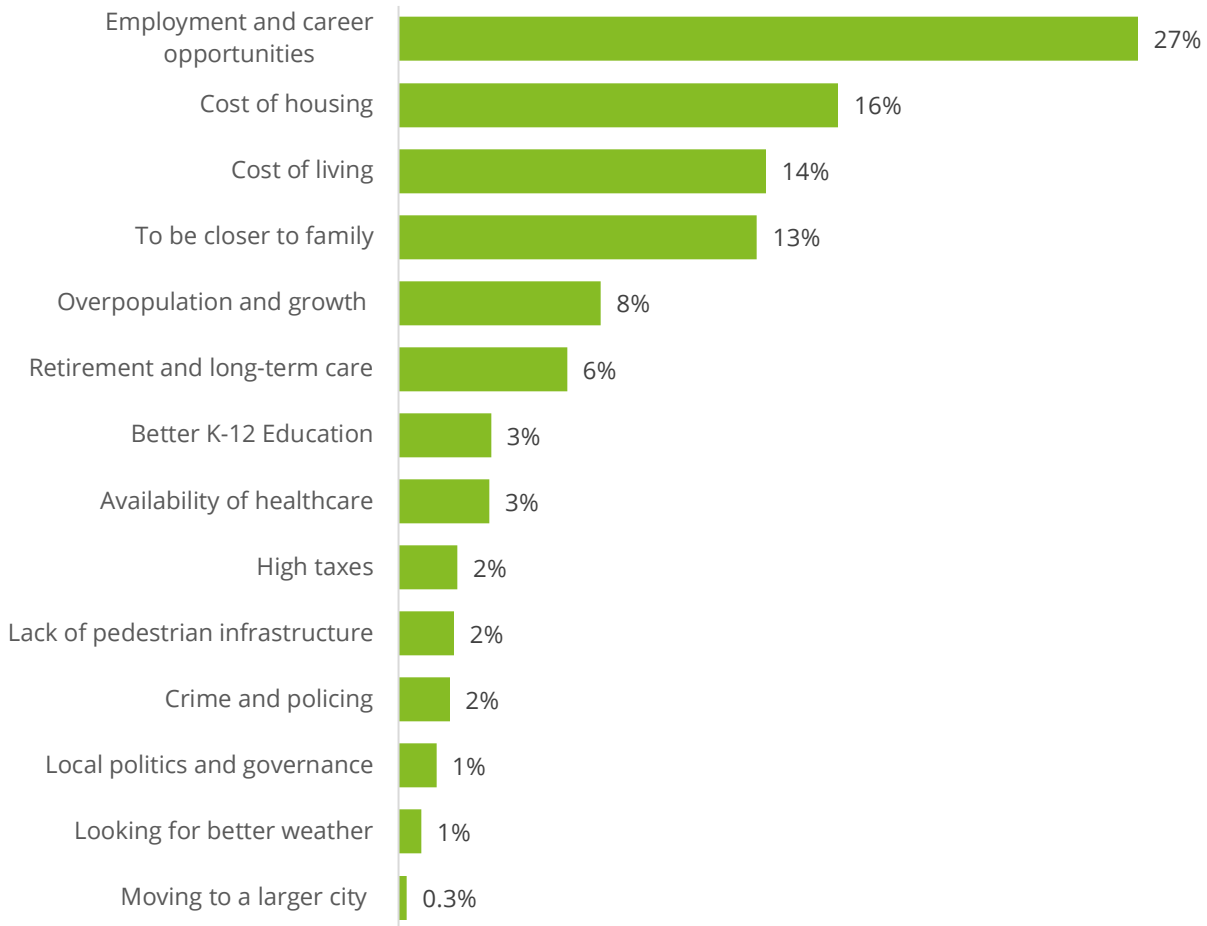
Figure 38: Expected time living in the region (n=507)



Q10. Please describe any factors that might influence you to choose to leave the region:

27% of respondents indicated that a lack of employment or career opportunities would influence them to leave the region.

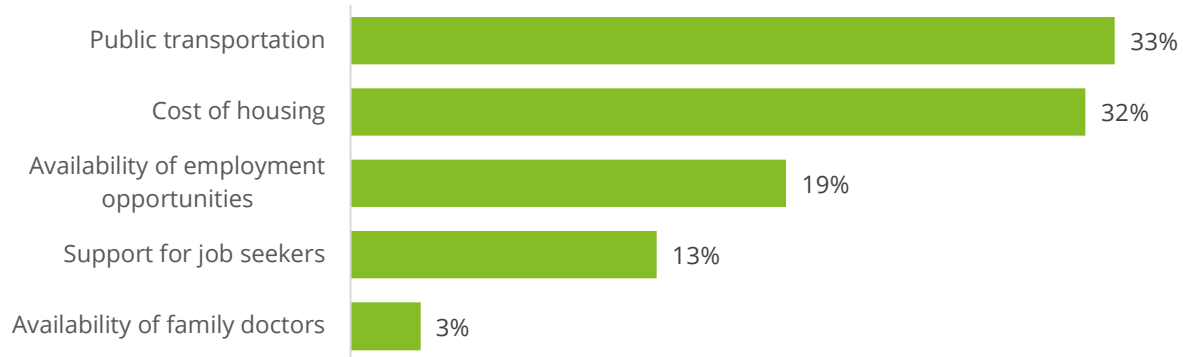
Figure 39: Factors influencing residents to leave the region (open text responses, coded, n=304)



Q11. Please list any improvements the region can make to better support newcomers relocating to the region:

Respondents indicated that improvements to public transportation (33%) would better support newcomers relocating to the region, along with the cost of housing (32%).

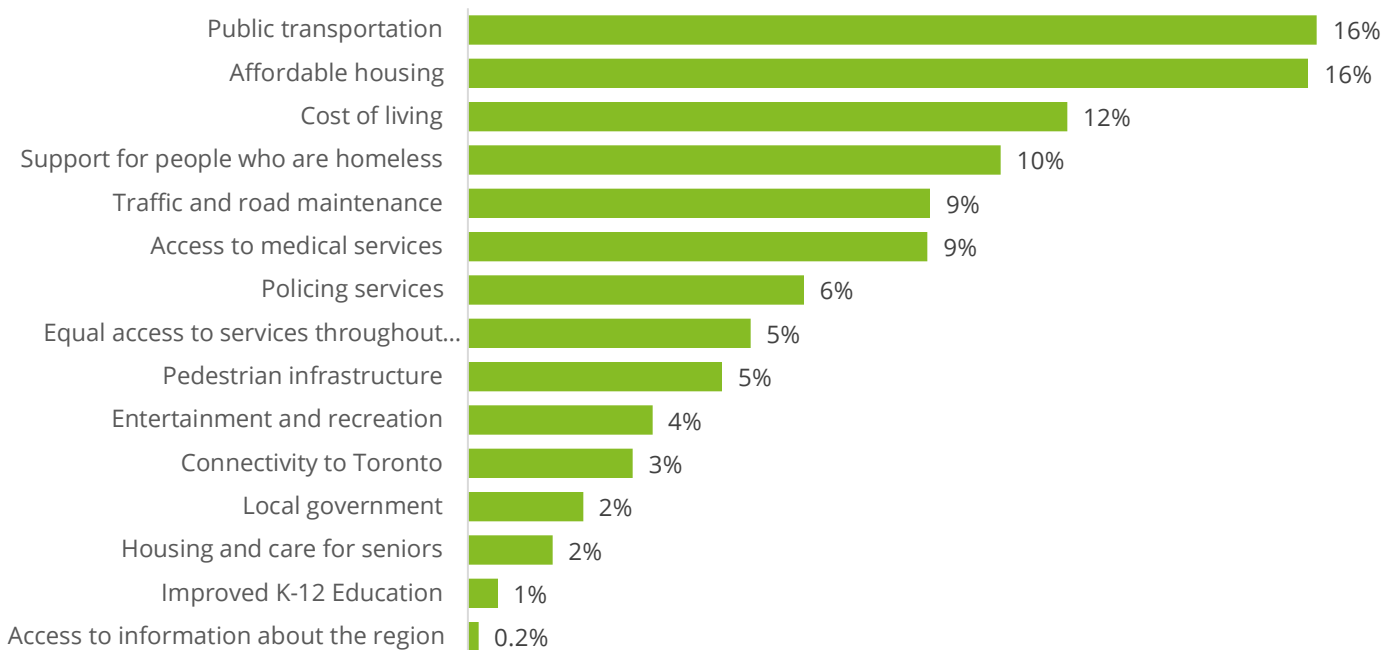
Figure 40: Improvements for newcomers (open text responses, coded, n=30)



Q12. Is there anything within the region that you believe needs improvement in order to improve your quality of life?

