



LABOUR MARKET INFORMATION

INTERIM REPORT
SEPTEMBER 2019

Trucking HR Canada's new labour market initiative will deliver comprehensive labour market information that will support employers in managing current and future workforce challenges.

Trucking HR Canada (THRC) engaged The Conference Board of Canada to undertake the research that is the basis for this report.

This project is funded in part by the Government of Canada's Sectoral Initiatives Program (SIP).

We also want to recognize our partner The Canadian Trucking Alliance (CTA).



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ABOUT TRUCKING HR CANADA

Trucking HR Canada advances modern HR solutions for the trucking and logistics workforce.

We collaborate, partner, and work with a dynamic network including industry associations, government departments and industry professionals to ensure Canada's freight transportation network has the skilled workforce needed for today and into the future.

We deliver evidence-based HR solutions that:

- Define occupations and skills requirements for modern trucking and logistics operations
- Provide accurate, timely, and relevant labour market information that supports employers; educates the general public; and, informs government on industry needs
- Explore and share industry specific best practices on HR and training
- Provide forums for gathering and exchanging knowledge on emerging HR issues
- Inform practical and innovative HR tools and supports for employers
- Promote the trucking and logistics industry as a great place to work



Trucking HR Canada offers practical **toolkits and reports** on a variety of HR issues facing the Canadian trucking and logistics industry.



We offer a wide range of trucking and logistics specific **HR focused webinars**.



Our **weekly e-newsletter** is free. Subscribe today to stay on top of the latest Trucking HR trends and learn practical tips.



We recognize employers with sound HR policies and practices through **The Top Fleet Employers** program with the goal of raising the bar in HR within the trucking and logistics industry.



Our **Women with Drive Leadership Summit** is the go-to event for anyone in the trucking and logistics industry looking to learn more about women in the industry.



Visit www.truckinghr.com to learn more

INTRODUCTION

Recruiting and retaining qualified workers continues to be the predominant business issue in trucking and logistics. And for us here at Trucking HR Canada (THRC), our top priority is to help employers meet this challenge by providing practical and modern HR solutions.

We do this through a variety of programs and initiatives, including the provision of relevant, accurate, and accessible labour market information (LMI).

WHAT IS “LMI”?

LMI is actionable intelligence pertaining to the supply and demand of labour. It puts raw data into context and facilitates better decisions by employers, workers, job seekers, policy makers, educators, career practitioners, academics, students, parents, and more.

Why should LMI matter to you?

Let's take a look at who benefits:



EMPLOYERS

Meaningful labour data helps employers understand where workers come from, which groups of people to target in recruiting, and what occupations pose the greatest risks and opportunities to the success of their business.

It also gives employers a big-picture, well-researched view of the job market so they can compensate workers in a way that's not only fair and competitive with other trucking and logistics companies, but also against industries that draw from the same labour pool.



POLICY-MAKERS

When our industry associations, and others, meet with government officials to seek their support on HR-related initiatives, it's an advantage to come in armed with credible information.

Good LMI also informs the decisions of policy-makers who often rely on government-sourced data about trucking and logistics, which can be limited. When they're exposed to rich, detailed information, they're better equipped to develop policies that address our specific needs.



CAREER-SEEKERS AND EDUCATORS

LMI helps students and career-seekers know what opportunities are available, what skills are required to do the job, and where to get the training they need to get started in our industry. Likewise, educators, training and learning providers, and career guidance practitioners can tailor programs to meet the needs of employers and prospective workers.

