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CANADA

LABOUR AND SKILLS SHORTAGES IN CANADA: ADDRESSING CURRENT AND FUTURE CHALLENGES

**Report of the Standing Committee on
Human Resources, Skills and Social Development
and the Status of Persons with Disabilities**

**Ed Komarnicki
Chair**

DECEMBER 2012

41st PARLIAMENT, FIRST SESSION

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DEVELOPMENT AND THE STATUS OF
PERSONS WITH DISABILITIES**

has the honour to present its

NINTH REPORT

Pursuant to its mandate under Standing Order 108(2) and the motions adopted on Thursday, February 15, 2012, the Committee has studied existing labour shortages in high demand occupations and addressing barriers to filling low-skilled jobs, and has agreed to report the following:

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LABOUR AND SKILLS SHORTAGES IN CANADA: ADDRESSING CURRENT AND FUTURE CHALLENGES

INTRODUCTION

On February 29, 2012, the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (the Committee) adopted two motions in order to study two topics concurrently. The first study examines the shortage of skilled workers in four occupational groups: (1) sciences, technology, engineering and mathematics (STEM); (2) Information and Communications Technology (ICT); (3) health care; and (4) skilled trades. The second study looks at the shortage of low-skilled workers, particularly in the service industry and the agriculture and aquaculture sectors.

The Committee held 18 meetings in Ottawa on these topics. The members of the Committee would like to offer their sincere thanks to the witnesses who shared their concerns and made recommendations, both in person and in writing.

Committee members wish to thank those who hosted the Committee during its travels across Canada. The Committee participated in round tables and tours in St. John's, Newfoundland and Labrador; Sydney and Halifax, Nova Scotia; Montreal, Quebec; Vancouver, British Columbia; Whitehorse, Yukon; Fort McMurray, Alberta; and Estevan, Saskatchewan.

The round tables held in these cities and the tours of the following companies and educational institutions provided the Committee an understanding of the challenges Canadians are facing: C & W Industrial in Bay Bulls, Newfoundland and Labrador; Irving Shipbuilding, in Halifax; TechLink, in Sydney; Vancouver port facilities; Yukon College, as well as the Alexco Transfer Yard, Golden Predator Corp. and Access Consulting Group, in Whitehorse; Syncrude Canada in Fort McMurray; and SaskPower in Estevan.

The two studies were undertaken at the same time. Some witnesses provided input and proposed solutions that apply to the shortage of both skilled and low-skilled labour. Therefore, this report provides an overview of the current situation and proposes recommendations in both areas. It is divided into three chapters: the first examines the information available on labour shortages and the labour market and includes challenges and suggested solutions; the second summarizes the labour shortage challenges faced by each of the occupational groups studied and includes specific solutions for each group; and the third outlines general solutions to these challenges that apply to all occupations. We hope that this report accurately reflects the statements presented to the Committee as part of these two studies.

CHAPTER 1: INFORMATION ON LABOUR SHORTAGES

A. General background

As is the case for many developed countries, Canada has an aging population, mainly as a result of two factors: increased life expectancy and the fact that the baby boomer generation (born between 1946 and 1965) is reaching retirement age. The following generation is not as large, due to a lower birth rate, which means that the number of “working-age” people (aged 15-64) for every senior (aged 65 and older) is expected to drop from 4.9 in 2011 to 2.7 in 2031 and then to 2.3 in 2061.¹ The most significant aging of the population will occur before 2031.

The aging of the population will have many consequences, such as slower labour force growth. Furthermore, it will create an increased demand in certain sectors, such as the health care sector. At the same time, growth will slow down in other sectors, such as the manufacturing industry.²

Labour shortages occur in an occupation when the number of new job openings, available as a result of retirement or an increased demand for people with the skills to fill these positions, is higher than the number of new job seekers in Canada, either recent graduates or people with foreign credentials in that field.

Shortages are not occurring in all economic sectors or in all regions of Canada. The Committee met with some professional associations and employers that said either that they had not experienced labour shortages or that they did not anticipate any in the future, including dentistry.³

However, many employers will experience, or are already experiencing, shortages of certain types of workers. This report focuses on four groups of occupations that require specialized skills and usually involve an apprenticeship or a college or university education. The fifth group of occupations that was studied includes workers in the service industry and the agriculture and aquaculture sectors. The skills required to perform their work are acquired through on-the-job training. While occupations from this fifth group may be generally less likely to experience shortages,⁴ shortages could still occur in certain areas, for example, in cities or regions experiencing rapid growth due to major

1 Statistics Canada, [Population Projections for Canada, Provinces and Territories, 2009 to 2036](#), medium-growth scenario (M1), Statistics Canada Catalogue No. 91-520-X, Ottawa, 2010, p. 167 and 238.

2 See: Jean Mercenier, Marcel Mérette and Maxime Fougère, [Population Ageing in Canada: A Sectoral and Occupational Analysis](#), HRSDC-IC-SSHRC Skills Research Initiative, Working Paper 2005 A-06, Ottawa, 2005.

3 See Robert Sutherland, Canadian Dental Association (*Evidence*, Meeting No. 36, 1st Session, 41st Parliament, May 7, 2012, 1535) and British Columbia and Yukon Territory Building Construction Trades (speaking notes, June 4, 2012, Vancouver). They said that they had not identified any shortages in their occupations or they reported that their occupations were not under pressure.

4 Human Resources and Skills Development Canada, [Canadian Occupational Projection System \(COPS\) — Search Occupation Data](#), 2011.

development projects in the natural resources sector. In these regions, a shortage of highly skilled workers may be accompanied by shortages for low-skilled workers as well, for example, in the retail and restaurant sectors. In areas experiencing rapid growth, housing and infrastructure shortages are common due to the sudden demand for a large labour force to work on one or more projects.

Employee skills and the ability of employers to attract and retain skilled workers will be central to our economic success over the next decade. [Canadian Manufacturers and Exporters] (CME) has projected there could be more than 500 major projects across Canada, projects such as mining, oil and gas extraction, energy development, and shipbuilding, that represent over half a trillion in new investments over the next decade.

... today there are already hundreds of thousands of unfilled jobs across Canada in all sectors of the economy. The inability of companies to match available jobs with available workers has a huge impact on their ability to innovate and improve competitiveness and to compete globally. Too often, applicants for available jobs do not have the necessary skill requirements, meaning jobs go unfilled, projects are not started, and Canada's economy suffers. As major projects continue to be developed, the need for skilled and unskilled workers will only intensify in those sectors as well as in related sectors in manufacturing and exporting.⁵

Matthew Wilson,
Canadian Manufacturers and Exporters

Many witnesses representing sectors and occupations in which labour shortages are occurring or are anticipated told the Committee that it was important to take concrete action to address this issue. Economic development opportunities must not be lost due to a shortage of workers or mismatches between the skills in demand by employers and the skills held by workers.

