

Driving Talent to Trucking and Logistics

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 **TruckingHR**
Canada

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

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For more information about this report or Trucking HR Canada, please contact us: (613) 244-4800 / theteam@truckinghr.com / www.truckinghr.com

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Introduction

The COVID-19 pandemic and resulting supply chain bottlenecks have crystallized the importance of trucking and logistics in the minds of Canadians. Without a doubt, this is an essential industry.

Even though the industry is essential, it has struggled for years to fill positions which costs the industry annually.

The need for workers in trucking and logistics—and truck drivers in particular—is as acute as ever. Retirements and voluntary turnover increased over the course of the pandemic, complicating the challenge of filling vacant positions.

Employers in trucking and logistics would benefit greatly if they could attract workers from other sectors of the economy, especially people whose experience and skills would quickly make them productive employees.

A natural fit

Trucking and logistics is a natural fit for anyone who manages or handles goods in a physically and mentally demanding work environment. Construction, manufacturing, mining, oil and gas extraction, agriculture, forestry and local/final-mile distribution have many transportation occupations integrated into their business:

- Drivers and heavy equipment operators
- Diesel mechanics, service technicians and equipment maintenance managers
- Safety managers and trainers

- Transportation procurement managers
- Logistics engineers
- Administrators responsible for the planning, scheduling, budgeting, compliance and utilization of product shipments, vehicles and drivers



An appetite for change

While Canada's labour force participation rate has recovered to its pre-pandemic levels and stands in contrast to the "Great Resignation" in the United States, almost one-third of those Canadians who returned to work within a year shifted to a different industry. There is an appetite for change in the workforce.

What do workers want from their job?

During the last 2 years, Trucking HR Canada has commissioned focus groups and studies to explore the attitudes, motivations and opportunities of workers who would consider changing industries and whose experience makes them well suited to a job in trucking and logistics.



Key findings

- Work-life balance is a top priority for workers. This includes reasonable pay and benefits, a predictable schedule, safe working conditions and job stability. Work-life balance is especially important to millennials (born between 1981 and 1996, or ages 25 to 40 in 2021).
- Workers in other industries aren't aware of the full scope of job opportunities in trucking and logistics or what the industry has to offer. It's not top-of-mind in their search for employment.
- The industry's image suffers from misleading stereotypes, especially among millennials. They see the appeal of working independently outside of an office but think trucking and logistics lacks respectability. The industry is viewed as short-term work, not a long-term career that aligns with their personal and financial goals.
- Truck drivers are cast under a negative light. The demographics of drivers are older and male: only 9.5% of truck drivers in Canada are younger than 30 years old (compared to 24% of the entire Canadian labour force), and only 28% of truck drivers are younger than 40 (compared to 45% of the entire Canadian labour force).
- The number of truck drivers aged 55 years and over marginally increased during the pandemic, as employers appeared to favour experience and tenure during difficult times.
- No longer buzzwords, workplace diversity and inclusion should be the focus of employers who want to expand the pipeline of talent into the industry.
- Wage subsidies and supports are important to those considering the transition into trucking. Taking the financial burden out of potentially having to retrain or gain further qualifications was seen as a crucial incentive for people from outside the industry.





Recommendations

The current labor market sparks debate among trucking and logistics employers. Are they not doing enough to make jobs attractive? With all the training, licensing and safety requirements, are there barriers for workers to qualify? What can employers do to change the perception of the industry, especially among millennials, and entice workers whose skills and experience make them well-suited to trucking and logistics?

These recommendations apply to a range of jobs in the industry but centre on long-haul driving, since attracting and retaining people for this type of work is such a great need:

1. Promote the positive aspects of trucking and logistics

People from outside the industry often have a negative impression of trucking and logistics. They see it as lacking in work-life balance and respectability relative to other vocations. However, the industry checks many boxes for workers who are evaluating a change of job or career:

- **The industry is stable, the work is steady.** Workers in natural resources, construction, energy and other industries say that seasonal or cyclical fluctuations in employment play a role in their desire to switch industries. Trucking and logistics services are in constant demand, meaning there is long-term stability and job availability that may not be present in other industries.
- **You don't need a college degree or advanced training.** Workers with transferable skills can be productive in trucking and logistics almost right away, and most employers are prepared to provide specialized training and on-the-job learning where necessary.
- **There's more to trucking than long-haul freight.** For truck drivers, the job will vary significantly with the type of freight they haul, the equipment they use and the routes they run. It's not hard for a driver to locate a job that would suit their preferences for work-life balance, whether that means getting home more often or maximizing their miles and money on the road.
- **It's a comfortable, connected work environment.** Truck cabs and wireless technology take the edge off stereotypes of trucking as rough, dirty and isolating. Sleepers can be equipped with auxiliary power for heating and A/C units, computers, small appliances and more, and most trucks are network-enabled, allowing for digital workflows that reduces the need for manual paperwork.
- **Automation is helping, not replacing drivers.** Rather than replacing drivers, today's technology makes trucks easier to operate, with automated transmissions, electronic braking, air-ride suspensions and driver-assist safety systems. Autonomous trucks are many years in the future.



