

**Survey on the Characteristics
of the Labour Force of Businesses
on the Island of Montréal**

June 2005

Carried out by:



Acknowledgements

We would like to thank the businesses that participated in this survey and that openly informed us of their management practices, their plans and their concerns. Their responses will enable us to develop effective tools that we, in turn, can use to support them in their development and in their efforts to improve their management practices. It should be emphasized that more than two businesses out of three wish to receive the *Executive Summary*, which clearly reflects their interest in this initiative.

Working Committee

The working committee was made up of the following individuals:

- ✓ Richard Roussel, Business Services Manager, Corporation for Economic and Social Renewal of South-West Montréal
- ✓ Natalie Gagnon, Research Officer, Emploi-Québec, Montréal regional office
- ✓ Nathalie Ouellet, Research Technician, Emploi-Québec, Montréal regional office
- ✓ Sylvie Allaire, Economist, Emploi-Québec, Montréal regional office
- ✓ Michel Clark, Industrial Development Consultant, Ministère du Développement économique, de l'Innovation et de l'Exportation
- ✓ Pierre Alarie, Economist, Human Resources and Skills Development Canada
- ✓ Peter Ghelerter, Management System Consultant, Ville de Montréal



EXECUTIVE SUMMARY

Background and Objectives

To improve its initiatives for its clientele (individuals and enterprises), Emploi-Québec mandated the firm Écho Sondage to conduct a telephone survey on businesses located on the Island of Montréal. The survey was intended to provide Emploi-Québec with reliable, up-to-date information on the names and telephone numbers of businesses in Montréal, the labour market, and the needs of employers in the Montréal region.

More specifically, the survey was designed to give Emploi-Québec a better understanding of the characteristics of establishments (sector, number of full-time and part-time employees, legal status, and sales figure) and a clearer picture of their situation in terms of

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|--|---------------------------------------|
| ✓ recruitment difficulties | ✓ training needs |
| ✓ retirement-related replacement needs | ✓ human resource management concerns. |
| ✓ hiring intentions | |

Updating this data will also enable Emploi-Québec to improve its knowledge of the Montréal labour market, facilitate local and economic development, and support the strategic and operational planning of participating organizations.

Target Population and Sampling

All establishments on the Island of Montréal with at least five employees, excluding the primary sector, were targeted by the survey. The list of these establishments was obtained from the list of Montréal industries and businesses database. The sample was stratified according to the three-digit NAICS¹ code for the manufacturing sector and the two-digit NAICS code for the service sector (allowing for exceptions). The sampling objectives were as follows:

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| ✓ generally, all establishments with 100 employees or more in the database were to be contacted and the survey firm was to maximize the rate of response from these establishments |
| ✓ for establishments with fewer than 100 employees, the firm was to conduct a large enough number of interviews to ensure a margin of error not exceeding $\pm 5\%$ for the entire sector |
| ✓ a census was to be taken of all establishments in the following sub-sectors: |

NAICS		NAICS	
315-316	Apparel and Leather Goods	334	Computer and Electronic Products
324-325	Petroleum, Coal and Chemical Manufacturing	335	Electrical Components
326	Plastics and Rubber Products	336	Transportation Equipment
332	Metal Products	337	Furniture and Related Products
333	Machinery	5415	Computer Systems Design
		5417	Scientific Research and Development Services

¹ North American Industry Classification System, 2002

Response Rate and Margin of Error

We had the names and numbers of a total of 15,006 Montréal businesses. Of this number, 4,241 were not included in the sample for various reasons (their number was no longer in service, was a duplicate, was residential; the business had fewer than 5 employees, etc.). A total of 10,762 businesses were contacted; however, we were unable to interview 4,050 of them for the following reasons: the line was busy, the respondent was absent, etc. (2,679 cases), or the respondent refused to participate (1,371 cases).

A total of 6,712 telephone interviews were carried out between February 14, 2005 and April 29, 2005, which represents a response rate of 62.4%. The sample generated a $\pm 1.2\%$ margin of error, with a 95% confidence interval. All in all, we reached 297 construction companies ($\pm 4.9\%$ margin of error), 1,780 manufacturing companies ($\pm 1.5\%$ margin of error), and 4,632 companies in the service sector ($\pm 1.3\%$ margin of error).