Canada must be more aggressive in its immigration efforts. We must move now. We are in competition with many other countries in order to attract the most talented people in the world. We have very little time to deal with labour shortages and the lack of skilled workers.⁶

Perrin Beatty, P.C.
Canadian Chamber of Commerce

B. Data on labour shortages

Witnesses told Committee members about many sources of data on labour shortages. Representatives from Human Resources and Skills Development Canada (HRSDC) provided reference to the Canadian Occupational Projection System (COPS). COPS calculates occupational projections nation-wide in the medium term (over a 10-year span) for 140 occupations. The projections are updated every two years.

5 *Evidence*, Meeting No. 40, 1st Session, 41st Parliament, May 28, 2012, 1645.

6 *Evidence*, Meeting No. 40, 1st Session, 41st Parliament, May 28, 2012, 1650.

These occupations correspond to the three-digit National Occupational Classification (NOC) codes. For example, physicians, dentists and veterinarians are classified under NOC 311, which includes specialist physicians (NOC 3111), general practitioners and family physicians (NOC 3112), dentists (NOC 3113) and veterinarians (NOC 3114). COPS is currently using the 2006 version of the NOC. The NOC is updated every five years.⁷ The 2011 version was approved on November 21, 2011, and will be implemented over the next few years.

HRSDC representatives also mentioned the Working in Canada Website.

The Working in Canada website is the Government of Canada's single window, combining jobs and learning and labour market information such as wages, occupational forecasts, licensing and certification, skills requirements, and education and training. This information helps students and workers choose the right fields of study and find out where their particular skills may be in demand. It also helps educational institutions make decisions about curriculum development and admission levels based on anticipated demand in emerging or growing sectors.⁸

Alexis Conrad,
Human Resources and Skills Development Canada

Statistics Canada representatives stated that data is available to other departments and the private sector so that they can establish their own labour shortage projections.

The monthly labour force survey produces timely information about employment, unemployment, labour force participation, wages, as well as demographic information. The monthly survey of employment, payrolls and hours provides detailed industry and earnings information for payroll employees. There's also new data on job vacancies, as well as data on enrolment and graduation.⁹

Tracey Leesti,
Statistics Canada

The data on job vacancies are collected through two questions that were added to the *Business Payrolls Survey* in January 2011. The data are available for sectors of the economy, but not for individual occupations. A high rate of vacant positions does not necessarily mean that a shortage exists: some sectors have a higher turnover rate and thus have a higher number of job vacancies on average. However, an increase in the rate of vacant positions from one year to the next may indicate a shortage in that sector. For the three-month period ending in May 2012, there were 263,000 job vacancies in Canada, an increase of 20,000 compared with the same period in 2011.¹⁰

7 Statistics Canada, [National Occupational Classification \(NOC\) 2011](#).

8 *Evidence*, Meeting No. 40, 1st Session, 41st Parliament, June 18, 2012, 1620.

9 *Evidence*, Meeting No. 29, 1st Session, 41st Parliament, March 14, 2012, 1530.

10 Statistics Canada, [Job vacancies, three-month average ending in June 2012](#), news release, September 18, 2012.

Sector councils bring together business, labour and educational stakeholders in a specific sector. They develop projections of future labour supply and demand. A good number of sector council projections were presented to the Committee.

The Bank of Canada's *Business Outlook Survey* provides data on labour shortages ("Does your firm face any shortages of labour that restrict your ability to meet demand?"). This information is not broken down by province, occupation or industry. In May-June 2012, 29% of firms responded "yes" to that question, which is higher than in 2009 and 2010, but lower than the years before the recession.¹¹

When it travelled to Western Canada, the Committee heard from representatives of the Government of Saskatchewan, who talked about the SaskJobs Website. This tool was created in 1999 as a result of the Canada-Saskatchewan Labour Market Agreement. Employers post job vacancies and job seekers can post their curriculum vitae. Job offers are uploaded to Service Canada's Job Bank.

Employment Websites and labour market information (LMI) Websites have also been set up in other provinces. The premiers of the Atlantic provinces announced on June 6, 2012, that they were collaborating on the *Atlantic Work Force Partnership* to better prepare the labour force for the new skills in demand.¹²

Professional associations and employer associations, such as the Mining Association of Canada, the Canadian Nurses Association and Engineers Canada, also prepare projections on labour force demand in their sector of the economy or in their profession.

Private organizations carry out surveys and prepare data. For example, the Canadian Federation of Independent Business, which represents small and medium enterprises (SMEs), surveys its members. One of the survey questions is on main business constraints. In September 2012, 36% of respondents cited shortages of skilled labour and 17% cited shortages of un/semi-skilled labour (respondents may select both of these responses).¹³ The Conference Board of Canada also prepares the Help-Wanted Index and the Barometer of Labour Market Tightness.

C. Challenges regarding information on labour shortages

It is very important that the LMI available be as precise and complete as possible so that stakeholders are aware of job openings and the qualifications required. This helps prevent mismatching between the qualifications in demand by employers and the qualifications held by job seekers.

11 Bank of Canada, "[Business Outlook Survey Conducted by the Bank's Regional Offices](#)", *Results of the Summer 2012 Survey*, Vol. 9.2, p. 3, July 9, 2012.

12 Council of Atlantic Premiers, "[Atlantic Work Force Partnership Key to Economic Growth](#)", news release, June 6, 2012.

13 Canadian Federation of Independent Business, "[Business Barometer, September 2012 Results of SME Business Outlook Survey](#)", p. 3, October 3, 2012.

LMI is available from many sources, including provincial databases on subjects such as the number of graduates or human resources. A number of witnesses identified this local information as a challenge.

We actually do have some studies that have been done. They're just done in points of time. For example, in Ontario there was a study in 2010 that looked at one year and made projections for upcoming years. This is happening only in Ontario. However, whenever you apply for medical residency positions, you apply across the country. This is a nationwide problem. We need a central or national database so that we can work in collaboration with the provinces and territories to collate all the information from the localized studies that are happening in short periods of time.¹⁴

Chloé Ward,
Canadian Federation of Medical Students

COPS was criticized several times because its data are not granular enough. For example, specialist physicians are in the same category as general practitioners and veterinarians. If there was a surplus in one area and a shortage in the other, COPS would not necessarily register a shortage, as the two effects could cancel each other out.

We employ individuals from a huge number of [backgrounds]—from environmental lawyers and environmental physicians, all the way to environmental scientists and engineers. Therefore, to capture that data [that provides detailed projections by profession] is exceedingly difficult, and COPS cannot do that.¹⁵

Grant Trump,
Environmental Careers Organization of Canada

An HRSDC representative informed the Committee that the lack of disaggregation of the data is due to a sampling problem (the number of people from a certain occupation that are surveyed to provide the data). The Department is looking into the possibility of publishing data for four-digit NOC occupations where sufficient representation exists.

The projections are done for 140 occupations. If we were to go beyond that, we would go to another level of granularity, bringing us to considering 500 occupations.