16% of respondents reported that public transportation and affordable housing needs to be improved to improve their quality of life in the region.

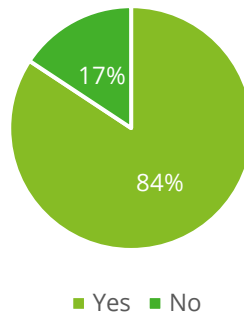
Figure 41: Likelihood to move outside of the region (n=312)



Demographics

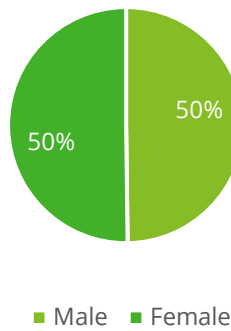
Q13. Do you give your consent to continue with the last few questions?

Figure 42: Consent (n=507)



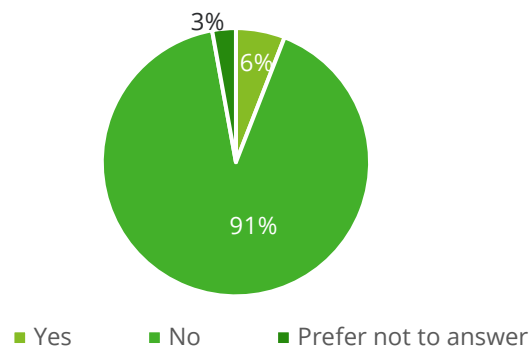
Q14. How do you describe your gender identity?

Figure 43: Gender (n=424)



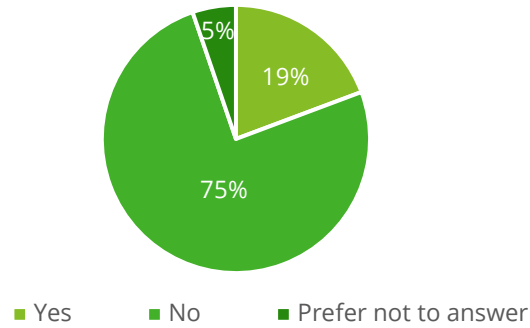
Q15. Do you identify as a member of the 2SLGBTQ+ community?

Figure 44: 2SLGBTQ+ (n=424)



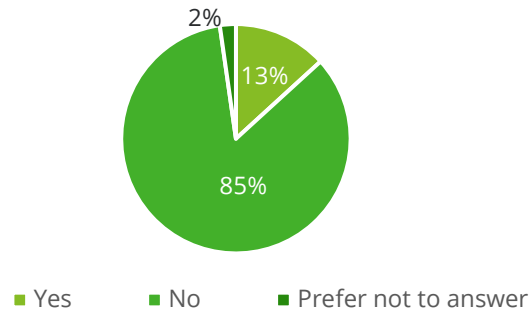
Q16. Do you identify as a visible minority?

Figure 45: Visible minorities (n=424)



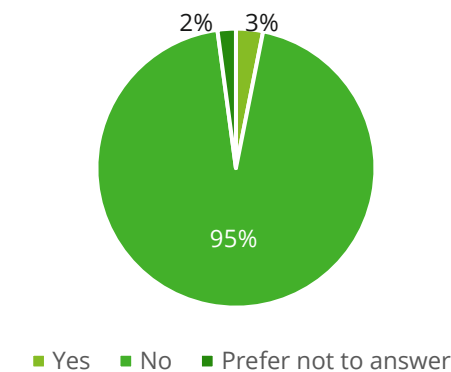
Q17. Do you identify as someone with a visible or invisible physical, developmental, learning or mental health disability?

Figure 46: Visible or invisible disability (n=424)



Q18. Do you identify as Indigenous to North America? Indigenous here is defined by First Nations, Inuit and Métis.

Figure 47: Indigenous to North America (n=424)





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Observations are made on the basis of economic, industrial, competitive and general business conditions prevailing as at the date hereof. In the analyses, we may have made assumptions with respect to the industry performance, general business, and economic conditions and other matters, many of which are beyond our control, including government and industry regulation.

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Waterloo Region Economic Development Strategy & Talent Plan Youth Workshop Results

JANUARY 17, 2024 | REGION OF WATERLOO COUNCIL CHAMBERS

INTRODUCTION

The WREDS/Talent Youth Workshop was held on January 17, 2024, from 5-7pm in the Region of Waterloo Council Chambers, by Region of Waterloo economic development staff and supported by engagement specialists from the Children and Youth Planning Table (CYPT). The workshop had 17 youth in attendance, aged from 13 to 18 years, and aimed to engage participants in issues and solutions relating to economic development and quality of life in Waterloo Region. The results of the youth workshop are summarized here and constitute an important piece of the stakeholder engagement undertaken for the Waterloo Region Economic Development Strategy (WREDS) and Talent Plan. Other priority groups engaged include newcomers to Canada, business owners, job seekers, Indigenous leaders, and post-secondary students.

METHODOLOGY & STRUCTURE

The results from the workshop were obtained through a series of interactive activities. Youth were asked to record their top three favourite aspects of living in the Region as an icebreaker activity. The bulk of the workshop centred around youth creating the “worst Waterloo Region” in which they were instructed to brainstorm community features (fictional or real) that would push away youth in the Region. From these fictitious communities, facilitators extracted five key issue areas that were brought up repeatedly across all groups. Youth were then invited to brainstorm solutions across the five key issue areas that would help solve the issues they created in their fictional communities. The results from each brainstorming session are recorded below.

RESULTS

What do youth like about living in Waterloo Region?

Below is a summary of the community's positive aspects according to youth participants, sorted by the number of times each aspect (or a similar aspect) was recorded.

<i>Positive community aspect</i>	<i>Number of entries</i>
Vibrant and diverse neighbourhoods (having interesting things to do)	10
Community size (not too big or small), quietness	7
Opportunities for future (education, employment)	7
Supportive and inclusive community	7
Outdoor spaces	3
Options for transportation, ease of movement, walkability	2

See appendix for list of individual responses.

What community issues do youth consider the most important?

Issues raised in the brainstorming session can be summarized into five key areas. The following summarizes the issues youth raised when brainstorming their “worst Waterloo Region”. **Note that issues raised in this section describe fictional communities** and are instead meant to reflect youth participants’ values with respect to their community and the services/amenities that are available.

1. Lack of access to critical services.

- ☒ Basic needs removed (e.g., hot water)
 - ☒ Inadequate education – unqualified educators, language removal
 - ☒ Police delays/absence, not taking issues seriously
 - ☒ Apathetic authority figures
 - ☒ Limited access to medical care
2. Limited autonomy.
 - ☒ Mobility limitations
 - ☒ Government oversight/dictatorship/authoritativeness
 - ☒ Unsafe travel options
 - ☒ Feelings of imprisonment, limited choices due to government control
 3. High cost of living and unaffordable housing.
 - ☒ High rents & rampant homelessness
 - ☒ No government funding or support
 - ☒ All community programs are paid (no free services)
 4. Inadequate natural and built environment.
 - ☒ Roads in deteriorating condition
 - ☒ No transit, libraries, or recreation centres
 - ☒ No parks or greenspace – children play in roads
 - ☒ Polluted water, air, traffic congestion
 5. Discrimination and social inequality.
 - ☒ Gender and racial discrimination
 - ☒ Xenophobia
 - ☒ White supremacy, patriarchy
 - ☒ Exclusion based on religion
 - ☒ War/conflict

Other issues identified that do not fit directly into these categories included:

- No local shops or small businesses, “just Walmart”
- Youth getting into trouble with authorities and “throwing rocks”, causing disruptions

How do youth propose these issues are solved?

Based on the summarization of issues into 5 key areas, youth came up with a variety of solutions to address community problems. The following table contains the solutions proposed by youth, recorded as written on sticky notes in the workshop.