Weighting of Results

Since we drew samples in some sectors and took a complete consensus in others, we had to weight the data so that the overall results would reflect the sector-based breakdown of Montréal. We weighted the data collected on the basis of two criteria: the number of establishments in the 31 sub-sectors targeted, and the size of the establishments (fewer than 100 employees/100 employees or more).

Profile of Businesses – A Few Observations

Some 85% of businesses on the Island of Montréal (5,732 businesses after weighting) belong to the service sector, 11% (736 businesses) to the manufacturing sector, and 4% (241 businesses) to the construction sector. The service sector businesses interviewed provide 231,868 jobs, those in the manufacturing sector, 36,132 jobs, and those in the construction sector, 5,925 jobs.

The businesses contacted have 41 employees on average—32 full-time and 9 part-time. Manufacturing companies are the largest employers (with 49 employees), construction companies the smallest (with 25 employees), and service companies in between (with 41 employees). The proportion of full-time jobs in manufacturing stands at 93%, in construction at 85%, and in the service sector at only 76%.

Labour Needs

We asked participating companies about their labour needs, i.e., the positions they had difficulty filling (that remained vacant for at least four months), the positions they expect to become open in the next three years as a result of retirements, and their hiring intentions over the next year. We also asked them about the education, number of years of experience, and the skills required for all of these positions.

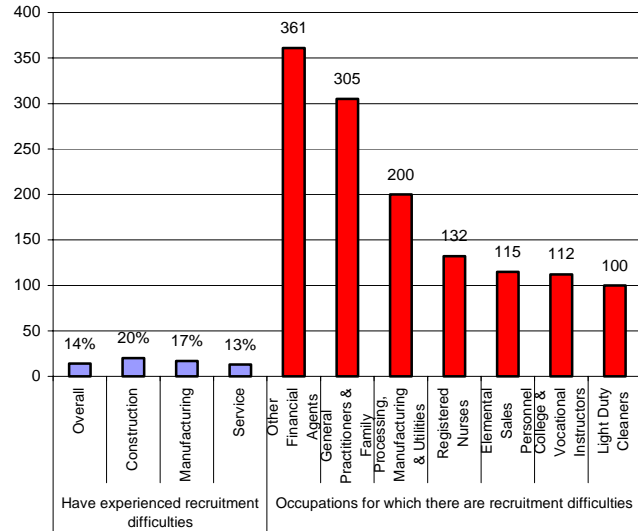
Generally speaking, the jobs to be filled do not require higher education degrees; in approximately 50% of cases, secondary school diplomas or vocational school diplomas are sufficient. Only one quarter of these jobs require more than three years of experience.

The main skills sought are clearly specific technical skills related to the job; these skills are much more in demand than personal aptitudes, basic skills or interpersonal skills.

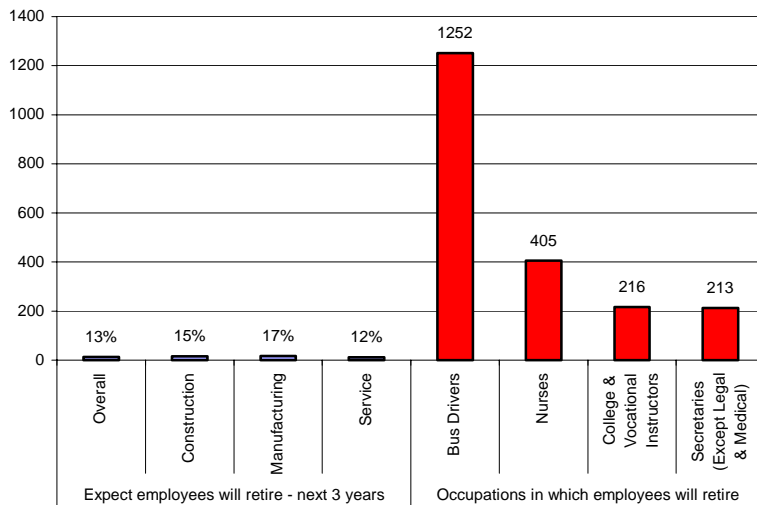
Recruitment Difficulties

As the graph opposite indicates, one company in seven (14%) has experienced recruitment difficulties in the past year. The problem seems to be more significant in construction (20%), than in manufacturing (17%) or in the service sector (13%).