When we look at smaller occupations, at smaller regions, we often run into statistical difficulties because we don't have enough information. Going to the next level represents substantial difficulties for us in producing high-quality information. It limits our capacity to go down to other levels. That said, our staff is looking at ways to produce some of that information, but there are certainly some challenges because of the nature of the data that we get. There is only so far you can go in disaggregating that information.¹⁶

Yves Gingras,
Human Resources and Skills Development Canada

14 *Evidence*, Meeting No. 36, 1st Session, 41st Parliament, May 7, 2012, 1720.

15 *Evidence*, Meeting No. 30, 1st Session, 41st Parliament, March 26, 2012, 1615.

16 *Evidence*, Meeting No. 44, 1st Session, 41st Parliament, June 18, 2012, 1655.

Despite the critics toward COPS, it remains an independent and publicly available source of projections, and this system will be used throughout this report, complemented by other sources when available.

Some witnesses said that data are not published frequently enough and NOC information is not updated as quickly as it should be, especially in the ICT sector, which is constantly evolving. In some cases, the NOC codes are not precise enough for the occupations on the labour market.

One is these national occupational classifications that don't provide sufficient detail. ... do you have a Java programmer versus a C programmer or what have you? We can't get that kind of information. We can't provide it to people who are making choices, whether they're post-secondary institutions that are designing programs, students who are making career choices, or even employers who want to find out whether there is a skill shortage area or surplus.¹⁷

David Ticoll,
Canadian Coalition for Tomorrow's ICT Skills

Witnesses mentioned similar problems with the North American Industry Classification System.

Even so, we're still spread out among a number of independent categories.

If you're developing video games and you're also doing the publication of video games for packaged goods—the kind you actually buy at the retail store—you're in a different classification from producing them for online delivery, which creates complications in terms of tracking.¹⁸

Jason Kee,
Entertainment Software Association of Canada

D. Solutions to the challenges regarding information on labour shortages

The majority of witnesses agreed that LMI must be user-friendly; reach those in need of such information (e.g., employers, job seekers, students, parents, teachers, guidance counsellors, professional associations and other organizations); provide continuity and currency at the national, provincial/territorial, regional and local levels where available; and give access to online tools (e.g., Working in Canada). Witnesses expressed a need for a more consolidated approach to LMI to avoid duplication. In addition, data collection that complements that gathered by others, and provides a better and more accurate LMI across Canada is needed.

Third, improve labour market information, which is neither granular enough nor provided frequently enough. You have already heard this from other witnesses. And equally

17 *Evidence*, Meeting No. 34, 1st Session, 41st Parliament, April 23, 2012, 1605.

18 *Evidence*, Meeting No. 33, 1st Session, 41st Parliament, April 4, 2012, 1605.

important issue is that the limited information we do have gets to only some of the people who need it.¹⁹

As I mentioned, we think we need to do more work and to work with various partners to have a better sense of what the supply and demand dynamics are, moving forward. We feel that we don't have sufficient data to allow us to identify, specifically, where the needs are.²⁰

Alain Beaudoin,
Industry Canada

My penultimate solution is labour market information. In order to address the skills shortage problem in Canada, we need to make sure our labour market information is top-notch.²¹

Christopher Smillie,
Building and Construction Trades Department

Some witnesses talked about the work being done by sector councils, their partnerships with other councils, industry, as well as educational institutions. For example, the Saskatchewan Mining Association worked very closely with the Mining Industry Human Resources Council to develop LMI which led to a number of new educational programs being created at the Saskatchewan Institute of Applied Science and Technology and at the University of Saskatchewan. Students will have the opportunity to participate in a new mining engineering program and will be more likely to meet the needs of employers and find employment when they graduate.

The capacity of sector councils to produce LMI for a specific industry at a local and provincial level is valuable. The Mining Association of Canada told the Committee that a more concerted approach is required to best meet the needs of the entire mining sector. Their board of directors has asked a Human Resources Task Force to determine how the mining industry can collectively address human resources issues, in light of the elimination of core funding to sector councils by 2013. Some expressed the hope that the federal government will continue to work with sector councils to support industry's need for quality LMI that will allow employers to attract, recruit, and retain the next generation of the Canadian workforce.

The real thrust here is for us to establish credible and reliable information that employers can use to plan their businesses and ensure that small and large farm operations in all regions of Canada are well supported to find the talent they need, access those pools of labour that are very difficult to access, retain that talent along the way, and ensure that people are well skilled. That's the role of the sector council, and that's what we are endeavouring to do to assist with this very critical issue of labour shortage for this industry.²²

19 Canadian Coalition for Tomorrow's ICT Skills (CCICT), brief presented to the Committee, March 26, 2012.

20 *Evidence*, Meeting No. 30, 1st Session, 41st Parliament, March 26, 2012, 1650.

21 *Evidence*, Meeting No. 39, 1st Session, 41st Parliament, May 16, 2012, 1540.

22 *Evidence*, Meeting No. 40, 1st Session, 41st Parliament, May 28, 2012, 1535.

Portia MacDonald-Dewhirst,
Canadian Agricultural Human Resource Council

An official from HRSDC responded to comments made by many witnesses in relation to the sector council program, by reminding the Committee that the Minister of HRSDC has announced a successor program, the sectoral intelligence program, which will receive approximately \$30 million in funding. Part of its mandate will be focused on sectoral-based LMI, which information will eventually be integrated into the Working in Canada Website. A call for proposals for concept papers, for what is now called the Sectoral Initiatives Program, was launched in late summer with a deadline of October 29, 2012.²³

Essentially we've been working with the sector councils and other people who have interest in the program to get a sense of what their priorities are and to make sure that our call for proposals is consistent with what's going on in the labour market at the moment....

Also, as you know, the department did cut the core funding to the sector council program, but the sector councils do have other sources of revenue. We expect in some cases they will continue to do some of the work they're currently doing.²⁴

Alexis Conrad,
Human Resources and Skills Development Canada

Some witnesses raised the issue of undesignated occupations, such as trucking, which did not qualify as a skilled occupation under the NOC. However, the trucking industry currently faces and will continue to face labour shortages, as it has the oldest workforce in the nation with a large proportion of drivers approaching the age of retirement and limited sources of labour available to the industry.

A witness explained to the Committee that NOC codes, if revised to take into consideration the experience of truck drivers, would allow truck drivers to immigrate into Canada and provide another source of labour supply. As mentioned earlier, the NOC has been revised by Statistics Canada, and the NOC 2011 has now been the departmental standard since November 2011.²⁵ Truck drivers are recognized in the new and improved classification. A subgroup provides a detailed classification of specifically tasked truck drivers (NOC 7411). Supervisors who direct and coordinate the work of truck drivers are recognized under NOC 7222, a subgroup under "Supervisors, Railway and Motor Transportation Occupations" (NOC 722).

The Contingent Workforce Solutions suggested to the Committee that HRSDC could facilitate quarterly round table discussions between stakeholders to discuss trends in

23 Human Resources and Skills Development Canada, [Sectoral Initiatives Program \(SIP\) Call for Concept Papers 2012-2013 Applicant Guide](#).

24 *Evidence*, Meeting No. 44, 1st Session, 41st Parliament, June 18, 2012, 1625.