<i>Issue Area</i>	<i>Proposed Solutions</i>
Lack of access to critical services.	Spread critical services around Better wages Opening of more rehab/supportive housing Development of W.R. access to affordable housing waitlist Better security in workplace & schools Volunteer opportunities More funding Education/awareness Dedicating services to certain areas according to needs Free therapy

	<p>More opportunities for people that are local</p>
<p>Limited autonomy.</p>	<p>Government transparency (why laws made, where money is going) More space in buses/trains Acknowledging historical biases (e.g. Indigenous discrimination) Police are in more places More support groups to talk about things Equality movements Support groups for problems that aren't talked about often (mental health, stress etc.) "Within reason" sometimes limiting hate is good Reallocate police funds Government talks to civilians more More free speech More religious spaces eg: churches, mosques Acknowledging/embracing differences Government hosts civilian-based sessions More buses/transportation More communities get together Have stores open later (summer time) Awareness for why Encourage less judgement for those who were brought up differently Reallocate police funds</p>
<p>High cost of living and unaffordable housing.</p>	<p>Developing more affordable housing, requiring devs to build affordable to build market (like what Vancouver did) Build more homeless shelters (have all living resources available) Increased pay Cap on houses built Less demand for houses Lower prices for things Universal living wage Mixed income neighbourhoods Raise min. wage Less inflation on needed things (food) Prices lowered for essential needs Rent caps!! (by area? By income, by available resources) Implementing rent control on buildings made post-2018 (prov. Affair) More locally made/grown things Improved safer gov't housing Yard/gardening space Decreased property rates Rent-to-own More jobs Leniency on housing interest and rent collection time Lower prices Give the homeless more space to live Decrease prices on essentials so they can be affordable</p>
<p>Inadequate natural and built environment.</p>	<p>Show results of recycling to encourage it Walkable distances/neighbourhoods More bike lanes Clean water for everyone ie. Indigenous Natural grown plants without fertilizers More stores in walkable distance Dedicated nature reserves</p>

	<p>More green in urban areas (e.g. bus stops) Recycling education (volunteers, glass vs paper etc) Kitchener market open more often Free programs for immigrants Mixed-use developments Developing urban infill Limit fossil fuels More environmentally friendly vehicles Stop digging up the roads</p>
Discrimination and social inequality.	<p>Awareness/education (work, school, public) Looking at everyone as a friend (no superiority) Speaking up about issues EVERYWHERE Advocating equity > equality Not forcing YOUR OWN values/religion on others (e.g. abortion, LGBTQ+ rights) Slurs are prohibited Mental health first responders Sexual assault services Hiring people not based off names/qualifications Giving everyone a chance If your opinion isn't shared between everyone don't force your opinion on someone else because they're different EDI, including diverse people in all areas (school, work, etc.) Holding people (especially authority figures) accountable</p>

From the above proposed solutions, some other underlying issue areas emerged, which were not as apparent in the “worst Waterloo Region” brainstorming session. These included:

- Insufficient sexual assault/harassment awareness, support, and services
- Lack of mental health services
- No opportunities and/or physical locations to build community through events, etc.
- Lack of knowledge/awareness of government functioning
- Few opportunities to engage with government/lack of communication between government and general population
- Need for more engaging volunteer opportunities

Youth were also given the opportunity to vote for their favourite solution from a group of 6 solutions (randomly selected by facilitators) across all categories. The voting spread was as follows:

1. Rent-to-own programs for housing (9 votes)
2. Prioritizing equity over equality (9 votes)
3. More public transit capacity (8 votes)
4. Volunteer opportunities that benefit community (7 votes)
5. Needs-based resource distribution (6 votes)
6. Subsidize locally grown food (5 votes)

Waterloo Region Economic Development Strategy & Talent Plan
Post-Secondary Student Survey Results: September-October 2023

BACKGROUND & METHODOLOGY

The Post-Secondary Student Survey was administered by Region of Waterloo Economic Development staff via the Waterloo Region Economic Development Strategy (WREDS) EngageWR page from September 20th to October 13th, 2023 (<https://www.engagewr.ca/wreds>). The purpose of the survey was to gain insight into the priorities, experiences, and plans of post-secondary students living and/or studying in Waterloo Region. The results of the survey are being used to inform the development of the WREDS and Talent Attraction, Retention, and Reskilling Plan (“Talent Plan”).

To incentivize participation, respondents who agreed to sharing their contact information were entered to win one of three \$50 grocery gift cards. One respondent from each school was selected to win a gift card after the survey closed.

The survey was administered with the support of several student associations across three post-secondary institutions in Waterloo Region: University of Waterloo, Wilfrid Laurier University, and Conestoga College. The Region of Waterloo Economic Development team would like to thank the following student associations for their support:

- Waterloo Undergraduate Student Association (WUSA)
- Conestoga Students Inc. (CSI)
- Wilfrid Laurier University Students’ Union

*The survey received 205 unique responses. Figures in the below **RESULTS** section are rounded to the nearest whole number. Data is suppressed for confidentiality for any figures under 10%, meaning totals for each category may not add to 100.*

RESULTS

DEMOGRAPHIC (BASIC, N=205):

- 83% of respondents were in the 18-29 age range.
- 16% of respondents were in the 30-54 age range.

DEMOGRAPHIC (ADVANCED, N=160):

- Place of birth:
 - 12% of respondents were born within the Region.
 - 35% of respondents were born within Ontario, but outside of the Region.
 - 46% of respondents were born outside of Canada.
- Gender identity:
 - 64% of respondents identified as female.
 - 29% of respondents identified as male.
 - Remaining respondents identified as non-binary, agender, transgender, two-spirit, or preferred not to answer (data suppressed for confidentiality).
- Sexual orientation:
 - 21% of respondents identified as being a member of the 2SLGBTQIA+ community.
- Ethnicity:
 - 37% of respondents identified as being part of a visible minority group.

- Disability:
 - 20% of respondents identified as someone who has a visible or invisible physical, developmental, learning, or mental health disability.
- Indigeneity:
 - Data suppressed for confidentiality.

SCHOOL DISTRIBUTION

- Respondents were distributed across the three post-secondary institutions as follows:
 - Conestoga College: 47%
 - University of Waterloo: 46%
 - Wilfrid Laurier University: 6%

DEGREE DISTRIBUTION

- Respondents' degrees were distributed as follows:
 - University – Undergraduate: 48%
 - College – Graduate Certificate: 28%
 - College – Diploma or Advanced Diploma: 16%
 - College – Certificate: suppressed for confidentiality
 - University – Graduate: suppressed for confidentiality

CURRENT PLACE OF RESIDENCE

- Respondents' place of residence was as follows:
 - City of Waterloo: 57%
 - City of Kitchener: 33%
 - City of Cambridge, Townships of North Dumfries, Wellesley, Wilmot, and Woolwich, and outside of the Region: suppressed for confidentiality
- Among respondents whose place of residence was outside Waterloo Region, their primary reason for residing outside the region was:
 - Employment responsibilities

QUALITY OF LIFE

- 74% of respondents were somewhat satisfied or very satisfied with overall quality of life as a student in the Region.
- Top 3 **most** adequate factors related to living in the region:
 - Restaurants and shopping
 - Active transportation infrastructure
 - Sports and recreation activities and infrastructure
- Top 3 **least** adequate factors related to living in the region:
 - Affordability of housing
 - Availability of housing
 - Student employment opportunities
- Top 3 factors impacting quality of life the most:
 - Affordability of housing

- Public transportation
- Student employment opportunities
- Top 3 factors needing improvement:
 - Affordability of housing
 - Student employment opportunities
 - Availability of housing
- Other quality of life factors mentioned as needing improvement:
 - Lack of “third spaces” to connect without spending money
 - Food cost
 - Public safety
 - Crowded public transit
 - Lack of access to healthcare, mental health, and dental services
 - Poor road and bike lane infrastructure

POST-GRADUATION PLANS

- Place of residence
 - Of students currently living in Waterloo Region, 58% plan to leave the region following graduation.
 - Of those who plan to leave the region, the top factors influencing this decision were post-grad employment opportunities, affordability of housing, and financial reasons (e.g., to save money).
 - Of those who plan to stay in the region or move to the region if they do not currently live here, the top factors influencing this decision were post-grad employment opportunities, public safety, and graduate school/further education.
 - Of students currently living in Waterloo Region, 38% plan to stay for less than 1 year after graduating and 28% plan to stay for 1-5 years after graduating (other options included Don’t know and 6+ years).
- Post-graduate priorities
 - The top priorities post-graduation were starting a fulfilling career, earning a high salary, and resting and focusing on self-growth.
 - The top workplace attributes desired by students were having a work/life balance, high salary, and job security.
 - 67% of students ideally wanted to enter the workforce as soon as possible after graduating.



Waterloo Region Talent,
Attraction, Retention, and
Reskilling Plan and
WREDS Facilitation and
Recommendations

Engagement Summary Report

January 2024



Notes to the reader

The Engagement Summary Report details the engagement process and key learning that have emerged. Insights will inform two key documents for the Region of Waterloo and its partners. Deloitte LLP designed the stakeholder engagement for the Waterloo Region Talent, Attraction, Retention, and Reskilling Plan and the WREDS Facilitation and Recommendations in tandem due to the correlation between both projects in terms of relevant information and stakeholders. It was recognized that although the projects had distinct objectives and outcomes, they were interrelated, necessitating a coordinated approach.