- **There's a feeling of freedom and independence.** Trucking offers opportunities to travel and work without direct supervision and without being alone. This is not always possible in other industries.
- **Drivers can work as a team.** Having two drivers in the same cab is extremely valuable to a carrier and its customers. A driver can earn more money working with a friend or loved one while alleviating any feelings of isolation. Some employers also let drivers take their pets on the road.
- **Pay and benefits are competitive.** Trucking and logistics employers have adjusted their pay structures and benefits to be more competitive with other industries. While it's often mentioned as a priority during focus groups, most participants would accept compensation that is comparable to what they are currently making.

2. Expand the use of social media

Engaging job-seekers where they search is essential. Thirty-seven per cent of millennials use social media to find career information, almost as many as those who use job boards. More than one quarter have noticed trucking advertisements on social media, almost as many as those who noticed ads on trucking company websites.

Company web sites, internet searches and job sites require job-seekers to be more proactive. Trucking and logistics employers should expand their use of



social media ads and posts that capture the attention of millennial prospects, and then make it easy to apply.

Likewise, employers in trucking and logistics should emphasize speed and convenience in the application process, improving their ability to process job applications submitted via mobile devices.

3. Explain the work in clear language

In trucking and logistics, there are opportunities to fit any lifestyle or career goal. For instance, there are important differences in what's required to move van freight or flatbed loads; to work on a local route versus a long-haul cross-border lane; or to work for a for-hire, dedicated or private fleet.



Employers should clearly state the full scope of opportunities they have available and describe the job in plain language. If predictable home-time is important, a local delivery route may be appealing to a prospective driver. If a person likes physical activity, they may be more suited to flatbed operations.

4. Promote safety policies, procedures and technologies

Perceptions that drivers are required to work long hours, often with insufficient sleep, contribute a poor image surrounding workplace culture and personal safety and discourage workers applying from outside the industry. Trucking and logistics companies can address these concerns by promoting the use of newer, well-maintained equipment; comfortable sleeper cabs; electronic log-books; GPS-based trailer tracking; comprehensive safety training; and more.

5. Address women's perceptions of trucking

Women in our focus groups indicated having a negative experience working in male-dominated industries. The culture behind many of the trades that compete with trucking and logistics is not welcoming, and potentially even harming to women in these roles.

In trucking and logistics, women are severely underrepresented; they account for only 3.7% of truck driver employment. Only 29% of women see long-haul trucking as safe, compared to 46% of men. The issue is not about trucks or traffic: women worry about being isolated with strangers, or intimidation in an industry that they perceive to be a “boy’s club.”

Prospective employees are looking for female representation at all levels of the organization—including active roles in leadership.





6. Money matters

Our focus groups show that workers in other industries are unaware of the level of pay and benefits that trucking and logistics employers can offer. For instance, several energy workers believed their field was unmatched in terms of salary and benefits and were unaware that trucking and logistics careers paid just as well.

Wage subsidies and supports were described as key value items for those considering a transition to trucking and logistics. Taking the financial burden out of potentially having to retrain or gain further qualifications was seen as a crucial driver for participants.

Trucking HR Canada's Career ExpressWay program connects students and other young career-seekers with employers that can offer both professional work experience and a meaningful wage. We introduced three new wage and training subsidy programs for 2021-22 that can help businesses do just that.

- Our Student Work Placement Subsidy lets companies access funds to recruit and hire students who are eager to develop their skills in a real-world work environment. The program pays up to 75% of the student's wage up to \$7,500.
- Our Employer Wage Support for Youth Program pays up to \$10,000 in a wage subsidy for young people working in driving and non-driving positions. This is different from the student work-placement stream in that the

subsidy is geared toward workers aged 30 or younger who face employment barriers due to lack of training, education or other factors. It can be used for virtually any occupation in the trucking and logistics.

- While the industry's need for truck drivers is obvious, the cost of driver training can be a barrier for young people who want to enter the industry. Our Career ExpressWay program has a new injection of funding that can provide employers with up to \$10,000 tuition for entry-level driver training for workers aged 30 or younger.

The list of employers using our Career ExpressWay program is growing every day.





7. Share best practices

At Trucking HR Canada, our Top Fleet Employers program gives industry leaders a forum to share HR strategies that can make the industry as a whole more attractive. Compare how our Top Fleet Employers stack up against the industry and Canada's labour market as a whole:

- Of our Top Fleets, 35% have 4% or more female drivers, and 25% have 25% or more females in leadership.
- These fleets attract younger workers: 25% have 20% or more drivers who are aged 35 and younger, and 56% have 20% or more workers in this age group in non-driving positions. These percentages are above the national average.
- Our Top Fleets recognize the importance of onboarding: 92% have a comprehensive formal orientation process, which leads to higher retention, particularly among drivers.

While many of our Top Fleet Employers go above and beyond industry compensation benchmarks, their employees also value the culture around them. Our surveys consistently have comments from employees saying how much they value feeling like “family,” how much they appreciate being listened to and how much they actually enjoy coming to work every day.



Our Top Fleet Employers also take care of their communities by supporting charitable causes. Nearly 92% of these companies are actively involved in community and charitable initiatives that reach well beyond their payrolls and purchasing practices.

Charitable endeavours are highly valued by younger workers: our research shows that young people want to work for organizations that make an impact, and make them feel they are a part of something bigger.

Collectively, it is these approaches and commitments that help to raise the profile of the trucking industry as a great place to work. And when it comes to competing across the economy for workers with transferrable skills, this matters more than ever.



104-720 Belfast Road
Ottawa, Ontario
K1G 0Z5

Email: theteam@truckinghr.com
Web: www.truckinghr.com