25 Statistics Canada, [National Occupation Classification \(NOC\) 2011](#).

labour and supply and adjust policy as required.²⁶ Industry, provincial/territorial agencies, sector councils, educational institutions, HRSDC and Statistics Canada could establish an action plan that would include working together to address some of the issues that have been raised by witnesses during the course of the Committee's study. The majority of witnesses agreed that solutions to skills shortages must reflect the labour market of the 21st century.

The federal government, acting within its jurisdiction, continues to create more tools and policies that will better respond to some of these challenges. In July 2011, the Honourable Diane Finley, Minister of HRSDC, announced that the Government of Canada was taking action to address skill shortages by developing a more proactive approach that would gather critical information for job seekers and employers and make it more readily available through the Working in Canada portal.²⁷

Many witnesses stated that the Government of Canada offers a really good service through the Working in Canada Website and were pleased with its evolution in the last few years. They would like to see even more user-friendly tools added to the Website to help employers and job seekers actually assess the skills needed for a particular occupation. Officials from HRSDC confirmed that there is continuous research and work being done to improve the services offered through the Working in Canada Website (e.g., information about careers and Canada's labour market, job search, news and updates).

An expanded service such as the "Working in Canada" website is positive, but unless connections are made to technical skills assessment tools, essential skills assessment tools, and available skills development opportunities, we will miss a valuable opportunity to more fully support the client.²⁸

Jennifer Steeves,
Canadian Automotive Repair and Service

HRSDC expects that new measures and programs launched in recent years (e.g., survey questions on job vacancies, the sectoral initiatives program, and the Working in Canada Website) will lead to better matches between skills in high demand and the skills of graduates and job seekers. The federal government must also work with the private sector, provincial/territorial governments and other stakeholders to share data and ensure that everyone appreciates that STEM, ICT, health professionals, skilled trades and less-skilled workers will play an important role in Canada's future economy. Everyone involved closely with the issue of skills shortages should be able to make a credible business case for investing in education and training of employees in these sectors, and for attracting the talent needed by industry and SMEs. If Canada is to achieve economic growth and be competitive at a global level, it needs to actively promote skills training and

26 Contingent Workforce Solutions, brief presented to the Committee, June 13, 2012.

27 Government of Canada, [*The Government of Canada announces a new approach to address skills shortages*](#), Canada News Centre, July 6, 2011.

28 *Evidence*, Meeting No. 38, 1st Session, 41st Parliament, May 14, 2012, 1530.

upgrading and to attract more students, job seekers, and foreign talent to fill the vacancies in jobs requiring skills that are in high demand.

Recommendation 1

The Committee recommends that the Government of Canada support the creation of a more formal public-private-academia partnership to be coordinated by the Forum of Labour Market Ministers with a mission to ensure a better match between the skills of young graduates and job seekers with those needed by Canadian employers. This partnership should allow for better sharing of labour market information already collected by various stakeholders in an attempt to provide more consistent forecasts in the future.

Recommendation 2

The Committee recommends that the Government of Canada continue its efforts toward achieving better and more user-friendly labour market information, which could in turn be provided to students, graduates and job seekers, giving them the information they need to make informed education and career decisions.

Recommendation 3

The Committee recommends that the Government of Canada address the lack of awareness of labour market information products available. A publicity campaign should be launched to educate the public on how to use labour market information and how it can contribute to their success on the labour market.

Recommendation 4

The Committee recommends that the Government of Canada continue to improve the labour market information and the delivery of other information available on its Working in Canada Website.

CHAPTER 2: LABOUR SHORTAGES IN THE FIVE OCCUPATIONAL GROUPS IDENTIFIED IN THE STUDY

A. Sciences, technology, engineering and mathematics occupations

1. Information on the severity of anticipated shortages

In STEM occupations, we can find professionals and technical staff in natural and applied sciences working in a wide range of sectors, including biotechnology, mining, electricity and the oil and gas sector.

A representative of the biotechnology sector council, an industry that employs a large number of STEM professionals, told the Committee that many companies are facing labour shortages.

Through commissioning our own research, we have conducted the only national studies in Canada that are exclusive to human resource issues in biotechnology. ... Research also indicated that 34.4% of the companies were currently facing skills shortages, and 32.5% had active vacant positions to fill.²⁹

Robert Henderson,
BioTalent Canada

The Environmental Careers Organization of Canada, which is the sector council for the environment, estimates that 37% of employees in this sector are in STEM professions.

One-third of all environmental workers today are over the age of 45. About 4% of environmental workers are already beyond retirement age. Some 14% of environmental workers will reach retirement age in the next 10 years, creating 100,000 vacancies. We have predicted that this year there will be 40,000 new environmental jobs in Canada.³⁰

Grant Trump,
Environmental Careers Organization of Canada

The mining industry, which employs a fair number of STEM professionals, anticipates that it will need to hire 3,990 STEM professionals by 2021, of which 1,370 would be geologists, geochemists and geophysicists and 665 would be mining engineers.³¹

The electricity sector also employs a good number of engineers and engineering technicians. According to the Electricity Sector Council, “Canada’s electricity and renewable energy industry will be recruiting over 45,000 new employees between 2011 and 2016. This is almost half of the starting workforce and more than twice the number recruited in the last five years.”³²

The Canadian Association of Petroleum Producers, which appeared before the Committee in Fort McMurray, reported that the Petroleum Human Resources Council of Canada, which also employs engineers, geologists and technicians, forecasted that it would need 9,500 new employees by 2015 and between 50,000 and 130,000 by 2020.³³

29 *Evidence*, Meeting No. 30, 1st Session, 41st Parliament, March 26, 2012, 1530.

30 *Ibid.*, 1535.

31 Mining Industry Human Resources Council, [Canadian Mining Industry Employment and Hiring Forecasts, August 2011](#), p. 12.

32 Electricity Sector Council, *Power in Motion*, 2011 Labour Market Information (LMI) Study, p. 2, brief presented to the Committee, May 17, 2012.

33 Canadian Association of Petroleum Producers, speaking notes presented to the Committee at Fort McMurray, June 6, 2012, p. 3.

Physical science professionals include physicists, astronomers, chemists, geoscientists, oceanographers, meteorologists, climatologists and other scientists. The COPS analysis of recent market conditions indicated a shortage in these professions at the beginning of the projection period (2011), but the projections from 2011 to 2020 show a surplus of new job seekers compared with the number of new job openings.³⁴

COPS data for life science professionals show that this category is balanced and should remain so for the next few years.

Still according to COPS, in the case of civil, mechanical, electrical and chemical engineers, the situation at the beginning of the projection period was balanced, but it is anticipated that the number of new job seekers will exceed the number of new job openings between 2011 and 2020. The category for other engineers (e.g., petroleum, mining and geological engineers) recorded a shortage at the beginning of the projection period, but the number of job seekers was expected to slightly exceed the number of job openings over the projection period. Engineers Canada made the following observation.

