



## **Special Report:**

**Canada's supply chain woes continue - Trucking and Logistics sector faced with escalating labour shortages**

**September 2022**



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**Note to readers:** Trucking HR Canada's Labour Market reports monitor and report on key labour market indicators that support industry stakeholders to identify areas of concern and develop strategies to build a skilled workforce.

Our regular labour market reports analyze customized labour force surveys and other data that is not available elsewhere. Readers are invited to share this information widely with their networks and are asked to reference Trucking HR Canada's LMI system as the source.



## **LMI Special Report September 2022**

### ***New vacancy numbers spell more bad news for Trucking and Logistics***

Newly released data shows growing labour challenges for the trucking and logistics sector. Statistics Canada released new vacancy data for the second quarter of 2022 (April – June 30) on September 20th which highlights a growing truck driver shortage, along with additional pressures in other occupations.

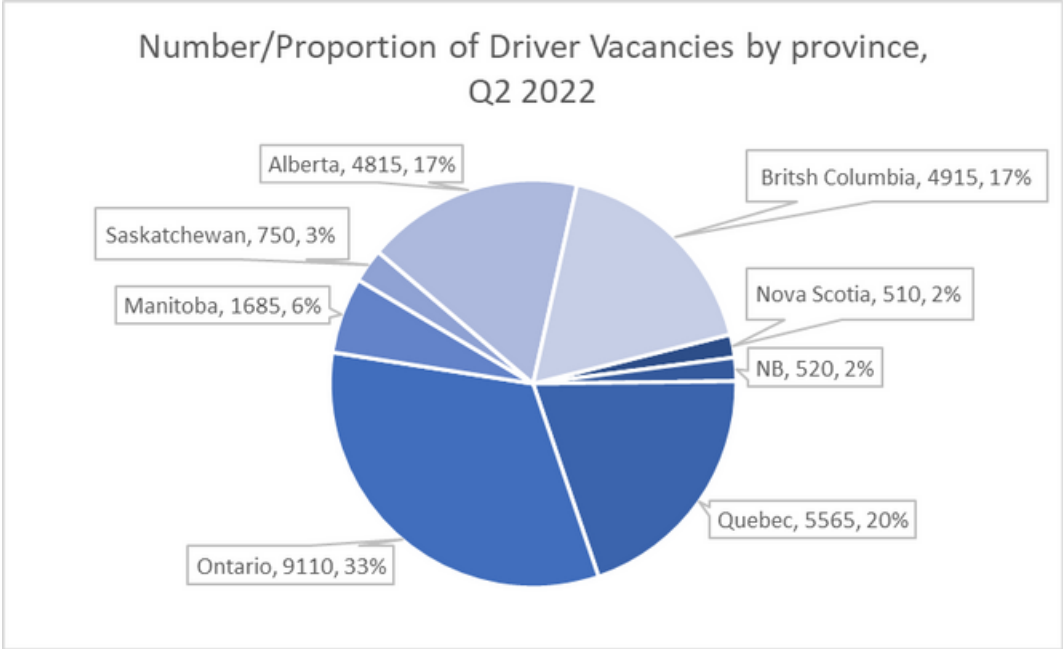
In the Truck Transportation sector (NAICS 484), the vacancy rate - the proportion of all jobs that are currently vacant - inched higher to 9.4% for the third straight quarter. This vacancy rate is significantly higher than the average across all sectors of the economy at 5.9% and is exceeded only by the accommodation and food services sector's rate of 11.9%.

For transport truck drivers (NOC 7511), the number of vacant positions rose again, reaching a record high of 28,210 jobs, up from 25,560 in Q1. Of these vacancies, over half (50.1%) have been posted for more than 90 days. This means that the vacancy rate for truck drivers in Q2 2022 is 9.2%, up from 8.1% in Q1. Trucking HR Canada estimates that this could mean excess demand for truck drivers in the second quarter of 2022 is approaching 15,000 drivers (14,910). That is, even if the industry were able to hire every currently available truck driver across Canada, an additional 15,000 brand new employees would still need to be recruited, trained, and on-boarded in order to meet the total demand for driving services.

Recruitment and training of new, inexperienced drivers is a costly process since new recruits not only require entry-level training but additional on-boarding and on-the-job training during which new drivers are accompanied by an experienced driver to ensure adequate understanding of and adherence to on-road safety protocols. Furthermore, employers report that insurance premiums associated with new drivers are significantly higher than those with 1 -3 years of experience. In fact, over the past year over 2/3 of the vacant driver positions required between 1 and 5 years of experience, limiting access to new labour market entrants.

# LMI Special Report September 2022

At the provincial level, Ontario has the highest number of vacant positions for truck drivers, with some 9,110 vacant positions followed by Quebec with 5,565 driver vacancies.



Source: *Trucking HR Canada, September 2022, Table 14-10-0328-01 Job vacancies, proportion of job vacancies and average offered hourly wage by selected characteristics, quarterly, unadjusted for seasonality*

According to Trucking HR Canada’s labour market information system, the number of vacancies also rose in other key occupations in the trucking and logistics sector between Q1 and Q2 2022. For example, there are approximately 5,200 vacant positions for shippers and receivers within the trucking and logistics sector in the second quarter of 2022, up 11% over Q1. An additional 600 vacancies are posted for dispatchers (up 6.1% over the previous quarter), 843 vacancies for mechanics (up 14.3%) and 3261 for material handlers (up 3.7%).

As Canada continues down the road to recovery from the COVID-19 pandemic, trucking and logistics employers are faced with increasing pressure as they strive to provide the transportation services required by virtually every other sector of the economy. Soaring vacancy rates, an aging workforce and challenges in attracting, training and retaining new workers signal the need for effective labour supply strategies to ensure that Canada’s economy can regain growth and stability.

## Looking for more?

Trucking HR Canada is committed to monitoring the on-going labour market issues and challenges and is working to help address them.

- Through Trucking HR Canada's Career ExpressWay program, over 650 young people have been supported in new jobs, as well as work-integrated learning opportunities. This is funding from the Youth Employment Skills Strategy (YESS), and Student Work Placement Program.
- With funding from Women and Gender Equality Canada – Trucking HR Canada is expanding its Women with Drive initiative to support the recruitment and retention of more women.
- Trucking HR Canada has new HR tools and resources available to directly support employers with their recruitment and retention needs.

Employers are encouraged to reach out to [theteam@truckinghr.com](mailto:theteam@truckinghr.com) to learn more.

Trucking HR Canada's labour market information initiative has the following reports available:

1. [Special Report: Threats to the supply chain and economic recovery June 2022](#)
2. [Special Report: Driving Economic Recovery May 2022](#)
3. [Labour Market Snapshot April 2022](#)
4. [Labour Market Snapshot January 2022](#)
5. [Special Report: Vacancies in Trucking and Logistics January 2022](#)
6. [The Road to Recovery: Reassessing Canada's Trucking and Logistics Labour Shortages](#)

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