The stakeholder engagement process involved various engagement opportunities including one-on-one stakeholder interviews, a business survey, a workforce survey, and a quality-of-life survey. The engagement process was designed to gather information from stakeholders to inform research findings and ensure the work being undertaken aligned with their needs and expectations.

Additionally, the Region of Waterloo carried out two workshops with a focus on Youth and on Diversity, Equity, and Inclusion (DEI). At time of this report development, the summary of outcomes from these sessions remains outstanding; it will be incorporated into the SOARR analysis when received.

Please note that the SOARR and appendices are draft only and will continue to be updated as required prior to report completion.

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Disclaimer

This report has been provided to the Region of Waterloo (The Region) for the purpose of summarizing the engagement activities conducted as part of the Waterloo Region Talent, Attraction, Retention, and Reskilling Plan and WREDS Facilitation and Recommendations work currently being undertaken by Deloitte LLP. The summary presents key themes and a “SOARR” analysis that articulate potential strengths, opportunities, aspirations, risk and results to the community from the perspective of key stakeholders. Deloitte LLP (“Deloitte”) does not assume any responsibility or liability for losses incurred by any party as a result of the circulation, publication, reproduction or use of this initial analysis contrary to its intended purpose.

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We believe that our analyses must be considered as a whole and that selecting portions of the analyses, or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the issues related to the report. Amendment of any of the assumptions identified throughout this report could have a material impact on our analysis contained herein. Should any of the major assumptions not be accurate or should any of the information provided to us not be factual or correct, our analyses, as expressed in this report, could be significantly different.

About this Report

This Engagement Summary Report presents the findings emerging through stakeholder engagement and will inform the Waterloo Region Talent Attraction, Retention and Reskilling Plan and Facilitation for Economic Development Strategy and Recommendations (WREDS).

The objectives of the stakeholder engagement program were to understand Waterloo Region's labour force and economic development strengths and challenges and explore potential solutions, leading to shared commitment and joint, community-led implementation.

This document is an evidence-based narrative, providing a detailed account of the consultation outcomes. It will inform the development of the Waterloo Region Economic Development Strategy and Waterloo Region Talent Attraction, Retention and Reskilling Plan to be responsive to the needs and aspirations of the community.

Section I - Introduction

A Collaborative Stakeholder Engagement Process

Deloitte LLP designed the stakeholder engagement for the Waterloo Region Talent, Attraction, Retention, and Reskilling Plan and the WREDS Facilitation and Recommendations in tandem due to the correlation between both projects in terms of relevant information and stakeholders. It was recognized that although the projects had distinct objectives and outcomes, they were interrelated, necessitating a coordinated approach.

The consultation program was carefully crafted to capture the insights and perspectives of varied stakeholders, including residents, industry, community partners, workforce organizations and intermediaries, employment and training partners, local businesses, major impact employers, high school and post-secondary students, jobseekers and employees.

Stakeholder input focused on areas including,

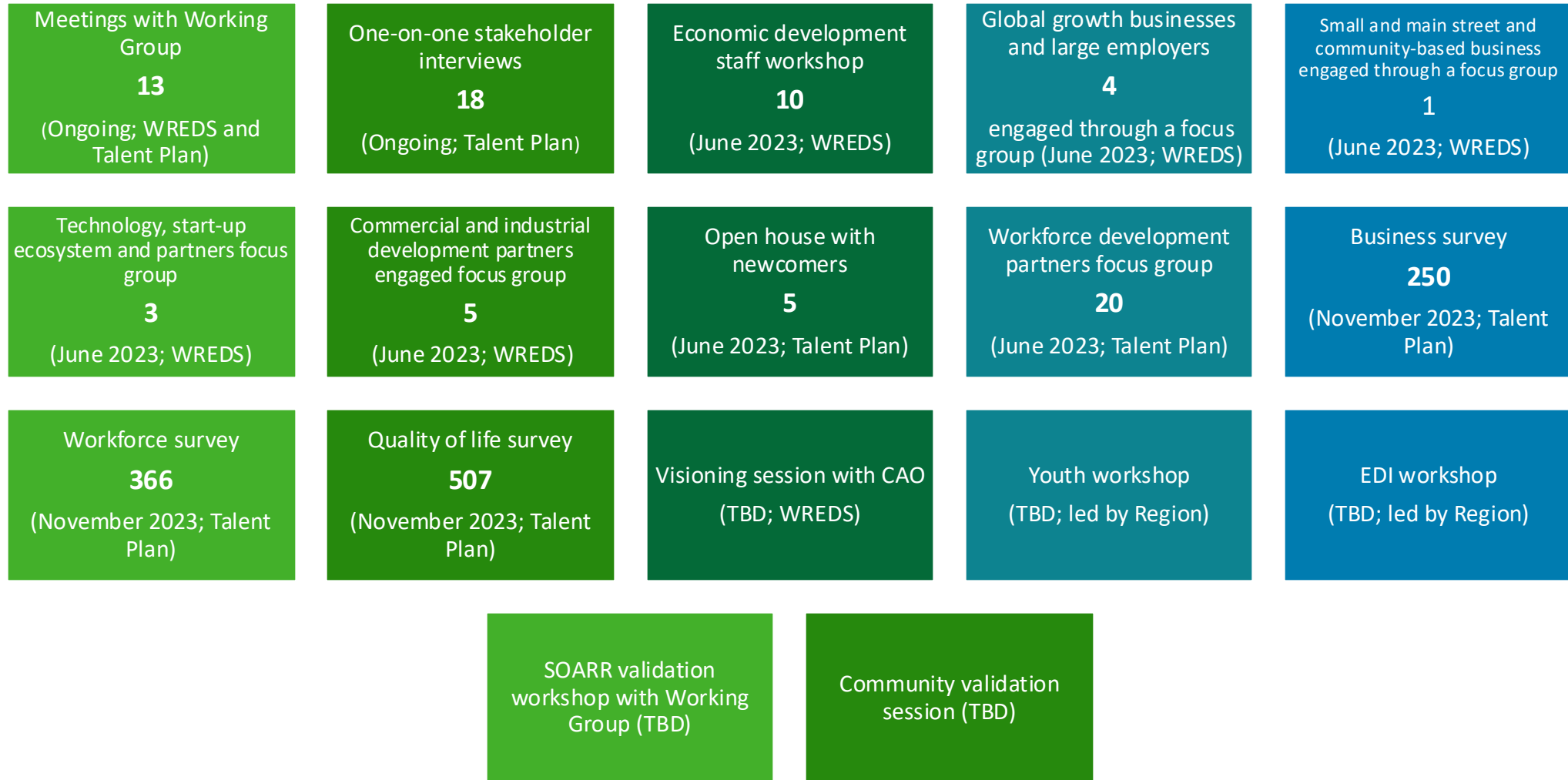
- ❖ Competitive strengths and challenges to workforce development and economic growth
- ❖ Labour force challenges faced by:
 - ❖ employees, job seekers, youth, recent graduates, persons with disabilities, and minority populations
 - ❖ employers in sectors (including, but not limited to, manufacturing, wholesale and retail trade, health care and assistance, and education services)
- ❖ Current occupations and skills gaps, talent attraction and retention challenges
- ❖ Aspirations and workforce and economic development actions
- ❖ The role of the Region, its partners and stakeholders in advancing these opportunities

The consultation input was categorized as strengths, opportunities, aspirations, risks, and results (SOARR), and will inform subsequent steps such as strategic goals, objectives, and actions. Overall, the consultation process was designed to create opportunity for a meaningful engagement process that effectively captured stakeholder insights and perspectives.



Summary of Input Opportunities

A comprehensive stakeholder engagement process began in June 2023, engaging external and internal stakeholders. In total over 1,200 participants contributed through surveys, workshops, focus groups, an open house and one-on-one interviews.