Employers are seeking a large number of other financial officers (trust officers, mortgage brokers, financial planners, etc. [361 jobs]), as well as general practitioners and family physicians (305 jobs). All in all, the recruitment difficulties expressed by the employers surveyed represent 3,314 jobs.



Retirement-Related Replacement Needs



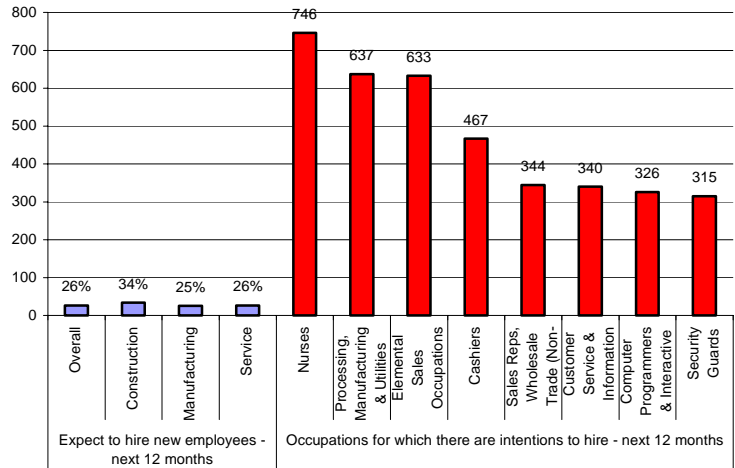
Overall, 13% of businesses expect employees to retire in the next three years. Slightly more retirements are anticipated in manufacturing (17%) than in construction (15%) or in the service sector (12%).

Two occupations will be affected in particular by retirements, i.e. bus drivers (1,252 jobs) and nurses (405 jobs). The employers surveyed expect that some 4,349 employees altogether will retire.

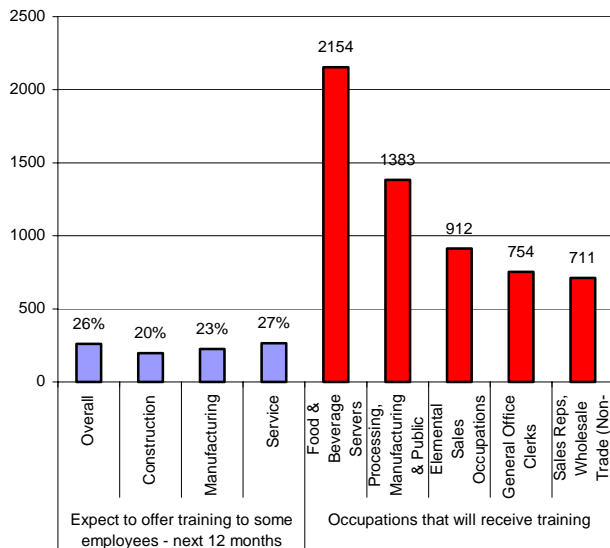
Hiring Intentions

Overall, 26% of the businesses surveyed intend to hire new employees in the next year. The need for new employees seems to be greater in construction (34%), than in the service sector (26%) or in manufacturing (25%).

More than 600 employees in three different occupational categories will be sought: registered nurses (746 jobs), other labourers in processing, manufacturing and utilities (binding assistants, packers, apparel manufacturing labourers, etc. [637 jobs]) and other elemental sales occupations (retail sales demonstrators, telephone sales clerks, door-to-door sales representatives, etc. [633 jobs]). In all, employers surveyed intend to fill 10,526 jobs over the next year, and the majority of these jobs (71%) are full-time.