Many of our engineering labour markets are characterized at the moment by a surplus of recent graduates with little or no experience but a shortage of people with five to ten years of experience. Those people who have specialized, practical experience are in quite short supply right now in Canada.³⁵

Marie Carter,
Engineers Canada

Furthermore, demand is not the same for all types of engineers. According to a report published by Engineers Canada, between 2012 and 2018, civil engineers were ranked 4 (out of 5) each year, indicating a shortage, which chemical engineers and IT engineers received a 3 ranking (less severe shortage).³⁶

Architects, urban planners and land surveyors appeared to be experiencing a shortage at the beginning of the COPS projection period, but projections show that the situation will be balanced between 2011 and 2020 (very slight shortage).

Mathematicians, statisticians and actuaries appear to be maintaining a balance right now and will continue to do so for the next few years, according to COPS.

As for technicians in the STEM fields, all professional groups were balanced at the beginning of the projection period, with the exception of technical occupations in physical sciences, which were experiencing a surplus. Shortages may occur during the projection period for technical occupations in life sciences, transportation officers and controllers, and other technical inspectors and regulatory officers.

34 Appendix A includes tables for each of the five occupational groups in the study, providing details on the anticipated shortages and surpluses from 2011 to 2020 according to COPS.

35 *Evidence*, Meeting No. 29, 1st Session, 41st Parliament, March 14, 2012, 1640.

36 Engineers Canada, [Engineering Labour Market Tracking System, Labour Market Conditions 2009-2018, Exhibit ES1](#).

2. Challenges specific to this occupational group

Without a steady and important rate of students graduating in the STEM professions, the science and technological industries will suffer along with the whole economy. Therefore, these occupations need to be promoted to students, parents, and teachers. Young women also need to be made aware of these career opportunities because they comprise well under 20% of enrolments in core technology programs.

The Committee heard that students lack clarity with regard to the requirements of the industry. One of the fastest-growing areas in the college system is foundational or remedial science and math programming and, unfortunately, many high school students are unaware that further education in sciences or technology will require or recommend optional science and math credits. Students are not pursuing further courses in science, sometimes because they have reached the maximum of credits to graduate and do not see the necessity to obtain more at the time. Parents are also unaware that this might limit opportunities for their children. Canada does not train enough scientists or engineers.

Most worrisome, we are seeing a decline in enrolment rates at the undergraduate and master's levels in our fields compared with a decade ago. Increasingly, Canada is relying on foreign graduate students to carry out the research that happens in our universities, research that will result in discovery and innovation.³⁷

Isabelle Blain,
Natural Sciences and Engineering Research Council of Canada

Furthermore, the Committee also heard that there is a war for talent and experience that brings companies to invest in making Canadian jobs appealing to qualified foreign STEM professionals and convincing them to remain in the country.

Witnesses spoke to the Committee about the lack of general skills found in STEM candidates. There must be opportunities to develop these skills through educational programs, on-the-job training or co-op programs. Without such skills, candidates will have serious difficulties finding employment. Furthermore, a good candidate also needs to have the business skills required by many employers.

The Committee was told by Engineers Canada that people who have specialized and practical experience are the ones currently in short supply in Canada. This is an area where it is difficult to meet industries' expectations, as young graduates cannot be expected to already have such experience.

Issues with the NOC were also addressed. The pace of the STEM industries is quick and consequently the categories of occupations included under NOC rapidly become too broad and outdated. The code lacks precision. The classification system has recently been updated in 2011, but a lot of work remains to be done.

37 *Evidence*, Meeting No. 31, 1st Session, 41st Parliament, March 28, 2012, 1545.

As well, often they're very dated. The closest ones, "computer programmer" and "interactive media developer", include developing for CDs, DVDs, and game cartridges. These are forms of media in the games industry that basically have barely been used for the past 10 years. Clearly some of the codes are still in need of updating. We're certainly not adequately captured, and it's been challenging, to say the least.³⁸

Jason Kee,
Entertainment Software Association of Canada

3. Solutions specific to this occupational group

The Committee was informed that the perception of STEM professions, science and core technology programs needs to be turned around to motivate young Canadians to choose these professions. Students, parents and teachers must be informed that scientific occupations do not solely include professions as researchers in a lab but can also open doors to interesting and innovative jobs.

The first thing is that I really do believe that science learning underpins the talent development needed for the 21st century, and if your report can build a connection with the creative economy, I think you can go a long way in helping to dispel the myths that science is not necessarily underpinning much of the talent that is needed: in fact, it's a creative human activity that leads to our understanding of the world and it underpins all the critical global issues that we face today, but many people don't see it. They don't see the horizontal integrator role that science, technology, engineering, and math play.³⁹

Bonnie Schmidt,
Let's Talk Science

The Committee was told that we need to encourage and develop the interest of Canada's youth to pursue career paths in sciences very early in school. Grants and programs such as PromoScience exist to support organizations that reach children between the ages of 10 and 12 years old across the country. To build greater interest in the STEM occupations, more people need to talk about physics and math and link science to practical examples, such as the use of a BlackBerry smartphone. Co-operative education is also helpful for young students to grasp early what a particular job underpins.

The Committee heard about interesting activities that Communitech developed to help technology companies recruit the skilled labour needed, such as recruitment events, career fairs and a youth outreach program designed to encourage greater numbers of students in grades 7 through 12 to pursue studies leading to careers in the STEM disciplines. These are good examples of what can be done to inform and motivate youth to pursue a career in STEM.

From our perspective, we would strongly encourage the federal government and provincial and territorial governments to continue to focus on supporting strong science, technology, engineering, and mathematics education at all levels, with special emphasis

38 *Evidence*, Meeting No. 33, 1st Session, 41st Parliament, April 4, 2012, 1605.

39 *Evidence*, Meeting No. 31, 1st Session, 41st Parliament, March 28, 2012, 1645.

on the under-represented groups, while also continuing to work with various professions to improve the foreign qualifications assessment and recognition process.⁴⁰

Marie Carter,
Engineers Canada

Recommendation 5

The Committee recommends that the Government of Canada continue to fund programs to increase enrolment and graduation rates in sciences, technology, engineering and mathematics.

Recommendation 6

The Committee recommends that the Government of Canada increase collaboration between academia and industries using sciences, technology, engineering and mathematics professionals, to ensure that curricula are more relevant and meet the needs of these industries.

B. Occupations in the Information and Communications Technology field

1. Information on the severity of anticipated shortages

The ICT professions include a number of occupations in the computer science field, such as software designers and database analysts. They are employed in nearly every sector of the economy.

According to COPS, both IT professionals and technicians were balanced at the beginning of the projection period.⁴¹ However, from 2011 to 2020, a surplus is anticipated, particularly for computer and information systems professionals.

However, these projections can hide shortages at a local level or in more specialized ICT professions. The Information and Communications Technology Council (ICTC) published forecasts for the period from 2011 to 2016 for professionals in digital occupations, broken down by specific occupation (four-digit NOC code) and by region.⁴²

We estimate that by 2016 approximately 106,000 ICT jobs will need to be filled in Canada, with demand for critical jobs far exceeding the supply. This figure will be further compounded if we account for new and emerging ICT sectors.⁴³

Namir Anani,
Information and Communications Technology Council

40 *Evidence*, Meeting No. 29, 1st Session, 41st Parliament, March 14, 2012, 1645.