Section II - SOARR

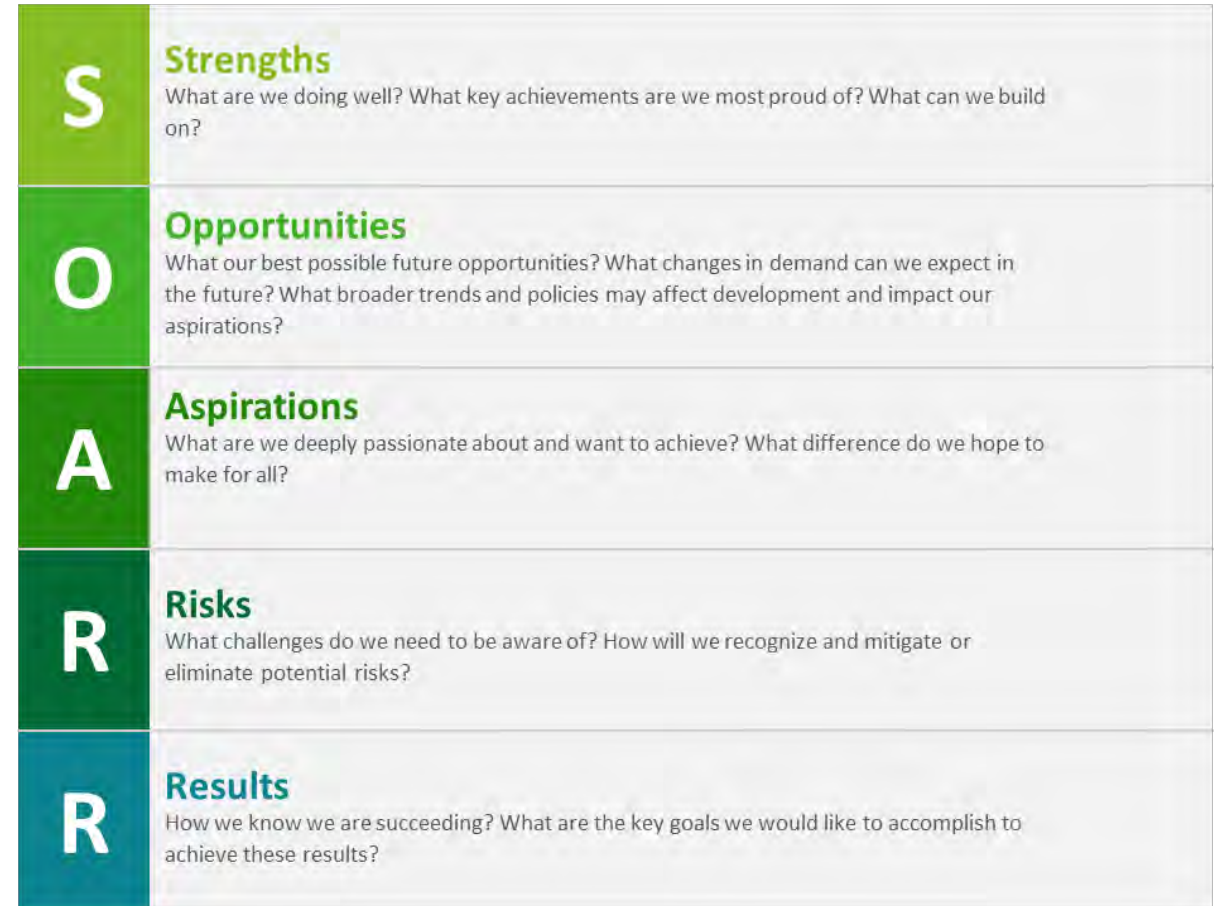
Strengths, Opportunities, Aspirations, Risks and Results (SOARR) Assessment

The SOARR assessment represents a critical turning point in the workforce development and economic growth priorities for the Waterloo region. It serves as the pivot from 'what has been learned' to 'what needs to happen.'

This forward-looking model takes elements of what would traditionally be affiliated with a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis and integrates Risks and Results. By bringing risk and results into the conversation, contingency planning receives due attention, and outcomes are reflected in an action-oriented, measurable manner. Identifying opportunities and understanding potential risks allows for the design of specific action steps to achieve desired results. This approach enables strategic leveraging of identified strengths while addressing areas for growth and improvement.

The concepts underlying the SOARR analysis model are illustrated in the figure to the right, providing a clear visual representation of the model's components and how they work together to inform strategic planning and decision-making.

It should be noted that the conclusions within the SOARR assessment reflect the responses given during the stakeholder engagement sessions. As such, they should not be taken as generalizations of all stakeholders within the Waterloo region's economic development or workforce ecosystem.



S

Strengths

The Strength component of the SOARR focuses on answering key questions, including what the region is doing well, key achievements underway, and the strengths that can be built to realize new opportunities.

- ❖ Stakeholders identified that the Waterloo region has many **geographic advantages**, including its location along Highway 401, the presence of an international airport and proximity to growth markets in Canada and the United States; all influential for business, investment and talent attraction. Waterloo is at the heart of the Toronto-Waterloo Corridor, a stretch of 112 kilometres of talent, connectivity, and innovation. The Corridor offers a similar density of tech talent as Silicon Valley, affording the region **access** to 150+ million consumers and over 250,000 tech workers.
- ❖ Stakeholders identified that post-secondary institutions, including the University of Waterloo, Wilfred Laurier University and Conestoga College are valuable providers of education and training. As per Lightcast 2023 data, more than 18,000 students graduate every year from these post-secondaries. This translates to the existence of a **strong talent pipeline** and opportunities to support talent development across many industries and sectors.
- ❖ Waterloo region has a **growing and diverse population**. As of 2021, 25% of the regions total population were immigrants, and 27% of the total population identified as a visible minority group. The growing population is complemented by a **strong labour force** in various industry sectors, including healthcare, retail trade, public administration, education, manufacturing, construction and agriculture. The region is attracting immigrants with strong education and credentials while post-secondary institutions are actively recruiting international students. Overall, this translates to a **wealth of training and talent resources** that can be leveraged to support the local workforce and economy. As per the CBRE Scoring Tech Talent 2023 report, Waterloo region ranks 18 out of the top 50 of the largest markets by number of **tech talent professionals** in the U.S. and Canada.
- ❖ Employers identified strengths to include **its culture of innovation and collaboration**. The region has a **diverse economy**, which has attracted global players in business and financial services, manufacturing, and information and communications technology. Along with post-secondary institutions, the presence of research facilities and networks, ICT innovation in big data, embedded security, autotech, and artificial intelligence to quantum and nanotechnology has provided the region a reputation as a **global technology leader**. The region is home to a **corridor of hydro power** making it a leader in this sector and providing opportunities and capacity for business growth.
- ❖ Waterloo region offers a **strong quality of life** that appeals to the diverse preferences of its residents. Urban centres, including Cambridge, Kitchener, and Waterloo, are balanced by the rural areas of North Dumfries, Wellesley, Wilmot, and Woolwich. The region is home to several conservation areas, open spaces, parks, trails and lakes, providing a variety of outdoor recreational activities, such as camping, hiking and fishing. In addition to its natural attractions, the region also offers numerous arts and culture facilities and shopping, dining, and entertainment options.
- ❖ The region is home to a **strong business and workforce ecosystem** that includes the regional government, Waterloo EDC, municipal economic development departments, educational institutions (ranging from primary to post-secondary), innovation and research networks, start-up supports, mentorship programs, leading employers, and workforce development providers and intermediaries. Strong partners in the region include the Immigration Partnership (Immigration Waterloo Region), Kitchener-Waterloo Multicultural Centre, Niagara Peninsula Aboriginal Area Management Board's Youth Employment & Training, Workforce Planning Board of Waterloo Wellington Dufferin and the YMCA Cambridge and the YMCA Kitchener-Waterloo. Waterloo Region Talent Plan and WREDS Facilitation – Consultation SOARR Report

Building on the strengths, the potential future opportunities for the region are identified. Workforce trends, changes in demand and external forces that impact the region's workforce development are also identified.

- ❖ Stakeholders have identified a **need for increased collaboration and coordinated efforts** that bring together economic development, workforce partners, and businesses to address the current and future labour force needs of local businesses. To support efforts, advocacy for the region and its priority sectors to provincial and federal partners is required.
- ❖ Coordinate between employers and employment service providers to understand their needs and develop appropriate responses. To **align skills needs**, sector-specific training programs, micro-credentials, upskilling opportunities, building career pathways, creating positive career campaigns for high-demand jobs and employment readiness programs were identified as critical.
- ❖ Opportunities exist to foster a **skills-first hiring environment** that enables businesses to target candidates based on new and dynamic skills requirements, rather than static job titles.
- ❖ A desire to promote manufacturing and agriculture-related **trades/mechanic programs** as a viable and attractive career opportunity was expressed by stakeholders. They also noted a better job can be done to educate job seekers and employees on the 'realities' of work, including shiftwork, on-the-job training and work culture.
- ❖ Stakeholders identified the need to **advocate** to provincial and federal regulators for more comprehensive credential recognition and credential translation to support immigration.
- ❖ Workforce partners indicated a pressing need for enhanced efforts in **diversity, equity and inclusion (DEI)** in the Waterloo Region. To fully engage residents, it is imperative to ensure that DEI resources are readily available to businesses, recruitment policies are in place, and working groups or organizations are established to strengthen equal opportunities.
- ❖ **Reducing barriers to employment** is crucial for a fully engaged workforce. Support systems such as daycare, transit, affordable housing, well-being, and access to healthcare are essential for workforce engagement. Societal issues such as poverty, homelessness, addiction, and mental health need to be addressed to enable labour force participation for disadvantaged groups. Community support is essential to addressing these issues and facilitating positive change. Furthermore, adequate healthcare resources, including doctors, are required to ensure that all residents have access to medical care.
- ❖ The business community has identified an opportunity to expand the **tourism** sector within the Waterloo Region. Partnerships with Explore Waterloo Region present a unique opportunity to further support tourism product development.
- ❖ **To enhance economic competitiveness**, employers identified opportunities including easing development constraints, servicing employment lands, continuing to make downtown cores desirable and thriving places to work. Additionally, creating a diverse mix of new housing developments, growth of the regional airport, and expanding GO Transit services were identified.
- ❖ Waterloo region is uniquely positioned to **enhance quality of life, talent attraction and business growth value propositions and marketing messages**. Opportunity exists to consider its unique sense of place and quality of life, ideal post-graduate destination, arts and culture offerings and the Toronto-Waterloo Innovation Corridor as a brand and channel for investment. Opportunities also exist to collaborate with local organizations to host cultural events and festivals, encourage more foot traffic, and increase shopping and dining options.

