

A large, dark blue puzzle piece is the central focus, set against a background of a repeating pattern of smaller, light blue puzzle pieces. Each small piece contains a faint illustration of a person in professional attire. The background is a solid blue color with a subtle pattern of yellow dots on the left side.

Special Vacancy Report

Mixed messages about Trucking shortages from new vacancy data

According to newly published data for the first quarter of 2023, the number of job vacancies are up in both the Truck Transportation (NAICS 484) sector and for the Transport Truck Driver occupation (NOC 7511), compared to the previous quarter (October – December 2022). This increase translates into a larger proportion of all jobs in the sector or occupation that are vacant and a higher vacancy rate for both.

Even though vacancies were increasing, the total demand for workers (employment plus vacancies) dropped between Q4 2022 and Q1 2023, because the number of employed workers in Truck Transportation and in the driver occupation declined sharply over the same period. When combined with supply side data, a mixed message about labour shortages appears.



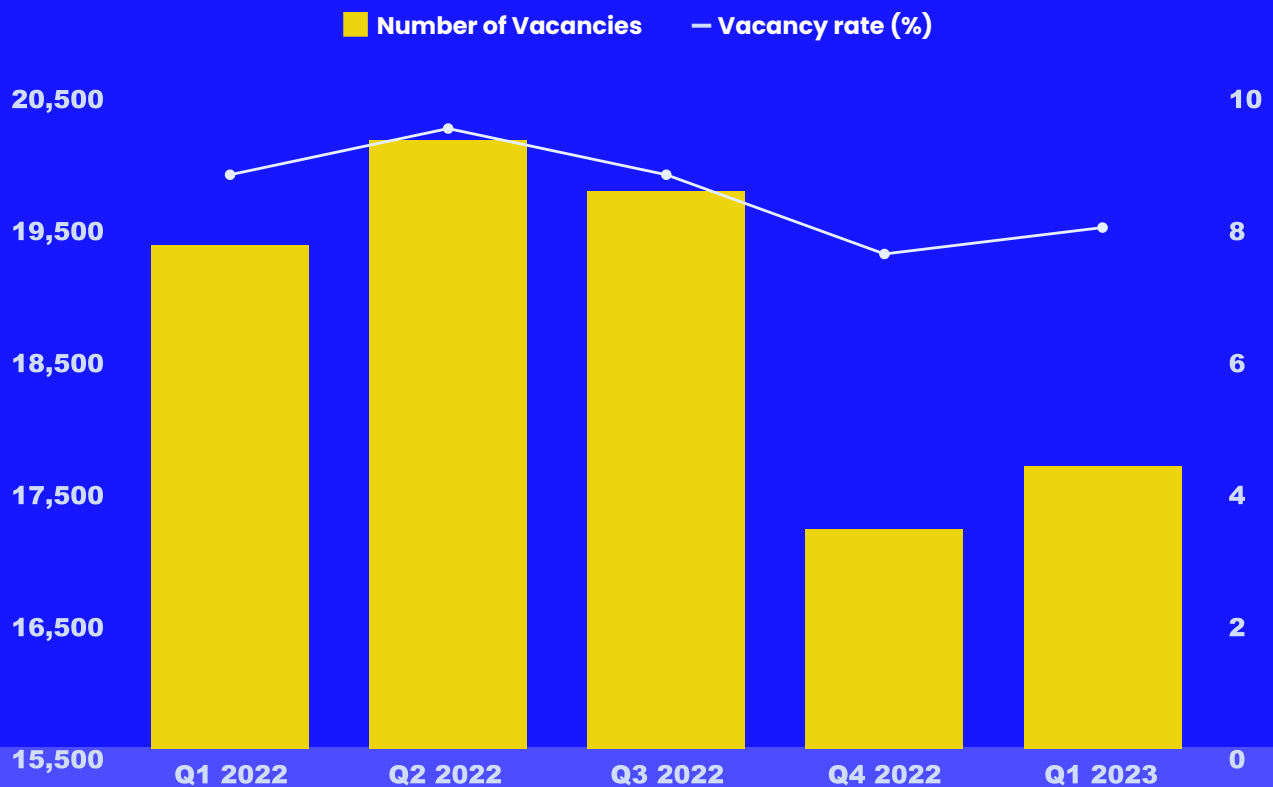
Vacancies and shortages in Truck Transportation (NAICS 484)¹ grow in Q1 2023

In the Truck Transportation sector, the average number of vacancies in 2022 stood at 19,078 with a significant drop in Q4. However, in Q1 2023, the number of

vacancies rose by 475 jobs – from 17,165 in Q4 2022 to 17,640 vacant positions in the first quarter of 2023. Over the same period the vacancy rate rose from 7.5% to 7.9%.