41 See Table 2A of Appendix A.

42 These projections are shown in Appendix A, Tables 2B and 2C.

43 *Evidence*, Meeting No. 33, 1st Session, 41st Parliament, April 4, 2012, 1550.

According to ICTC projections, among ICT professionals, there are more professions with overall shortages than there are professions with overall surpluses. The shortages are mainly in the categories of computer and information systems managers, telecommunication carriers managers, and information systems analysts and consultants.

The anticipated shortages are not as critical for technical occupations. Shortages will be most acute for electronics and electrical engineering technicians and technologists (especially in the Atlantic provinces and Alberta), and for broadcast technicians (especially in the Atlantic provinces).

Shortages are also more acute for workers with an intermediate or high level of experience.

There is a critical shortage of available talent at the intermediate, senior, and expert levels across all disciplines, including programmers, game designers, digital artists, and animators. Game development is a highly knowledge-intensive, fast-paced, and team-oriented industry. The hiring, training, and supporting of recent graduates and junior employees is entirely dependent on the presence of a solid and experienced core team of senior personnel.⁴⁴

Jason Kee,
Entertainment Software Association of Canada

2. Challenges specific to this occupational group

The Committee heard that the ICT sector is a major player when it comes to research and development (R&D). In 2011, it accounted for 34.1% of all private sector R&D.⁴⁵ However, their contribution to the Canadian economy may be at risk if the pool of potential workers cannot keep pace with demand.

Witnesses told the Committee that the lack of more accurate LMI on emerging ICT jobs creates challenges that prevent the private sector from moving forward with a clear view of where technologies are going. In addition to having a healthy supply of ICT talent locally, there needs to be a commitment to hiring and training graduates who may not have the “real world” experience or the soft skills sought by virtually all employers in all sectors of the economy, but who are willing to learn and can make the transition from the academic world to employment.

Canada can produce the best ICT workers in the world, but we need to create strong talent and retain as much of it as possible. Canada’s economic health is tied to the prosperity of the ICT sector, which encompasses life sciences, digital media, clean tech, defence and security, and advanced materials. There are close to 10,000 companies,

44 Ibid., 1540.

45 Nordicity, *Labour Supply/Demand Dynamics of Canada’s Information and Communications Technology (ICT) Sector*, Prepared for: Industry Canada — Information and Communications Technologies (ICT) Branch, Prepared by: Nordicity in association with David Ticoll, Executive Summary, March 2012, p. 4.

representing 800,000 Canadian jobs; helping this sector find the talent it needs to thrive will yield more economic prosperity for Canadians.⁴⁶

Avvey Peters,
Communitech

Canada is also competing in an increasingly tight labour market with emerging global economies such as those of Brazil, Russia, India, China, and South Africa — the BRICS countries, as we call them — which are achieving unprecedented economic growth using new energy, telecommunication, and information technologies.

Our ability to prepare tomorrow's workforce and nurture innovative talents in key sectors of the ICT economy will be vital in ensuring Canada's competitive advantage in an increasingly global, connected, and fast-paced environment.⁴⁷

Namir Anani,
Information and Communications Technology Council

The Committee heard again of issues with the NOC, this time related to ICT occupations. For example, occupations in video games could be found under five different codes depending on the requirements of the positions. Many witnesses thought that LMI data collection and dissemination requires more research.

To help us shed light on supply and demand of Canadian ICT talent and support our work with provinces and territories, we hired the firm Nordicity. Between January and March of this year, Nordicity conducted interviews and an online survey of ICT firms and associations in key clusters.

While there are limits to the data collected in Nordicity's research, respondents identified current and future talent shortages, especially for media developers, programmers, and for software and computer engineers. Additionally, it found that there is a lack of executives with five years or more experience. Survey respondents also felt that college and university graduates need more "real world" skills, such as communications, project management, and overall business acumen.⁴⁸

Alain Beaudoin,
Industry Canada

Another critical issue is the off-shoring of jobs, which can occur if a company cannot find the right candidates in Canada. The Committee heard that the lack of access to talent with the technical and business skills needed by the industry causes major delays, interfering with the timely completion of time-sensitive projects. The lack of talent, the off-shoring of jobs, and the potential impact on the growth of the industry in Canada are matters that concern the members of the Committee.

We're saying there's a skills shortage. In the ICT sector the jobs tend to go where the skills are. If the available skill pull is not what you need, your jobs are going to migrate

46 Ibid., 1535.

47 Ibid., 1550.

48 *Evidence*, Meeting No. 30, 1st Session, 41st Parliament, March 26, 2012, 1640.

out, and that's what's happening. The kids who are coming out aren't necessarily in the sector and trained to do the jobs we need done.⁴⁹

Karna Gupta,
Information Technology Association of Canada

3. Solutions specific to this occupational group

Members of the Committee believe that the Government of Canada should make it appealing and easier for foreign ICT professionals to choose Canada as their work destination, while doing due diligence and not jeopardizing the safety and employment of Canadians. Witnesses told the Committee that highly skilled foreign workers facilitate knowledge transfer by providing valuable on-the-job training opportunities for recent graduates and junior employees. For example, the Committee was told that employers are looking for engineers that have at least five years' experience. This is not an easy task and it leaves behind recent graduates of Canadian colleges and universities. Bringing in an experienced foreign-trained engineer to share his knowledge with those graduates is a sensible solution, so that firms have a mix of new apprentices and experienced workers.

In 2010, the Government of Canada set out a plan to develop a digital economy strategy for Canada. National consultations were launched on May 10 and the consultation process ended in July 2010. The analysis of all the data received through the consultation (more than 2,000) and other sources takes a long time. In July 2011, the Honourable Christian Paradis, Minister of Industry, reaffirmed the Government of Canada's commitment to a digital economy strategy. In August 2012, Minister Paradis, in a speech to the Economic Club of Canada, vowed to launch a strategy by the end of the year.⁵⁰

Speaking at the Canadian Telecom Summit in 2012, Minister Paradis "urged the private sector to act on priority issues, such as bridging the urban-rural broadband gap and making greater use of information and communications technology to ensure that Canada is well-positioned to reap the benefits of the growing digital economy for years."⁵¹

The government did not wait, however, to start building the foundation of its digital economy strategy for SMEs. For example, in October 2011, it was announced that the Business Development Bank of Canada would set aside \$200 million for loans to help entrepreneurs purchase ICT products. Another interesting project is the Digital Technology Adoption Pilot Program, launched in November 2011, which gives SMEs access to advice from experts on what are the digital technologies that best meet the needs of a particular business and how it can integrate these new digital technologies into its business practices. The pilot program was given access to \$80 million over three years; funding is

49 *Evidence*, Meeting No. 34, 1st Session, 41st Parliament, April 23, 2012, 1555.