A

Aspirations

Aspirations highlights the voice of the stakeholders, including the programs, strategies and outcomes they are deeply passionate about and want to achieve, and the difference they want to see for each player in the workforce ecosystem, including students, job seekers, employees and businesses.

- ❖ **Aligned sector-based talent pipeline:** A sector-based talent pipeline that goes beyond traditional degree requirements and is based on skills and competencies should be developed to increase labour force participation across all groups, including the unemployed, under-employed, immigrant, and diverse and marginalized communities in the region.
- ❖ **Favourable work environment:** Consider strategies to attract national (local, regional, and provincial) and international labour force and increase youth labour force participation. Businesses may benefit from well-defined career pathways, prioritize work-life balance, and offering flexibility in terms of work location, part-time and shift work, wages in line with industry standards, benefits, and retention bonuses, etc.
- ❖ **Diversity, Equity and Inclusion:** Addressing barriers to labour force participation among diverse and marginalized groups in the region is crucial.
- ❖ **Integrated Workforce Ecosystem:** All partners should have a clear understanding of their role in encouraging, supporting, and facilitating labour force planning for the region.
- ❖ **Supported and growing business community:** Establishing strong and ongoing collaboration with local businesses is important to ensure that programming, strategies, and decisions align with local business needs.
- ❖ **A stronger, diversified economy:** Build on sector-specific strengths, including manufacturing, professional, scientific and technical services, and tourism sectors to focus economic diversification, increase job opportunities, higher economic growth potential, and attract more investments.
- ❖ **An investment-ready community:** Addressing land development and infrastructure servicing will increase land availability for industrial and commercial businesses and residential development.
- ❖ **Data-focused:** Enabling the understanding of current and future labour market needs and gaps between labour available and labour desired is essential.
- ❖ **An attractive place to live and thrive:** Many students within the region are reporting a desire to stay in the region post-graduation. Thriving and vibrant downtown and village cores should be developed to strengthen and expand local employment opportunities for youth, retail, and professional services. A focus on such areas as recreation amenities and livability will foster a place where young professionals and new Canadians choose to live and raise their families.
- ❖ **Be a global brand:** Coordinated efforts that promote Waterloo regions' story together including rural and urban strengths, talent availability and business investment.
- ❖ **Rural economic development:** The unique challenges and opportunities that exist within rural townships are recognized and addressed. By implementing programs reflecting the rural-urban divide, a more equitable and prosperous society is realized, where everyone can thrive and succeed.
- ❖ **Economic development programming with a demonstrated return on investment (ROI):** All economic development programming should demonstrate a ROI that is clearly understood and effectively communicated within the community and its leadership to promote community buy-in and commitment.

R

Risks

Risks highlight the labour force and business challenges that partners and organizations need to be aware of and strategies to recognize and mitigate or eliminate potential risks to achieve the best possible future opportunities for the region.

- ❖ Labour force participation has still not recovered to pre-pandemic levels. An uneven reopening of the economy after the COVID-19 pandemic, combined with demographic factors and long-term changes in where people live and work, has contributed to the difficulty employers are experiencing in trying to find qualified candidates for open roles. It is likely that these **labour shortages** will continue to exist for the near future. This then puts pressure employment support organization who are working with clients with great needs.
- ❖ **Attracting and retaining talent** in the region has been difficult for employers. The Waterloo Region used to provide a more affordable option to live, but housing affordability and accessibility have decreased over recent years due to population growth. Immigrants and newcomers often look to Toronto as a potential destination that offers a more diverse mix of housing options. Youth are looking to stay in the region post-graduation but are citing affordability and accessibility of housing as two quality of life factors that need the most improvement.
- ❖ **Wages** are not keeping up with inflation and the growing expenses of individuals and families. There is concern among stakeholders that this could make it more difficult to attract individuals and families from these communities. The lack of student employment opportunities and student's inability to earn wages impacts retention of this population segment.
- ❖ Service providers and support organizations indicate gaps in support from regional governments to **address wrap-around supports**, including daycare, transit, affordable housing, and access to healthcare. These can detract from the region's value proposition for both businesses and the workforce looking to move to the community.
- ❖ There is **insufficient availability and affordability of housing** in the Waterloo Region. There is an increased challenge in the housing market of rural communities compared to urban communities.
- ❖ There is **higher unemployment for minority groups** compared to the majority population. It is difficult for immigrants to network and connect with employers in the region, as many do not have established connections in the community.
- ❖ Service delivery providers are still noting **low levels of credential and skill recognition** from international residents by regulatory bodies, and there is not a clear path for immigrants to easily become recertified in Canada and the Waterloo Region.
- ❖ Organizations within the Waterloo Region are sometimes **fragmented** and do not collaborate when there are opportunities to share resources. The lack of collaboration between businesses and government is hindering growth in the Waterloo Region.
- ❖ The **lack of land** available for industrial use, the high cost of land and construction, in conjunction with high commercial vacancies due to the rise in working from home, means a rethink of what business attraction efforts should look like.
- ❖ There can be long **transportation** distances and commute times for employment, especially in the rural townships and villages. Young people are getting their driver's license at a decreasing rate, which lowers overall mobility of the population without sufficient public transportation.

Results show how the region can succeed and the key goals that need to be accomplished to achieve these results.

- ❖ **Alignment of training programs to address skills and training gaps:** There is clear information that guides individuals through the process from training to employment.
- ❖ **Improved workforce retention:** Waterloo region has increased retention of trained individuals and graduates from local post-secondary institutions.
- ❖ **Diversity of talent pools, increased retention, and participation in the labour market:** To support an inclusive culture and diversity initiatives that support a more equitable workplace.
- ❖ **Targeted focus on generating high-quality jobs in the region:** There are additional high-quality jobs offered in the region.
- ❖ **Business growth:** Businesses have the needed land, facilities and supports to scale up within the region.
- ❖ **Increased regional tourism:** Waterloo region sees a substantial increase in tourism through an increased awareness of its assets and the development of new tourism opportunities.
- ❖ **Immigration hub within Canada:** Waterloo region has capitalized on the opportunity as a successful immigration hub, with a focus on aligning labour supply with labour needs among local businesses.
- ❖ **Stronger partnerships:** Partnerships that become established between workforce development and economic development support greater program alignment and outcomes that address the needs of businesses and residents.
- ❖ **Improved transit infrastructure:** Transit infrastructure is improved, including the GO Transit options, inter-regional connections to rural communities and an increase in airport connections to major Canadian and US cities.
- ❖ **High quality of life:** Waterloo region offers a high quality of life that is attracting and retaining business and talent.

Section III – Appendices

One-on-one Stakeholder Interviews

One-on-one interviews have been completed with industry and workforce partners, along with major employers within the region. The interviews discussed key barriers that are impacting minority groups as well as opportunity areas to better serve these populations, the workforce ecosystem, and economic development within the region. The key themes that emerged from stakeholder groups are highlighted below.

Industry Partners

- ❖ These stakeholders indicated a desire to support quality of life factors for their employees. Improvements to social services, housing, childcare, active transportation and healthcare were specifically identified.
- ❖ Messaging and marketing of careers specific to skilled trades and health care were identified as a gap by several industry partners. Career campaigns to boost interest in these high-demand occupations was mentioned as an opportunity to address workforce gaps and align workforce needs.

