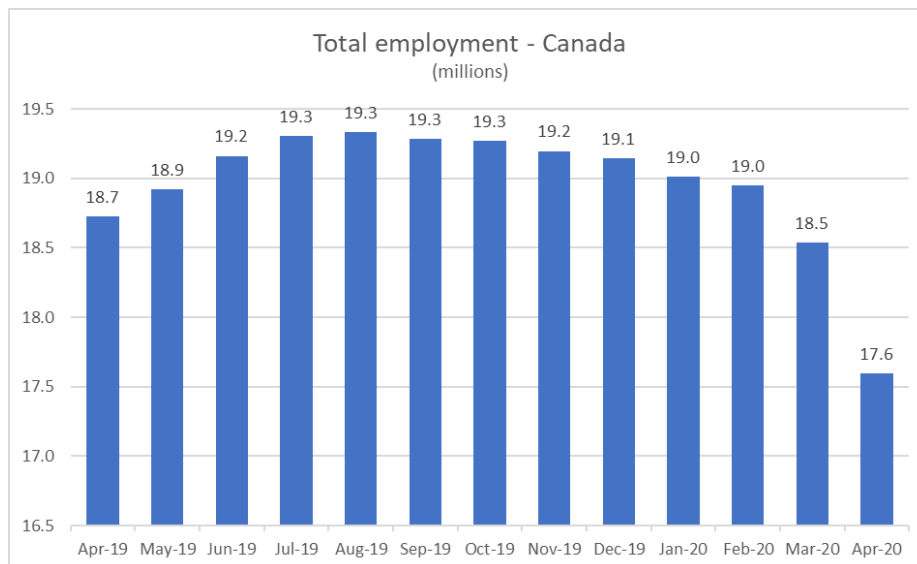


COVID- 19 and Truck Driver Employment in Canada

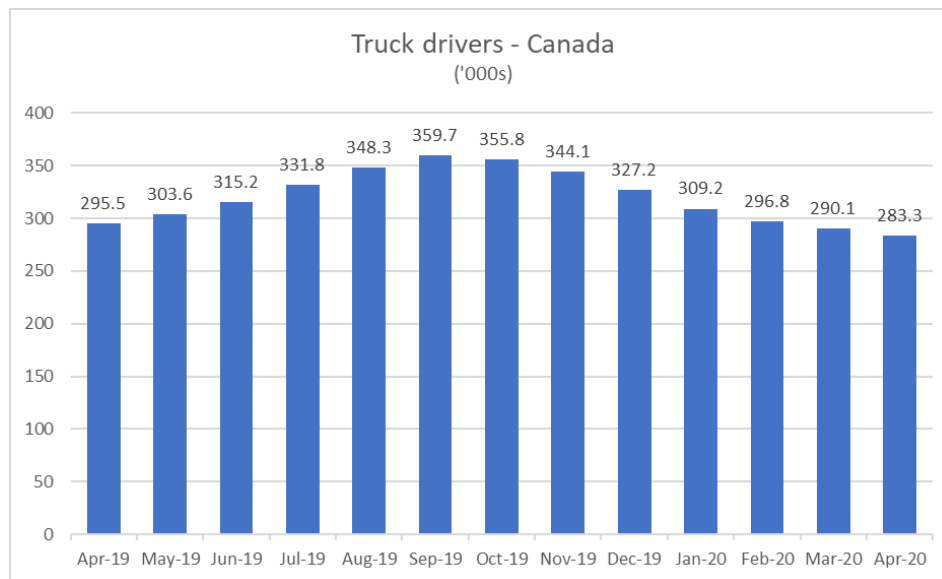
On May 8th, Statistics Canada published the latest Labour Force Survey (LFS) data. This data showed the impact of the COVID-19 pandemic on the Canadian labour market and included some interesting insights into the impact on employment of transport truck drivers.

According to this data, the Canadian economy shed roughly 942,000 jobs in April, with total employment down almost 5% since March. This represents the largest monthly employment decline recorded by the LFS.