Training Needs

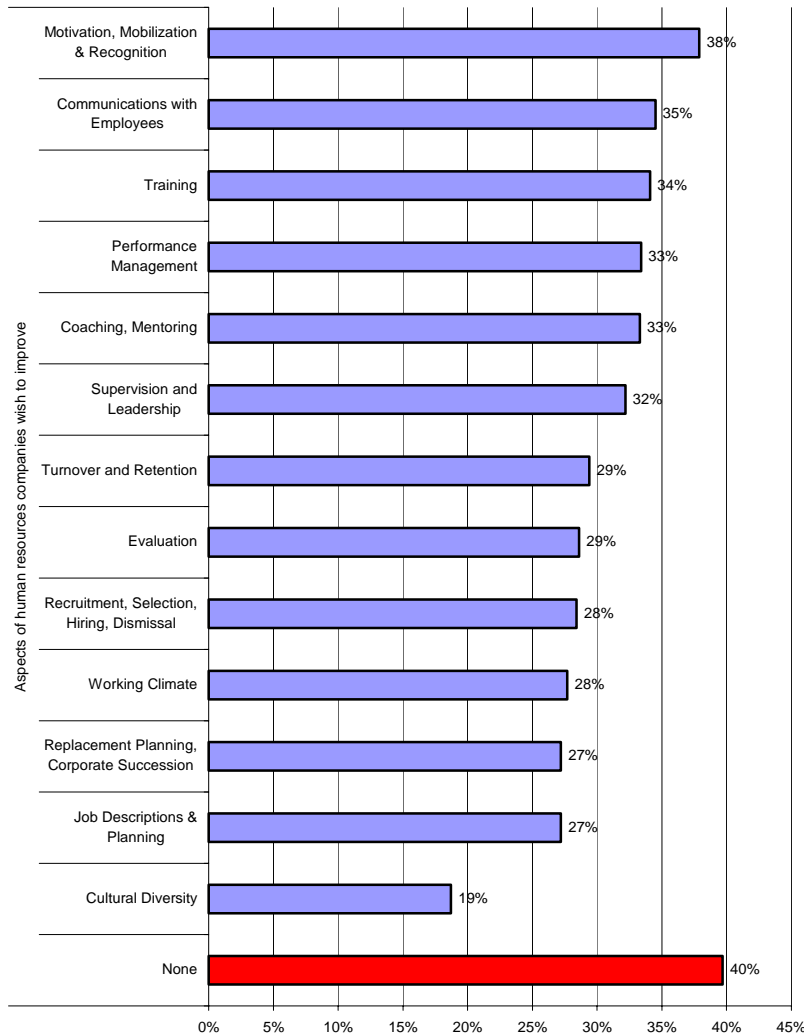


About one quarter of businesses (26%) plan to offer their employees training in the next 12 months. Training needs are the most significant in the service sector. In fact, 27% of companies in this sector train a certain number of their employees, compared with 23% in manufacturing, and 20% in construction.

According to respondents, the number of people expected to receive training is as high as 24,805! Two jobs in particular are targeted by training efforts: food and beverage servers (2,154 employees) and other labourers in processing, manufacturing and utilities (1,383 employees).

Human Resource Concerns

We asked the 1,072 establishments with 50 employees or more which aspects of human resources they wish to improve out of a choice of 13 concerns.



Overall, six companies out of ten identified at least one aspect of human resources they wish to improve. On average, 4.1 concerns were mentioned.

Manufacturing companies (70% mentioned one aspect they wish to improve, for an average of 5 aspects) and construction companies (72%; 5.2 aspects) seem to have more human resource-related concerns than service companies (57%; 3.9 aspects to improve).

It is difficult to zero in on any one particular aspect, since 12 of the 13 aspects are of concern to more than one quarter of the companies surveyed. The only aspect that is of concern to slightly fewer companies (19%) is *cultural diversity*.

Team of Consultants

This survey was carried out by the firm Écho Sondage. The following people took part in the mandate:

- ✓ Sophie Poirier, partner in charge of developing and computerizing the questionnaire, and ensuring the smooth operation of the preliminary test and survey
- ✓ André Poirier, partner in charge of drafting and presenting the report
- ✓ Marie-France Auroy, supervisor of the team of interviewers
- ✓ The team of interviewers.

The firm Soft Concept, represented by Mr. Pierre Otis, provided Écho Sondage with the list of industries and businesses on the Island of Montréal and will update the database with the information collected by this survey.