50 Industry Canada, [The Economic Club of Canada](#), Speaking Points, The Honourable Christian Paradis, PC, MP, Minister of Industry, Canada News Centre, Toronto, Ontario, August 28, 2012.

51 Industry Canada, "[Minister Paradis Challenges Telecom Industry to Innovate, Create and Thrive](#)", Canada News Centre, Toronto, Ontario, June 5, 2012.

administered by the National Research Council Canada through its successful Industrial Research Assistance Program.⁵²

Recommendation 7

The Committee recommends that the Government of Canada, while respecting the jurisdiction of provincial/territorial governments with regard to education and training, consider establishing a panel, composed of officials from various governments, industry leaders and their associations, small and medium enterprises (SMEs), academia, policy-makers and other interested stakeholders. The panel would be given the mandate to find ways over the next three to five years to help SMEs embrace the technological shifts, hire information and communications technology (ICT) professionals and facilitate their capacity to do business using ICT tools and contribute to Canada's economy.

Recommendation 8

The Committee recommends that the Government of Canada support action to increase collaboration between the information and communications technology industry and academia to ensure that the curricula will be more relevant and meet the needs of the industry and also be more likely to catch the attention of students. The curricula in Canadian colleges and university must be flexible, as technology changes so fast that it is hard to keep the curricula up to date.

C. Health occupations

1. Information on the severity of the anticipated shortages

Due to the aging population, the health care sector is expected to increase its share of Canada's Gross Domestic Product (GDP) and employment. According to COPS, there is already a shortage in several occupations in this category, and shortages will occur in the near future, as well.⁵³

Physicians, dentists and veterinarians were experiencing a shortage at the beginning of the projection period, and the shortage is projected to continue between 2011 and 2020. However, several groups mentioned to the Committee that, in certain provinces, more students are being admitted to faculties of medicine, which could result in a surplus of physicians. Furthermore, shortages may exist for certain specialties or in certain areas,

52 Industry Canada, [Official Launch of the Digital Technology Adoption Pilot Program](#), Speaking Points, The Honourable Christian Paradis, PC, MP, Minister of Industry, Canada News Centre, Ottawa, Ontario, November 14, 2011.

53 See Table 3, Appendix A.

especially rural areas, and surpluses may exist for other specialties or for general practitioners and family physicians.

Over the past five years, the growth in the number of these professionals has consistently outpaced population growth. In fact, there were 203 active physicians per 100,000 Canadians in 2010, the greatest proportion there has ever been in this country. Most of the growth in the physician workforce is due to an increase in the number of medical graduates from Canadian faculties of medicine. Since 2003, it has increased by nearly 60% to more than 2,400 graduates in 2010.⁵⁴

Jean-Marie Berthelot,
Canadian Institute for Health Information

The Ontario Medical Association, in collaboration with the Ontario Ministry of Health and Long-Term Care, made a projection model that was published in 2010. They showed that even in family medicine—these are generalists in Ontario—in 2017 they project an oversupply of family doctors.⁵⁵

Noura Hassan,
Canadian Federation of Medical Students

The Canadian Dental Association contended that Canada does not have a shortage of dentists.

I'd first like to emphasize that there is not a shortage of dentists in Canada. Canada is on a par with other OECD countries in terms of the dentist to population ratio. ... The perception that the dental profession is experiencing a labour market shortage may arise from the observation that a small minority of Canadians do not have access to regular dental care.⁵⁶

Robert Sutherland,
Canadian Dental Association

According to COPS, optometrists and chiropractors were experiencing a shortage at the beginning of the projection period, but the number of new job openings should correspond almost exactly to the number of new job seekers between 2011 and 2020.

As for pharmacists, dietitians and nutritionists, there was a balance at the beginning of the projection period, but COPS anticipates that the number of job seekers will slightly exceed the number of job openings between 2011 and 2020.

However, Dietitians of Canada estimates that there are shortages already and there will continue to be shortages of dietitians.

We found, one, that all provinces and territories have vacancies that are difficult to fill, especially in the rural, remote, and northern communities, and almost half of the dietitian

54 *Evidence*, Meeting No. 35, 1st Session, 41st Parliament, April 25, 2012, 1545.

55 *Evidence*, Meeting No. 36, 1st Session, 41st Parliament, May 7, 2012, 1730.

56 *Ibid.*, 1535.

workforce currently is planning to retire within the next ten years. Dietitian vacancies are already impacting the quality of health services.⁵⁷

Pat Vanderkoy,
Dietitians of Canada

Among therapy and assessment professionals (audiologists and speech-language pathologists, physiotherapists, occupational therapists), there was a shortage of workers at the beginning of the COPS projection period, but it is anticipated that there will be a slight surplus of new job seekers between 2011 and 2020.

The Canadian Association of Occupational Therapists emphasized that there was a shortage in occupational therapy, but that information was limited.

At this point in time, the measure of the needs for occupational therapists is flawed. Shortages in occupational therapy occur in Canada because the current models used to predict health human-resource needs are insufficient. They insufficiently predict the demand for occupational therapy services. We are aware, for example, that in some areas of the country, the number of education seats for occupational therapy programs is not sufficient to meet the current workforce demands, because of inaccurate human resource projections.⁵⁸

Claudia von Zweck,
Canadian Association of Occupational Therapists

There was a shortage of nurse supervisors and registered nurses at the beginning of the projection period, with severe shortages projected for 2011 to 2020, according to COPS. This prediction was supported by the Canadian Nurses Association when it appeared before the Committee.

Current research puts Canada's shortage of registered nurses at approximately 11,000 full-time equivalents. Left unaddressed, that shortage is projected to reach 60,000 full-time equivalent RNs by 2022, a reality that stands to risk future health outcomes.⁵⁹

Rachel Bard,
Canadian Nurses Association

Health care technologists and technicians (e.g., medical radiation technologists, respiratory therapists, medical laboratory technicians) were experiencing a shortage at the beginning of the COPS projection period, and a slight surplus of job seekers was anticipated between 2011 and 2020.

Medical laboratory technologists, while recognizing the progress made over the last few years, are concerned that there is an insufficient number of candidates to replace those who will retire in the next few years.

57 Ibid., 1635.

58 *Evidence*, Meeting No. 37, 1st Session, 41st Parliament, May 9, 2012, 1635.

59 *Evidence*, Meeting No. 35, 1st Session, 41st Parliament, April 25, 2012, 1550.

For over a decade, we have been alerting decision-makers that the number of seats in medical laboratory technology programs is simply not sufficient to produce enough new graduates to replace those who will leave the workforce. The domestic supply is simply too low.

Since 2000, governments have taken steps to address the shortage by opening new education programs and increasing capacity in others. This is a positive development, but the retirements coming simply will not equal the number of new graduates.⁶⁰

Christine Nielsen,
Canadian Society for Medical Laboratory Science

Technical occupations in dental health care (hygienists, denturists) were in balance at the beginning of the COPS projection period and should maintain a balance from 2011 to 2020 (very slight shortage).