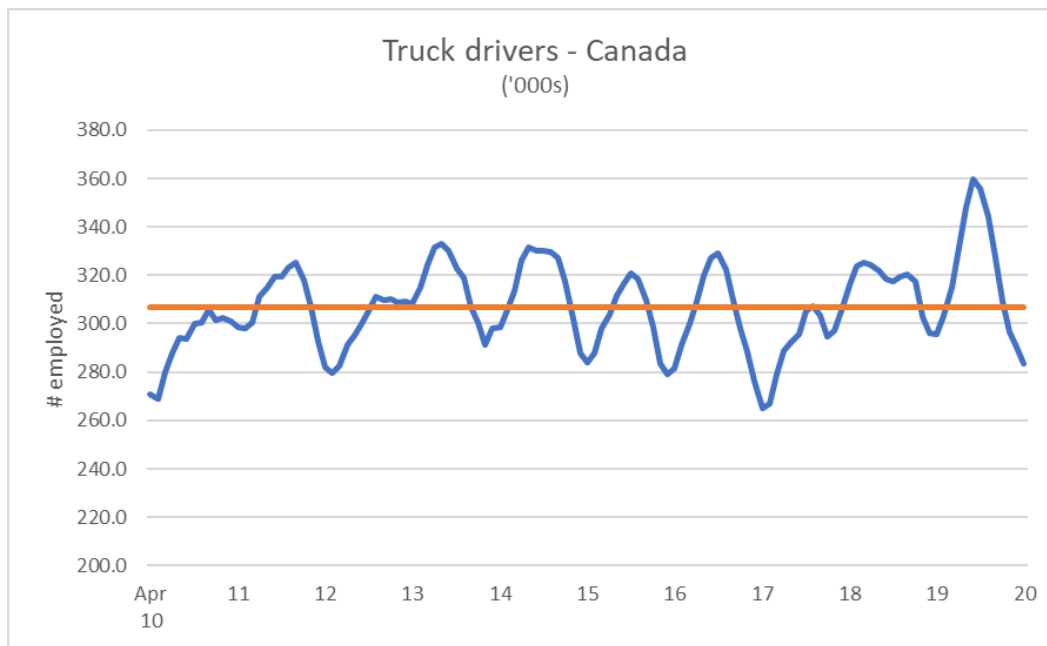
Source: Statistics Canada, Labour Force Survey, May 2020

Canadian employment of truck drivers also declined in April by roughly 6,800 workers, or 2.3%. While this decline is less severe than that of the overall economy, it follows six consecutive monthly declines dating back to September 2019.



Source: Statistics Canada, Labour Force Survey, May 2020

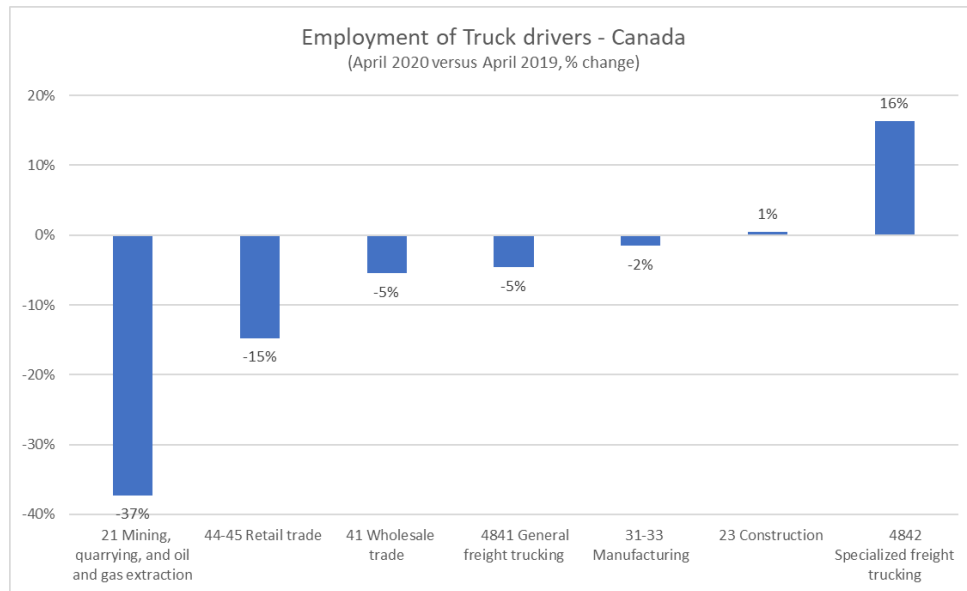
However, the steady decrease in employment of truck drivers since September 2019 needs to be seen in the context of pre-COVID – 19 labour market volatility. The sharp increase in employment between April and September 2019 was almost completely reversed by decreased employment from October 2019 to February 2020, prior to the declaration of the pandemic. While truck driver employment in April stood 21% below September levels, it was around 8% below its 10-year average, replicating a seasonal pattern that has repeated itself in many years over the past decade.