Workforce Partners

- ❖ Barriers to workforce entry have become even more challenging as employment participation in the Waterloo region has increased. Stakeholders noted these barriers are tied to a lack of access to employment wrap-around supports such as accessible transit, affordable housing, mental health supports, and childcare. Many stakeholders expressed the desire to see a collaborative advocacy effort to improve these supports. Immigrant serving stakeholders noted credential recognition, lack of eligibility in co-op programming and lack of Canadian work experience as barriers to workforce entry for new Canadians. Providing more employer supports to incorporate a more skills-based hiring approach is desired by many workforce partners.
- ❖ Many of these stakeholders identified diversity, equity and inclusion as a key priority for their organizations. They noted an opportunity for further employer engagement and education that highlights best practices in this area. Funding and human resources was noted as a barrier to addressing this opportunity.
- ❖ All workforce partner stakeholders identified the importance of connecting with employers and have a desire to deepen their employer networks and connections.

Employers

- ❖ Employers interviewed noted that retention has become a key priority within their workforce planning. Internal mentoring and coaching programs have been implemented to lower turnover rates and support the limited experience of the labour force. Working with post-secondary institutions is a priority among industry stakeholders to ensure graduating students have relevant knowledge and skills for entry into their field of study.
- ❖ Understanding challenges facing employees who work from home, such as feelings of isolation were mentioned as an area of focus for some employer stakeholders. Ensuring individuals who work from home have opportunities to connect was a suggestion for regional support.

WREDS Consultation Highlights

Five consultation workshops to gather input from community stakeholders were held on June 26-27, 2023, with a total of 18 participants.

- Current state of the region of Waterloo’s business environment
- Sector related strengths
- Sector opportunities
- Actions for a regional economic development strategy

The strengths and opportunities identified through these workshops are woven into the SOARR analysis and the prioritization of action areas are identified, by workshop, below.

*With the exception of the Small and Main Street workshop, as opportunities only were identified.

Global Growth Business Workshop

- 1.Global brand (Talent, FDI) and Telling the region’s story
- 2.Identifying employment lands to develop
- 3.Intangible economy metrics (combine economic and social goals)

Small and Main Street Workshop*

- 1.Present a regional picture
- 2.Downtown revitalization
- 3.Indigenous Peoples engagement

Commercial Development Workshop

- 1.Understand basic community needs such as housing, health care, childcare and wellbeing
- 2.Physician recruitment program
- 3.Reduce barriers for development

Large Employers Workshop

- 1.Improve effective housing options for all residents (including options for seniors)
- 2.Create a peer-to-peer network to coordinate government advocacy
- 3.Reduce immigration roadblocks

Tech and Start-up Workshop

- 1.Create a step-out space for early-stage companies
- 2.Focus on quality of life to attract people to the region
- 3.Promote region as a high-tech manufacturing hub

Economic Development Staff Workshop

On June 27, 2023, ten Region of Waterloo economic development staff attending an in-person workshop to review and discuss a series of questions. Input focused on identification of top priorities as they relate to informing the Waterloo Region Economic Development Strategy.

1. What regional assets or competitive strengths come to mind when you think of Waterloo region's economy?
2. What untapped potential or economic growth opportunities exist that will propel the regional economy forward in the next three to five years?
3. What do you see as the most relevant challenges or barriers to economic growth and development in Waterloo region?
4. Let's validate Q2: the economic growth opportunities.
5. Think about 1 or 2 of the highest ranked priorities and answer the following: what role could the area municipal, regional, provincial, and federal government, economic development groups, industry partners and community stakeholders play in advancing these? Are there any early wins or accomplishments?

Key Findings:

- ❖ The innovation mindset of residents of Waterloo region goes beyond just its technology sector and is seen in urban and rural areas.
- ❖ The two-tier governmental structure is a strength as governments collaborate and are not afraid to invest in their communities to improve quality of life.
- ❖ There is a diverse population in the region and the three post-secondary institutions help to attract new residents.
- ❖ There is a gap in available serviced land for new developments. There is a scarcity of land which has raised the price. Land for development in the region is typically leased instead of sold.
- ❖ Some wrap-around supports have gaps in the region including access to childcare, finding physicians, lack of proper student housing, and all day GO transit.
- ❖ The region and its municipalities should be sure to leverage provincial legislation to further develop its industrial land base.

- ❖ The economic growth opportunities identified by regional staff include:
 - **Focus on workforce development (Talent Plan)**
 - Partnerships with post-secondary, focus short-term, responsive programming, industry partners to connect with labour, wrap-around supports.
 - **Sector-specific growth/development**
 - Employment generation from spin-off, synergies between manufacturing aerospace, automotive, medtech, and supply chain.
 - **Planning and Infrastructure**
 - Shovel-ready land, employment land, servicing connections, addressing servicing for rural communities.
 - **Focus on Community Economic Development**
 - Housing solutions, expanding rural transit and options (on demand services), rural economic development, quality of life, health care services.
 - **Innovation and start-up ecosystem**
 - Access to space, equipment and capital. Start-up to scale-up supports. Focus on home-grown companies along with outside business community.

Newcomers Open House

On June 29, 2023, an in-person open house for immigrants to Canada who were living in Waterloo was conducted at RIM Park. A total of five newcomers attended the open house. Attendees were asked the following questions:

1. What makes Waterloo region a great place to live and work?
2. Are newcomer job seekers leaving Waterloo? If so, why?
3. How can the Region and partners support/advance newcomer employment and retention?
4. What barriers have you faced when entering the workforce?
5. What experiences have you had that demonstrate Waterloo region as a welcoming community?
6. What community resources, services, or supports are you aware of?

Key Findings:

- ❖ The communities within the Waterloo region are welcoming with neighbours providing support to newcomers. The schools, workplaces, and places of faith have welcomed many individuals.
- ❖ Access to transit in the tri-city area and the many opportunities in emerging sectors were listed as reasons why Waterloo is a great place to live and work.
- ❖ The region can increase support for newcomers by offering support in additional languages and being the primary connector between new residents and organizations in the region.
- ❖ One stakeholder noted the region has an opportunity to provide a service that matches new residents to mentors to reduce career setbacks as they arrive in Waterloo.
- ❖ There is a significant gap in recognizing credentials from other countries in Waterloo region and Canada. Providing translation of these credentials or recognizing them can support a newcomer's ability to find gainful employment. This has prevented some newcomers from entering the workforce.
- ❖ The cost of recreation activities is high in the region and lower-income newcomer families are unable to participate in these activities.
- ❖ Some jobs in the region require Canadian experience. This requirement is a barrier for many newcomers without this experience.
- ❖ The cost of programs for entrepreneurs is another barrier mentioned by stakeholders.
- ❖ Some newcomers have left Waterloo region due a lack of support services available to them. This is either due to the support not existing or the newcomer being unaware of its existence. Newcomers have also left the region for job opportunities in other Canadian jurisdictions such as the GTA or Alberta.
- ❖ Access to networking in the region is limited for newcomers. The inability to connect with peers is another cause as to why a newcomer may leave the region.

Workforce Development Partner Workshop

On June 28, 2023, an in-person workshop with the Region of Waterloo Workforce development partners was conducted at RIM park. Approximately twenty individuals attended the workshop. Initial research was presented to participants for brief discussion followed by discussions on the workforce ecosystem, labour, and growth sectors.

We would like to hear your thoughts on the workforce ecosystem:

1. Who is missing?
2. Thinking about the Waterloo region's demographic diversity, what specific target populations are not able to access needed supports? Please elaborate on missing supports.

When thinking about the labour force:

1. What are some of the biggest challenges that the labour force faces in Waterloo region?
2. How does talent attraction and retention differ when considering and comparing the urban and rural areas? What may be some solutions?
3. How can we enable a diverse, inclusive, and equitable Waterloo region?

When thinking about the sectors:

1. Waterloo region's forecasted growth sectors include Manufacturing, Wholesale and retail trade, Health care and Assistance, and Education Services. What challenges are you seeing in terms of?
 - Talent attraction and recruitment
 - Talent retention
 - Training programs and delivery
2. How might education and training delivery be better aligned to support a talent pipeline for these priority sectors?

When thinking of the Talent Plan for Waterloo Region:

1. What top 2-3 priorities must be included in the strategy to help strengthen the success of talent attraction, retention, and upskilling?

Key Findings:

- ❖ The most significant challenge facing the labour force in Waterloo region is the affordability and availability of housing (More challenging in rural areas).
- ❖ The push toward post-secondary learning is not showing the full breadth of opportunities in the region.
- ❖ Supports services for newcomers should start with employers, followed by government support. Sharing best practices with employers is critical to support them.
- ❖ It is difficult to find instructors for skilled trades in the region which is exacerbating the gap in these skills within the region.
- ❖ Work/life balance is becoming increasingly important to individuals. Employers that provide this have an easier time in finding quality individuals to hire.
- ❖ Priorities identified by workforce development partners include increased coordination for job seekers to have access to local supports, improved wrap-around supports for residents, and education of employers in understanding how to solve talent issues that they are facing.
- ❖ Success metrics identified include:
 - Retention of trained individuals.
 - Clear pipeline of education to employment.
 - Alignment of training programs and needs of employers.
 - Quality of jobs offered in region.
 - DEI metrics for employment within the region.