¹ Trucking HR Canada uses NAICS 484 – Truck Transportation as a proxy for the broader Trucking and Logistics sector.

NUMBER OF VACANCIES AND VACANCY RATE (%), TRUCK TRANSPORTATION (NAICS 484), CANADA, 2022 AND Q1, 2023



Looking at the overall supply and demand for labour, both dropped off dramatically from Q4 2022 to Q1 2023 in the Truck Transportation sector. Despite falling demand, the gap between demand and supply² grew by more than 600 people from

Q4 2022 to Q1 2023. This means that while the number of job vacancies in the sector has increased, the number of workers actively seeking employment did not keep pace, leading to a larger gap between available jobs and job seekers.

² The gap between demand and supply is the number of new workers that industry would have to recruit and train if every available job seeker could feasibly be employed in vacant positions.

LABOUR DEMAND, SUPPLY AND THE GAP, TRUCK TRANSPORTATION (NAICS 484), CANADA, 2022 AND Q1 2023



Looking at the vacancy data for Transport Truck drivers (NOC 7511), the number of vacancies rose by 1,520 positions, from 21,685 in Q3 2022 to 23,205 in Q1 2023. At the same time the occupational vacancy rate jumped from 6.7% to 7.6%. Interestingly, the number of vacancies for Transport Truck Drivers (NOC 7511) exceeds the number of vacant jobs in the Truck Transportation (NAICS 484) sector. This is because only 51.5% ³of all truck drivers working in Canada work directly in NAICS 484. The remaining 48.5% or more than 166,000 truck drivers work directly in other

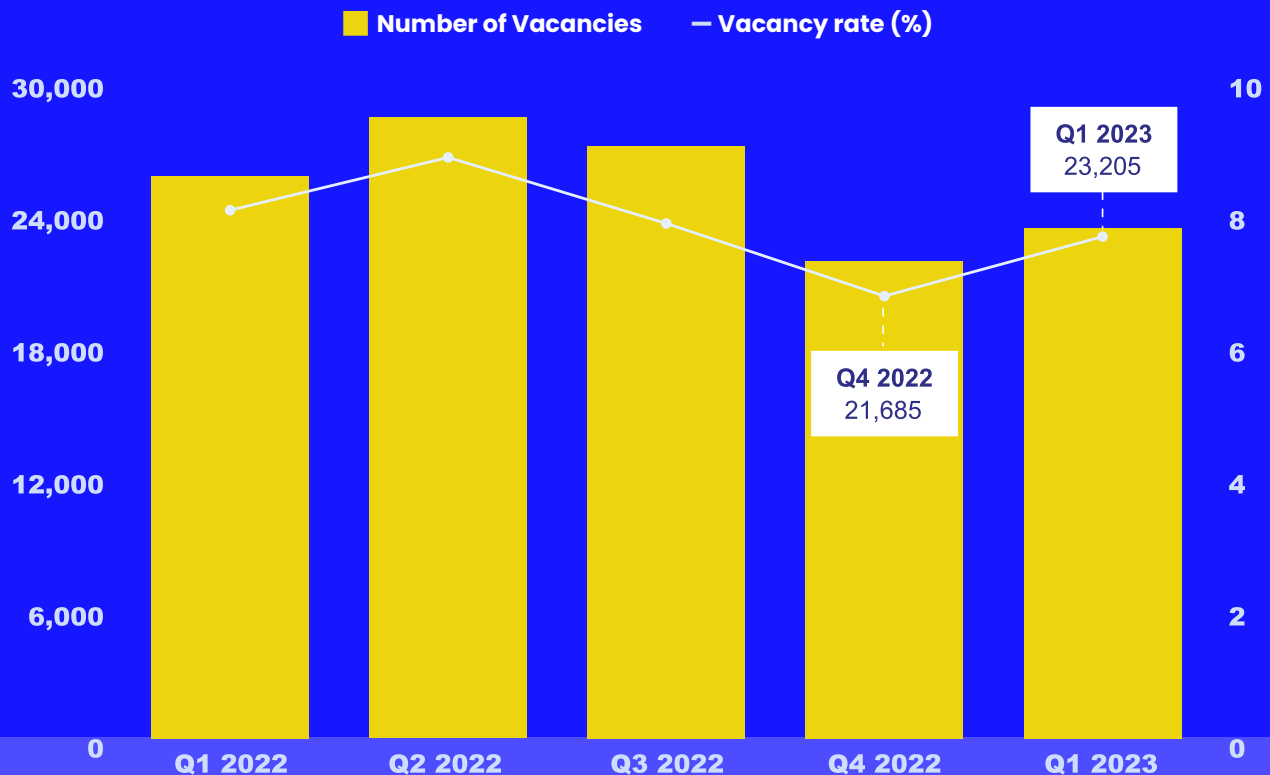
sectors of the economy including agriculture, forestry, construction, waste management, manufacturing, retail/wholesale trade, mining oil and gas extraction, among others.