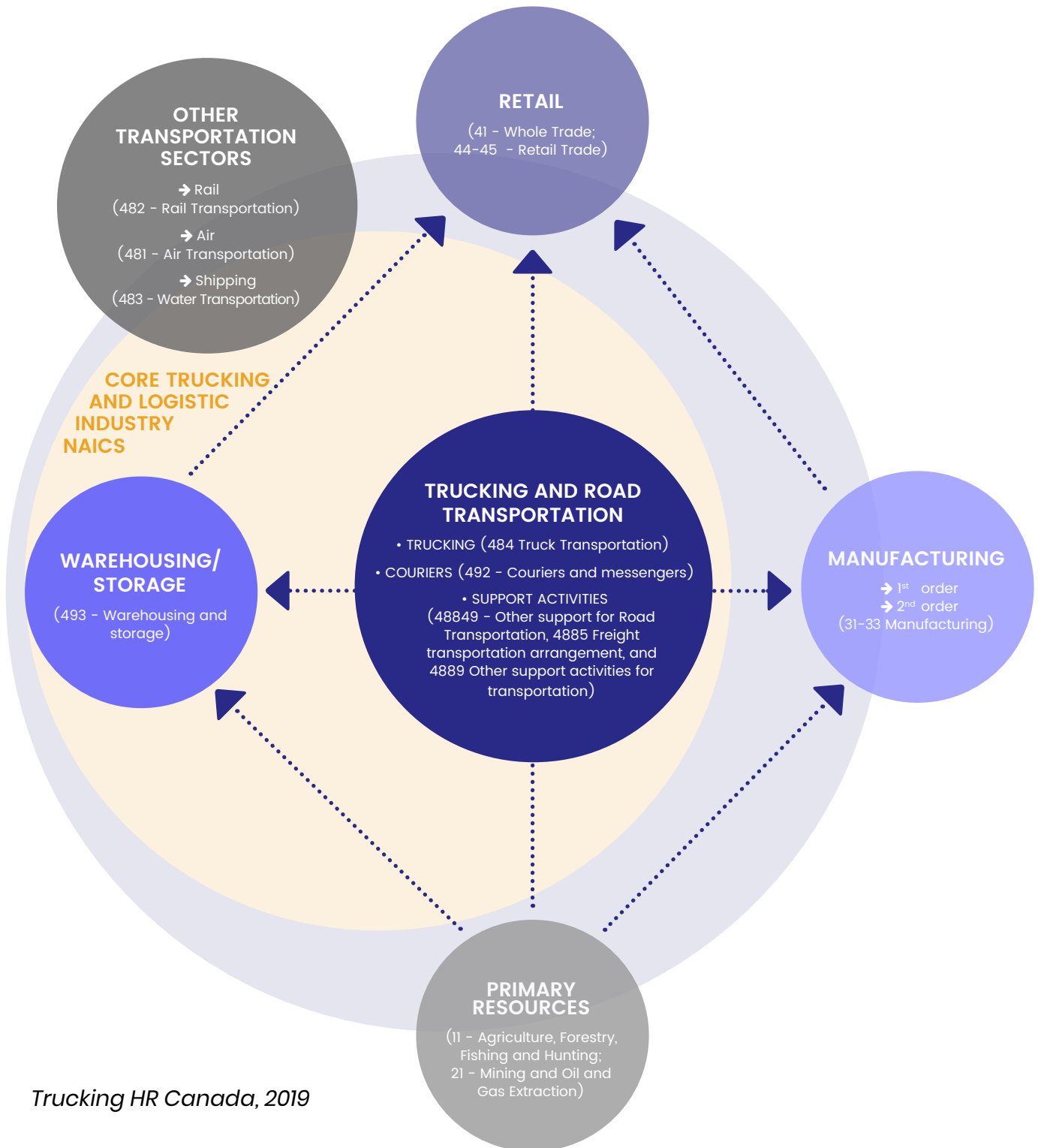
HOW WE GATHER LMI

Trucking HR Canada, with input from the Conference Board of Canada, has developed an industry-specific approach to gathering data and forecasting labour market needs.

We start with publicly available sources including Statistics Canada's Census and Labour Force Survey (LFS), among others, which provide employment and unemployment data, wages, occupation and skill patterns, and workforce demographic information. This information is supplemented by data from sources such as the Survey of Employment, Payroll and Hours (SEPH) and the Job Vacancy and Wage Survey (JVWS). This supports Trucking HR Canada in examining existing labour market conditions as well as assessing what the future may hold as our industry evolves.