Business Survey

Survey Overview, Objectives, and Methodology

Deloitte conducted a survey among businesses and organizations within the Waterloo region to understand workforce needs. Using a mix-mode methodology that leveraged computer-assisted telephone interviewing (CATI) and computer-assisted web interviewing (CAWI), Deloitte was able to gather responses to assess the challenges the business community faces along with the supports needed to address them. Respondents were screened to ensure they currently reside in Waterloo Region which includes the Cities of Cambridge, Kitchener, and Waterloo along with the Townships of North Dumfries, Wellesley, Wilmot, and Woolwich. A random sample was conducted with 250 completed surveys.

Key Findings

Access to required labour – Many employers in the Waterloo region have been experiencing difficulties accessing labour. Almost half of employers (49%) reported that required labour has become harder to access in the last year. Businesses most commonly noted that higher skilled workers were the most difficult to access, this includes occupations that require college, skilled trades, and/or university level education/training.

Satisfaction with availability of required labour – Employers were moderately satisfied with the availability of labour in the region. Among respondents, 61% were at least somewhat satisfied with the availability of required labour to support the growth and success of their business. Respondents were most satisfied with the availability of a diverse labour force (84%) and the productivity of their labour force (83%). Respondents were least satisfied with the availability of workers experienced in their industry (46%).

Employee attraction and retention – The Waterloo region was seen by employers as a good place to attract and retain workers. 79% of businesses were at least somewhat satisfied with the region as a place to attract workers. When asked about their overall satisfaction with the region as a place to retain workers, 86% of businesses were at least somewhat satisfied.

Attraction and retention priorities - Using Deloitte's proprietary derived importance methodology, it was found that the top priorities related to talent attraction were the presence of attainable housing, overall cost of living aside from housing, and local/regional marketing efforts to support talent attraction.

Recruitment outside of the region – Among employers, 22% reported that they directed employee recruitment efforts outside of the region in the last two years. These businesses primarily targeted their recruitment within Ontario (58%). 75% of employers at least somewhat agreed that they had been successful in hiring individuals from outside of the region.

Workforce Survey

Survey Overview, Objectives, and Methodology

Deloitte conducted a survey to understand the needs of the local workforce and challenges they have experienced in the Waterloo Region. The survey was conducted via panel methodology and ran from October 24th to November 1st, 2023, resulting in 200 demographically represented completed surveys. Additionally, an open-link survey was distributed by Waterloo Region, which resulted in 153 completed surveys.

Key Findings

Job Seekers – 17% of respondents who participated in the survey indicated that they were not currently working. Among those respondents, 37% reported that they were not currently searching for work, commonly noting that this was due to childcare/family responsibilities (30%).

Overall Satisfaction - The vast majority of respondents (87%) were somewhat satisfied or very satisfied with the region as a place to work. Respondents had the highest levels of satisfaction with the following attributes of the labour market: the safe and respectful work environment (82%), the suitable jobs in their chosen trade or profession (80%), and job security (80%). Respondents expressed the lowest levels of satisfaction with the pay and compensation standards in the region, with only 60% reporting that they were satisfied.

Top Priorities - Using Deloitte's proprietary derived importance methodology, it was found that the top priorities for improvement from a workforce perspective were the accessibility of the region from other areas, adequate pay/compensation, and commute times.

Career Progression – 20% of respondents strongly agreed that the regional employers in their chosen trade/industry provide opportunities for career progression within their field, with 51% who somewhat agreed suggesting some room for improvement in this area.

Likelihood to Relocate Outside of the Region – 43% of respondents mentioned they would be at least somewhat likely to relocate outside the region to secure employment in their field of interest. 27% of respondents reported that they would not move even for employment opportunities. Among the respondents who were likely to move outside of the region for employment, 45% cited better wages as the primary potential reason.

Barriers to Employment - The biggest challenges to working in the region expressed by the workforce were age (too old), with 37% of respondents citing this a barrier. Additionally, 27% of respondents felt that a lack of related work experience was a challenge.

Achieving employment Goals – Labour force participants felt that skills training and/or reskilling programs (27%) would be most helpful to achieving their employment goals, followed by access to labour market opportunities (22%) and networking opportunities (21%).

Quality of Life Survey

Survey Overview, Objectives, and Methodology

Deloitte conducted a survey to identify key drivers of resident perceptions of quality of life and overall satisfaction with the Waterloo region among community members. Using a mix of cell and landline phone numbers in the region, numbers were randomly dialed by live interviewers. Respondents were screened to ensure they currently reside in Waterloo Region and were over the age of 18. This methodology resulted in 507 statistically valid completes. The survey responses have been weighted by age and gender according to the 2021 Canadian Census profile Waterloo Region to ensure the findings are representative of the adult population.

Key Findings

Quality of Life – The vast majority of respondents (84%) were either somewhat satisfied or very satisfied with the overall quality of life in the region.

Satisfaction with Factors Related to Living in the Region - Respondents were most satisfied with access to outdoor amenities (93%) and recreational activities (91%) in the region. Respondents were least satisfied with the availability of adequate housing (34%), overall cost of living aside from housing (38%), and affordability of housing (41%).

Top Priorities - Using Deloitte’s proprietary derived importance methodology, it was found that the top priorities for improvement related to quality of life include the overall cost of housing, overall cost of living, availability of adequate housing, availability of health and medical services, and availability of childcare.

Challenges Faced by Residents - Most participants who had resided in the region for less than four years encountered challenges in securing affordable housing (74%) and employment (71%) either during or soon after relocating to the region. The primary issues faced by long-term residents were either finding a family doctor, physician, or dentist (33%) or securing affordable housing (33%).

Years Living in the Region - 86% of respondents had been living in the region have been living there for more than five years. Most participants (59%) intended to reside in the area for more than a decade, while only a small percentage (5%) plan to leave the region within a year.

Key Themes

Engagement was completed with a diverse group of stakeholders in the Waterloo region for both the Waterloo Region Talent, Attraction, Retention, and Reskilling Plan and the WREDS Facilitation and Recommendations. This engagement was intended to validate the initial research completed in the earlier phases of developing both plans and to uncover new opportunity areas that are important to local organizations and residents of the region.

In the Labour Market Insights Report, workforce development, immigration, equity, diversity and inclusion supports and wrap-around supports (housing and public transportation), were identified as opportunities for Waterloo region. These opportunities were validated and built upon throughout the engagement process.

These opportunities will help build out the strategic directions for both the Waterloo Region Talent, Attraction, Retention, and Reskilling Plan and the WREDS Facilitation and Recommendations.

Opportunities for the Region of Waterloo

- ❖ **Workforce Development:** Offer programming that supports regional employers in implementing a skills-based approach to training and hiring of the workforce to support their labour demands. By aligning skill requirements and training, the Region of Waterloo can better support career pathways for residents and promote
- ❖ **Immigration:** The region can participate in regional talent attraction initiatives and develop recruitment resources to support the local and external talent attraction agencies that operate for the Waterloo region. Improving support for newcomers once they arrive in the region is critical to their desire to stay in the region instead of looking elsewhere in Canada for new opportunities.
- ❖ **Equity, Diversity, and Inclusion Supports:** Develop a regional committee that provides training related activities related to capacity building and knowledge development and provides guidance and insight to regional and municipal councils on DEI related matters. Sharing leading practices with local businesses can set a strong example of how to ensure fair hiring practices and create an equitable workplace.
- ❖ **Wrap-around supports (Housing, public transportation, healthcare and childcare):** Renew the strategic goal of a multi-modal transportation system that connects and integrates the community and align various policies and processes with municipalities to support the efficient delivery of new housing. Ensure that healthcare occupations are prioritized in talent attraction to support the growing demand for healthcare in the region. Increasing access to childcare facilities can support parents in entering the workforce to reduce the talent gap that is pervasive across the regional economy.
- ❖ **Collaboration:** Partners and organizations in the region need to have open lines of communication with each other to enable collaboration to address current and future labour force needs derived from a strong and sustainable economy.
- ❖ **Build on existing sectoral strengths:** Increasing the investment readiness of the region can allow economic development partners to build a more diversified economy that caters to the existing strengths in the region as well as to develop traditional, emerging, and tourism sectors.



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