AMONG DRIVERS, VACANCIES RISE, DEMAND AND SUPPLY FALL AND THE GAP BETWEEN THEM NARROWS IN EARLY 2023

For drivers, the proportion of vacant positions that have been listed for more than 90 days has dropped to 49% in Q1 2023 from 57 % in Q4 2022.

³ The source for the proportion of employed truck drivers by sector is Statistic Canada, Census 2021, custom data request.

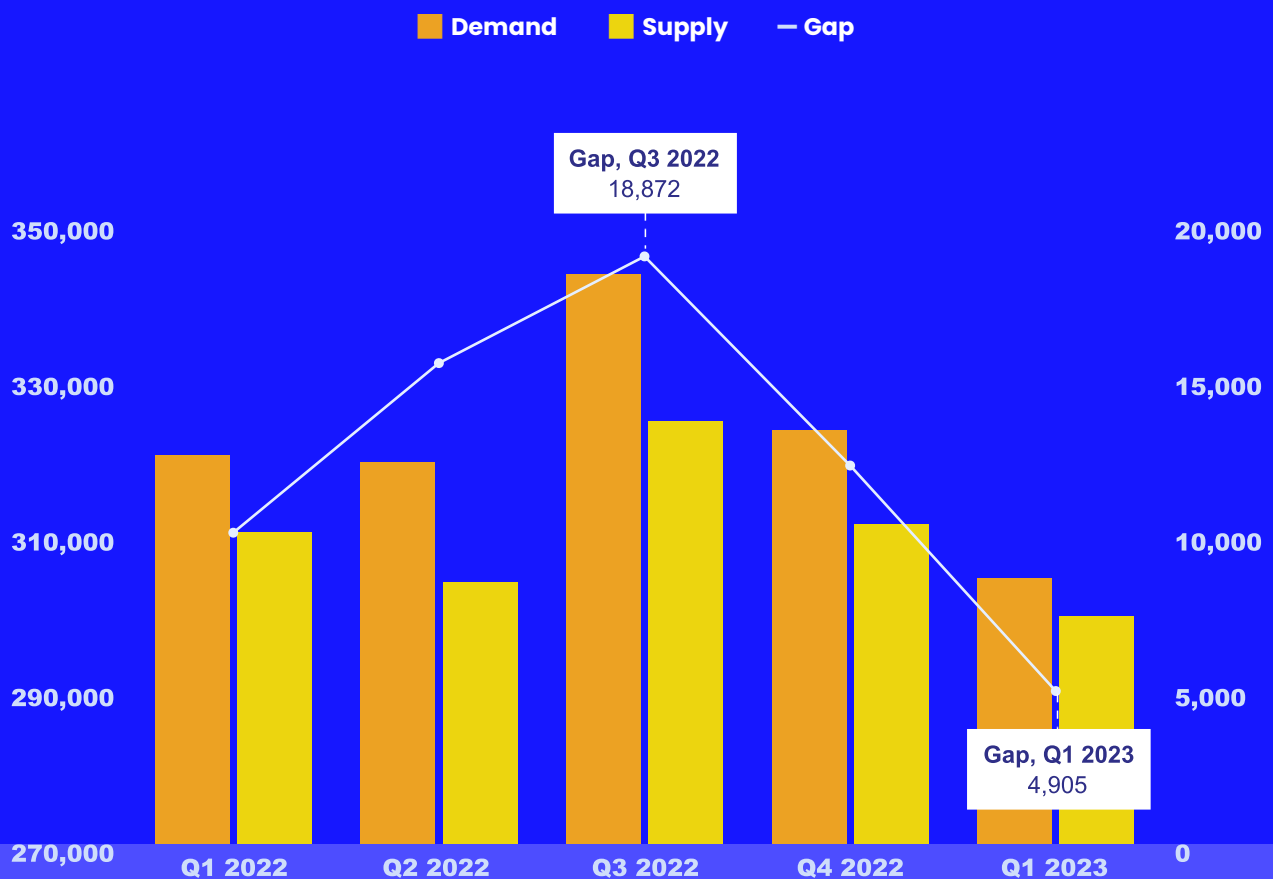
NUMBER OF VACANCIES AND VACANCY RATE (%), TRANSPORT TRUCK DRIVERS, CANADA, 2022 AND Q1 2023