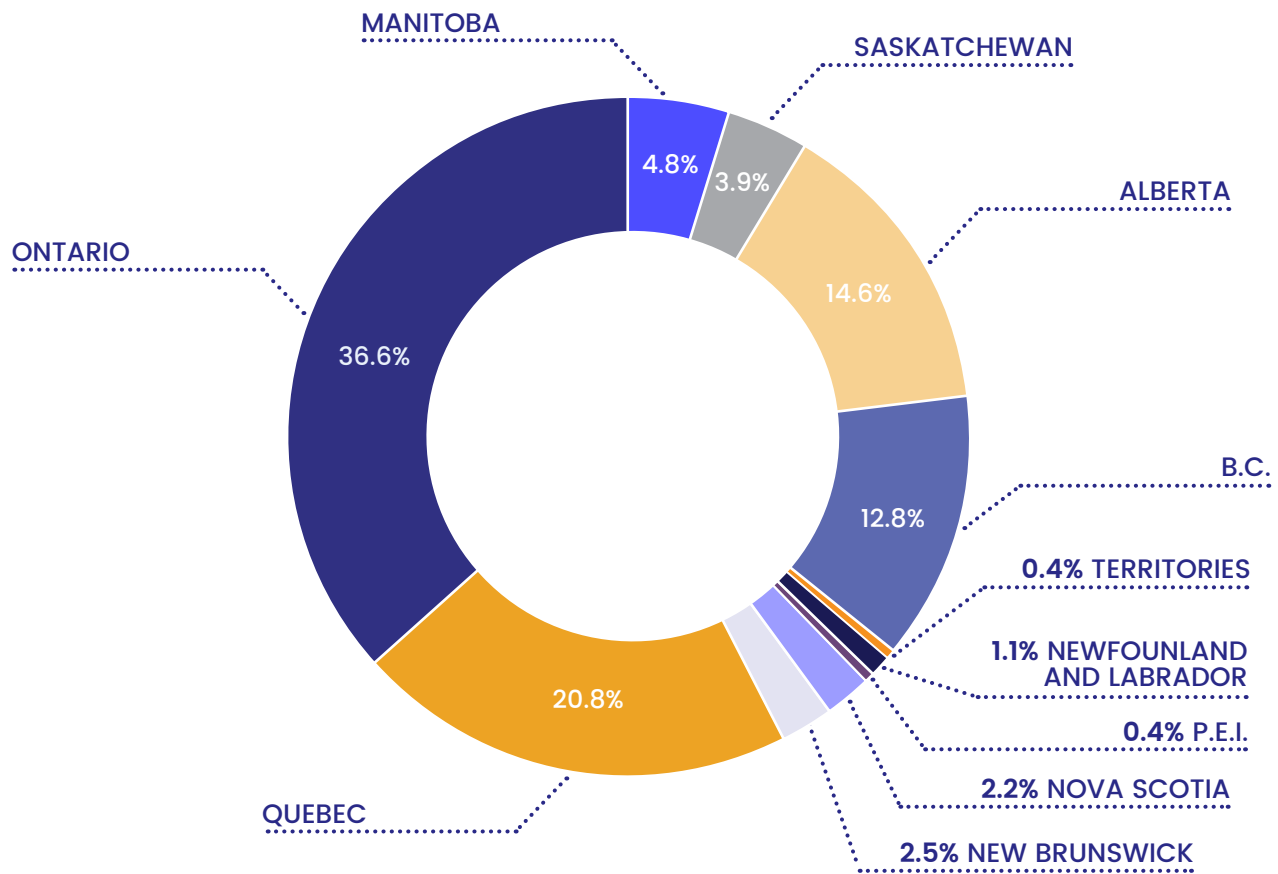


This diagram shows how THRC has defined the Canadian Trucking and Logistics industry, using North American Industry Classification System (NAICS) codes. The illustration shows the core Trucking and Logistics industries which include truck transportation, courier and delivery services, and support activities. In specific cases, a broader industrial definition is used, especially where trucking and logistics services play a critical supporting role in agriculture, natural resources, manufacturing and wholesale and retail trade.



Trucking HR Canada, 2019

TRUCK DRIVER REPRESENTATION IN CANADA

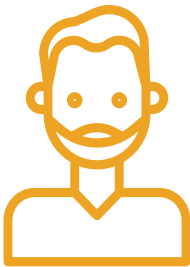


Trucking HR Canada, 2019

*Source: Statistics Canada, Census 2016,
Trucking HR Canada custom data request, 2019.*

WHAT WE HAVE LEARNED

- Employment of drivers has increased from 237,000 to 318,000 since 1998, and over the past decade has added over 26,000 truck driver jobs.¹
- The truck transportation industry has the highest job vacancy rate among all Canadian industries, averaging 6.6 per cent in 2018, or more than double the Canadian average of 3.2 per cent.²
- Vacancies for truck drivers have more than doubled since 2016 with some 22,000 vacant positions in 2018.³
- Unemployment among truck drivers has fallen from 6.6 percent to 3.8 percent between 2016 and 2018.⁴
- There has been steady upward pressure on wages and other compensation for drivers over the past few years.