SUMMARY TABLE

	All companies	Companies with fewer than 100 employees	Companies with 100 employees or more
Sector	Construction: 4% Manufacturing: 11% Service: 85%	Construction: 4% Manufacturing: 10% Service: 86%	Construction: 2% Manufacturing: 22% Service: 76%
Type of organization	Single organization: 50% Branch: 21% Head office: 17% Government: 7%	Single organization: 51% Branch: 21% Head office: 16% Government: 6%	Single organization: 24% Branch: 27% Head office: 29% Government: 18%
Number of employees	Total number of employees: 273,924 Proportion of full-time employees: 79%	Total number of employees: 133,035 Proportion of full-time employees: 79%	Total number of employees: 140,889 Proportion of full-time employees: 80%
Recruitment difficulties—Jobs vacant for at least 4 months	Proportion of companies with recruitment difficulties: 14% Total number of jobs: 3,314	Proportion of companies with recruitment difficulties: 13% Total number of jobs: 1,378	Proportion of companies with recruitment difficulties: 24% Total number of jobs: 1,936
<i>Occupations most often mentioned (number of jobs)</i>	Other financial officers (trust officers, mortgage brokers, financial planners, etc.): 361 General practitioners and family physicians: 305	College and other vocational instructors: 106 Other labourers in processing, manufacturing and utilities (binding assistants, packers, manufacturing labourers, etc.): 95	Other financial officers (trust officers, mortgage brokers, financial planners, etc.): 360 General practitioners and family physicians: 300
Retirement-related replacement needs—next 3 years	Proportion of companies with retirement-related replacement needs: 13% Total number of jobs: 4,349	Proportion of companies with retirement-related replacement needs: 12% Total number of jobs: 1,164	Proportion of companies with retirement-related replacement needs: 30% Total number of jobs: 3,185
<i>Occupations most often mentioned (number of jobs)</i>	Bus drivers: 1,252 Nurses: 405		Bus drivers: 1,252 Nurses: 401
Hiring intentions—next 12 months	Proportion of companies that expect to hire: 26% Total number of jobs: 10,526 Proportion of full-time jobs: 71%	Proportion of companies that expect to hire: 25% Total number of jobs: 4,141 Proportion of full-time jobs: 77%	Proportion of companies that expect to hire: 41% Total number of jobs: 6,386 Proportion of full-time jobs: 67%
<i>Occupations most often mentioned (number of jobs)</i>	Registered nurses: 746 Other labourers in processing, manufacturing and utilities (binding assistants, packers, manufacturing labourers, etc.): 637 Other elemental sales occupations (retail sales demonstrators, telephone sales clerks, door-to-door sales representatives, etc.): 633	Other labourers in processing, manufacturing and utilities (binding assistants, packers, manufacturing labourers, etc.): 333	Registered nurses: 744 Other elemental sales occupations (retail sales demonstrators, telephone sales clerks, door-to-door sales representatives, etc.): 443
Training needs—next 12 months	Proportion of companies that expect to offer training: 26% Total number of employees: 24,805	Proportion of companies that expect to offer training: 25% Total number of employees: 10,963	Proportion of companies that expect to offer training: 40% Total number of employees: 13,854
<i>Occupations most often mentioned (number of jobs)</i>	Food and beverage servers: 2,154 Other labourers in processing, manufacturing and utilities (binding assistants, packers, manufacturing labourers, etc.): 1,383 Other elemental sales occupations (retail sales demonstrators, telephone sales clerks, door-to-door sales representatives, etc.): 912	Food and beverage servers: 2,139 Other labourers in processing, manufacturing and utilities (binding assistants, packers, manufacturing labourers, etc.): 536	Other labourers in processing, manufacturing and utilities (binding assistants, packers, manufacturing labourers, etc.): 742 General office clerks: 641 Other elemental sales occupations (retail sales demonstrators, telephone sales clerks, door-to-door sales representatives, etc.): 639
Human resource concerns	Proportion of companies identifying at least one aspect to improve: 60% Average number of aspects: 4.1	Proportion of companies identifying at least one aspect to improve: 58% Average number of aspects: 3.7	Proportion of companies identifying at least one aspect to improve: 65% Average number of aspects: 4.9