In contrast to the situation in the Truck Transportation sector, the demand and supply of transport truck drivers dropped in Q1 2023, compared to 2022 but the gap between demand and supply of drivers also reduced significantly. In fact, excess demand for drivers in 2022 peaked in Q3 2022, with a minimum of 18,870 new drivers needed to be hired and trained to fill vacant positions. This shortage eased to just under 5,000 workers

in Q1 2023, mainly because of increased numbers of active job seekers – up by over 6,800 drivers, with the unemployment rate almost doubling from 3.1% in Q4 2022 to 6.1% in Q1 2023. Despite this increase in job seekers, the labour supply fell because of industry shedding some 20,500 drivers, with employment dropping from 301,500 to 280,967 from Q4 2022 to Q1 2023.

LABOUR DEMAND, SUPPLY AND GAP, TRANSPORT TRUCK DRIVERS (NOC 7511/73300), CANADA, 2022 AND Q1 2023



Based on data for April and May, labour shortages will likely accelerate throughout 2023

Trucking HR Canada's custom Labour Force Survey data for employment and unemployment for April and May 2023 suggest that employment across the Trucking and Logistics industry leapt by 18,200 jobs between April and May 2023, including some 17,700 drivers added. At the same time, the number of experienced drivers actively seeking work declined by 5,700, with the unemployment rate decreasing from 6.5% in April to 5.3% in May.

Coming Up: New labour market forecasts to 2028

As we move through the second half of 2023, Trucking HR Canada is developing new labour market forecasts that will extend our labour market outlook from 2023 to 2028. The new projections will look at expected future patterns of employment, unemployment and vacancies and will use the data collected in our in-depth employer LMI survey to add further depth and understanding to the challenges facing our sector's labour market. The employer survey captures information about employment relationships, compensation structures, and hiring and recruitment challenges that isn't reflected in other labour market data. If you haven't already participated, it's not too late to add your voice and expertise to this research.

**TRUCKING HR CANADA
ADDRESSES LABOUR MARKET
CHALLENGES, WORKING TO
SUPPORT INDUSTRY EMPLOYERS
IN THE FOLLOWING WAYS:**

Sectoral Workforce Solutions Program:

Just five months in and THRC has over 300 employers accessing hundreds of training grants and wage subsidies that are supporting the onboarding of new drivers and other in-demand occupations in our sector.

Youth Employment Skills Strategy:

This hugely successful program has now helped bring in over 500 new younger workers to our sector – every time we open new spots, we end up with a waiting list from employers. This is clearly a program that is working.

Student Work Placement Program:

Helping to expose the non-driving roles our industry offers, and helping employers build a pipeline of talent – this program is moving the needle on addressing supply issues in non-driving roles, gender parity, and more. Our sector will benefit from a larger investment into THRC's program.

Labour Canada supports:

As one of the largest federally regulated sectors with a large number of smaller and medium sized employers, continued investments in supporting employers with Canada Labour Code compliance is an important contributor to more effective business operations that supports supply chain competitiveness. We are doing great things, and here no support is too much in terms of supporting strong workplaces for all.



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