THE FACE OF THE CANADIAN TRUCK DRIVER

- 97% of our transport truck drivers are male.
- Only 9.5% of truck drivers in Canada are younger than 30 years old, compared to 23.8% of the entire Canadian labour force.
- Only 27.8% of truck drivers are younger than 40, compared to 45.1% of the entire Canadian labour force.
- 32% of truck drivers are 55 years or older. Only 21% of the entire Canadian labour force is that age.
- 6.6% of truck drivers are already 65 years or older. Only 4.4% of all Canadians of that age are still working.



DRIVER SHORTAGE

The high vacancy rate, combined with employment growth, low unemployment, and an upward surge in wages provide compelling economic evidence of a labour shortage.

Additionally, with 6.6% of our transport truck drivers being 65 or older, that means as many as 20,000 truck drivers could potentially retire and leave the industry imminently. That potential shortfall would be on top of the current vacancies of some 22,000.

¹ Statistics Canada, Labour Force Survey data for NOC 7511 – Transport Truck Driver, 1998 – 2018

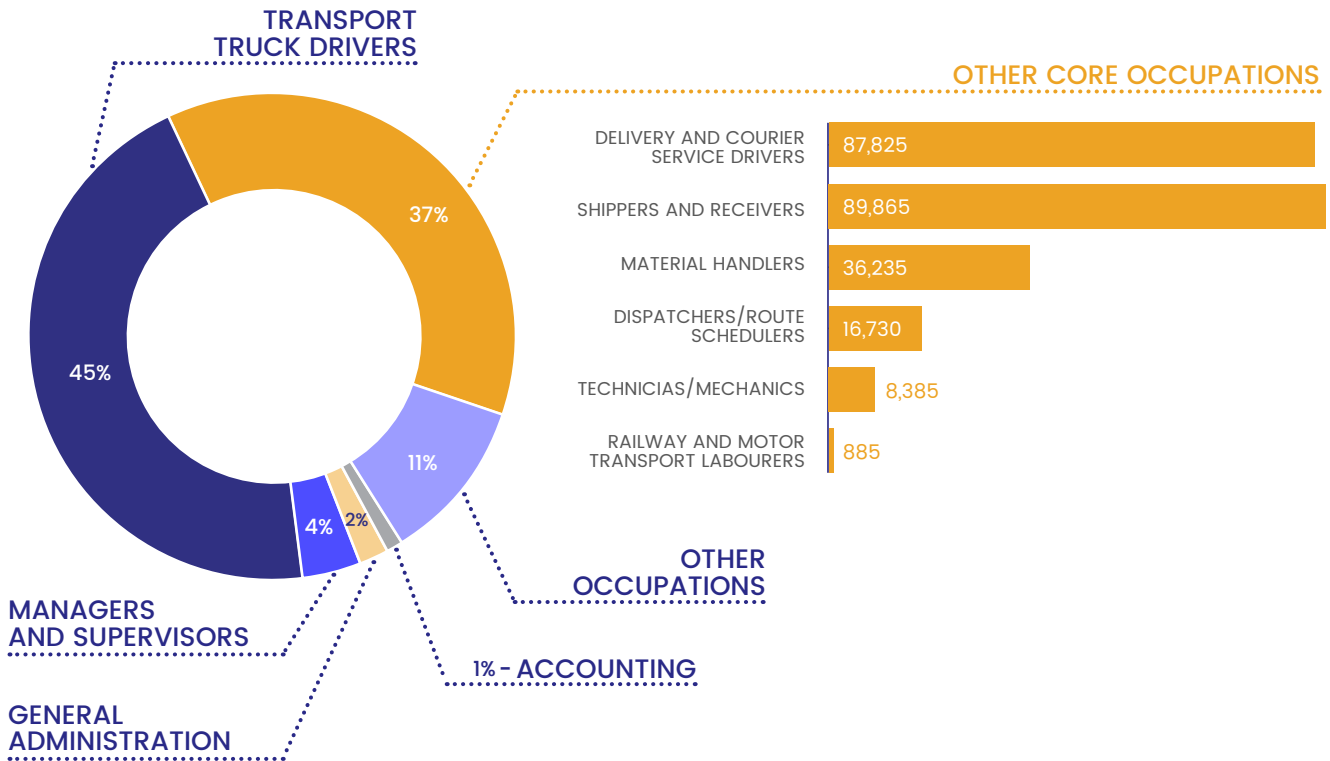
² Statistics Canada, Job Vacancies and Wage Survey (JVWS), 2018