Source: Statistics Canada, Labour Force Survey, May 2020

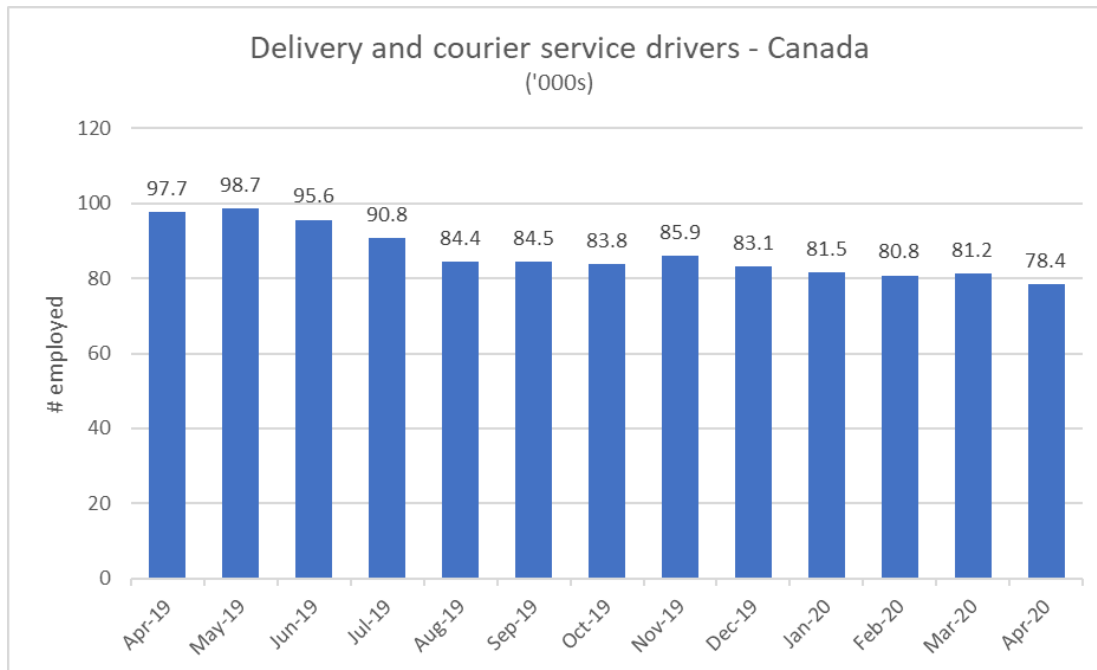
What remains unclear is how much of the decrease in employment of truck drivers is due to company-initiated lay-offs in comparison with employee-initiated attrition – for example drivers who are choosing to retire in the face of increasingly difficult working conditions, particularly among the older workers that dominate the truck driver occupation. In the coming weeks, Trucking HR Canada will survey industry employers to further pursue the impacts of the COVID-19 pandemic on the trucking and logistics sector labour market.

From an industry perspective, truck driver employment is being hardest hit in extractives industry. In Mining, quarrying and oil & gas extraction, the employment of truck drivers is down by 2,200 workers since April 2019, or 37% year-over-year. Moreover, employment of truck drivers in the retail sector is down 2,100, or 15%. In contrast, truck drivers in specialized freight trucking is up 7,000, or 16% since last April. Truck drivers working in the construction sector saw marginal gains in employment.



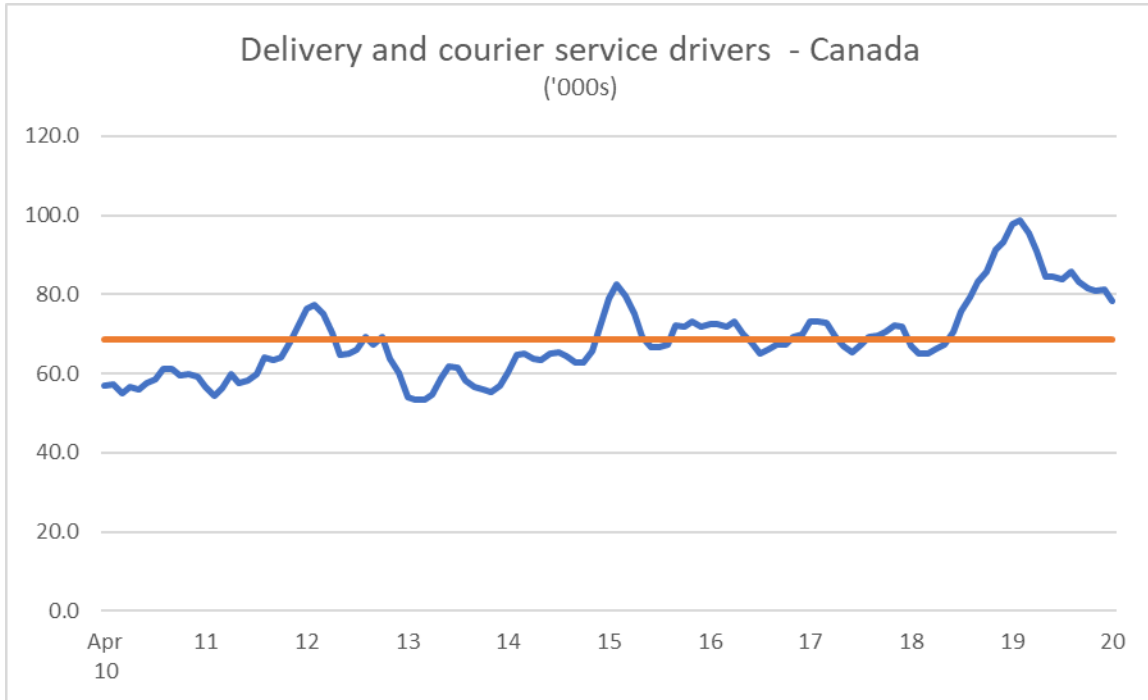
Source: Statistics Canada, Labour Force Survey, May 2020

Employment of delivery and courier service drivers also inched down in April by 2,800, or 3.5%.



Source: Statistics Canada, Labour Force Survey, May 2020

While employment of delivery and courier service drivers is down 20% since April 2019, it is still historically high, at 14% above the 10-year average.



Source: Statistics Canada, Labour Force Survey, May 2020