³ Statistics Canada, Job Vacancies and Wage Survey (JVWS), 2018

⁴ Statistics Canada, Labour Force Survey 2016 and 2018

OTHER OCCUPATIONS

Although more than 45 percent of the Canadian Trucking and Logistics workforce are drivers, there are many other important occupations in the industry. We have identified all the occupations that fall within the trucking and logistics umbrella, ensuring a comprehensive and accurate assessment of labour representation.



Trucking HR Canada, 2019

Source: Statistics Canada, Census 2016,
Trucking HR Canada custom data request, 2019.



The Canadian trucking and logistics workforce employs: ⁵

- 16,730 dispatchers and route schedulers
- 89,865 shippers and receivers
- 36,235 material handlers
- 8,385 mechanics and technicians
- 36,300 managers, supervisors and administrative staff
- 8,980 accounting staff
- 1,500 HR professionals
- 1,900 operations and logistics personnel and almost 850 IT specialists.

Over the coming months, THRC with input from the Conference Board of Canada will be assessing how these employment patterns have changed over time and looking at forecasting future employment trends in our industry.



COMPENSATION TRENDS

SIGNIFICANT PAY RISE IN 2018

Company interviews from across the country reported marked increases in compensation for truck drivers in 2018, often at double-digit rates. Exceptional growth in demand for freight services significantly outpaced growth in the supply of drivers last year, which in turn put strong pressure on wages.

To address labour shortages, there seems to be a shift away from mileage pay towards hourly pay in the long-haul segment. Hourly pay makes it easier to attract younger workers and to calculate overtime pay for truck drivers.

This is a trend that Trucking HR Canada will continue to measure and monitor, and report on through its labour market information work.

⁵ Statistics Canada Census 2016, THRC custom data request

SAVE THE DATE

Join us in Toronto on March 11th, from 1:00 – 4:00 pm for our first-ever Workforce Knowledge Exchange. This is an exclusive event only open to those who responded to the LMI employer survey.



The Workforce Knowledge Exchange will bring together HR professionals and LMI experts and economists for a deep-dive into our survey results.

The forum will help all of us better understand our workforce challenges, thus empowering and enabling employers to effectively address them.

YOU CAN CONTRIBUTE

We are not done yet! We are still compiling and analyzing data. And, we need to gather more information from employers directly to ensure we get the full picture.

And it all starts with completing our LMI survey. Complete the survey, and help us complete the picture of our industry's workforce.

[Click here to access the on-line survey.](#)

GLOSSARY

NAICS	North American Industry Classification System – a classification of business establishments by type of economic activity.
NOCs	National Occupational Classifications – a systematic categorization of all occupations in the Canadian labour market.
Census	The Canadian census is a comprehensive survey of all households in Canada. It is conducted every 5 years and the most recent census was conducted in 2016.
Labour Force Survey (LFS)	The Canadian LFS is a household survey carried out monthly by Statistics Canada.
Survey of Employment, Payroll and Hours (SEPH)	SEPH data is produced from the combination of the Business Payroll Survey results and the payroll deductions administrative data received from Canada Revenue Agency. It is conducted monthly.
Job Vacancy and Wage Survey (JVWS)	The JVWS collects data on the number of job vacancies by occupation and economic region on a quarterly basis.
Unemployment rate	The proportion of the working age population that do not have a job but are actively seeking work.
Employment rate	The proportion of the working age population that currently do have a job.
“Not-in-the workforce”	Those people who are of working age but are not participating in the labour force (are neither employed nor unemployed).
Employment growth	Employment growth generally refers to the new jobs added in an occupation or an industry.
Vacancy rate	The vacancy rate for a particular occupation or industry is calculated as the number of vacant jobs expressed as a percentage of all jobs in the occupation or industry (including those that are occupied and those for which employees are being sought). Vacancies can include both new jobs or existing jobs that have been vacated by the former incumbent.