Technical occupations in health care (e.g., massage therapists, paramedical occupations) were in balance at the beginning of the projection period, but the number of job openings is expected to exceed the number of job seekers, creating a cumulative shortage of nearly 6,000 positions between 2011 and 2020, for an occupational group that had approximately 125,000 positions in 2010.

Lastly, assisting occupations in support of health services (e.g., patient service associates, dental assistants) were experiencing a shortage at the beginning of the COPS projection period; the number of job openings was projected to surpass the number of job seekers by approximately 7,000 positions for an occupational group that had 316,000 employees in 2010.

2. Challenges specific to this occupational group

Physicians are a highly skilled section of the Canadian workforce. The care they provide is in high demand across the country, particularly in rural areas and small towns in remote locations. The reality today is that nearly five million Canadians do not have family physicians. More than one third of all Canadian physicians are over the age of 55 and many will retire soon. Most physicians' practices are full and they are not accepting new patients.⁶¹

The context in which professionals work in the field of health has also changed over the years. For example, younger professionals are looking for work-family balance. Most physicians also face an increasing demand for their time due to the aging population, which experiences more chronic diseases. The complexity of cases is increasing as are the expectations of physicians and time spent with patients has been increasing.

The Committee heard that we need to reassess the mix and distribution of physicians and specialists, especially in rural regions. Although 21.4% of the general

60 *Evidence*, Meeting No. 36, 1st Session, 41st Parliament, May 7, 2012, 1650.

61 *Evidence*, Meeting No. 37, 1st Session, 41st Parliament, May 9, 2012, 1615.

population lives outside of cities, only 9.4% of physicians are located in rural communities. Specialists are severely under-represented, with only 2.4% of them practicing in rural areas; 15.7% of family physicians also practice in those rural regions.⁶²

In the domain of occupational therapy, the Committee heard that shortages occur because the current system implemented to predict health human-resources' needs is insufficient. Another issue is that the number of education seats for occupational therapy programs is not sufficient to meet the current workforce demands because of inaccurate human resources' projections. However, this decision to increase or decrease the number of seats in a particular program is a provincial and territorial issue. Witnesses also told the Committee that there are not enough positions available in colleges in the nursing programs to meet the number of students' applications.

At Algonquin College in the fall of 2011 there were 1,010 applications for practical nursing positions. There were 126 available positions. This is an occupation where you can get employment tomorrow, yet approximately only one in nine was able to get in. These are qualified students, by the way; they're not the ones who didn't qualify. In medical radiation technology, which is another very important field with a huge demand, there were 781 applications for 25 seats. So we have a capacity issue. We're under-investing. That's a big message for you to think about.⁶³

James Knight,
Association of Canadian Community Colleges

Under the *Constitution Act, 1867*, the provincial level of government is granted the majority of legislative power in the area of health care. Exclusive provincial responsibility is attributed to the direct delivery of most medical services, the education of physicians, and numerous related functions.⁶⁴ Consequently, the capacity issue raised by witnesses related to college programs in nursing as well as in occupational therapy would be a matter of provincial jurisdiction. Nonetheless, witnesses told the Committee that there is a need for better provincial planning, which could be facilitated by the sharing of planning data and LMI which are in the hands of the federal government.

In the domain of dentistry, the Committee heard that there are no shortages of dentists in Canada. In 2007, Canada had 58 dentists per 100,000 residents, which is close to the OECD average of 61. Most Canadians have access to dental care, but sometimes accessibility can be difficult for a specific group of people most in need of dental care, such as seniors, low-income segments of the population, people with special needs, children and Aboriginal peoples.

62 Royal College of Physicians and Surgeons of Canada, brief presented to the Committee, May 7, 2012, and Canadian Medical Association Journal, James Rourke, *Medicine and Society: Increasing the number of rural physicians*, January 29, 2008.

63 *Evidence*, Meeting No. 37, 1st Session, 41st Parliament, April 2, 2012, 1615.

64 This provincial authority is generally agreed to derive from the powers over property and civil rights under subsection 92(13) and matters of a merely local or private nature under subsection 92(16) in the *Constitution Act, 1867*.

Similar to other health professions, there is a distribution issue of dentists in rural communities. The Canadian Institute for Health Information reported that, although 21% of the population lives in rural areas, only 11% of dentists reside in rural areas.⁶⁵

The Committee also heard from Dietitians of Canada. The Committee was informed that only 22% of Canadians have access to the services of a dietitian. Consequently, there is a shortage. The current supply of registered dietitians is inadequate to meet the existing demand for many reasons: the aging population; the prevention of chronic diseases; the high obesity rate of Canadians; the promotion of healthy eating habits; vacancies that need to be filled, particularly in remote, rural and northern communities; and the high rate of retirement. The Committee heard that funding is limited to support training, particularly in smaller communities. It was also said that the Canadian Institute for Health Information tracks workforce data of six health professions but that dietitians are not among them. Consequently, there is a lack of reliable data about the workforce, and of accurate projections for future human resources' needs in this profession.

3. Solutions specific to this occupational group

The Committee heard that we need a better and more accurate data system that would allow all stakeholders to forecast and plan efficiently the health human-resources' demands, including for dietitians, laboratory technicians and social workers. New graduates need to be matched with available positions and informed of where the needs are in the country. Investing in health human resources' research to understand and optimize the resources that are currently used in the health care system could also be helpful.

The consequences of this lack of planning are evident. From 1988 to 2010, the number of post-graduate trainee positions in geriatric medicine — care of the elderly — was essentially constant at only 18 physicians, while the number of trainees in pediatric medicine — childhood illnesses — increased by 58%, in clear contradiction to the demographic trends.⁶⁶

John Haggie,
Canadian Medical Association

The Committee was also told that there is a need to look at the participation and the productivity of nurses in the workforce. A witness from the Canadian Nurses Association told the Committee that the services that registered nurses can actually supply in a day is affected by the model of care delivery in place, the composition of health teams, and how efficiently health teams work together. By adopting different kinds of models, such as telehealth, or employing nurse practitioners, the existing supply of nurses can provide patient-centred care more efficiently.

65 *Evidence*, Meeting No. 36, 1st Session, 41st Parliament, May 7, 2012, 1530.

66 *Evidence*, Meeting No. 37, 1st Session, 41st Parliament, May 9, 2012, 1615.

In addition to increasing the productivity of registered nurses, four policies were proposed by the Canadian Nurses Association to reduce shortages among registered nurses: reducing their annual absenteeism rate; increasing their enrolment in entry-to-practice education programs; improving retention; and reducing attrition rates in entry-to-practice programs.⁶⁷

The Committee was also informed that, in some situations, there are models of practices that can lead to the need for fewer specialists. For example, better prevention through the combined work of occupational therapists and physiotherapists could decrease the need for orthopaedic surgeons in some situations.

Lastly, the Committee heard about relying on immigration to fill some of the skill gaps in health occupations. A witness told the Committee that the Medical Council of Canada could offer qualifying examination offshore in a number of languages to make the integration of international physicians quicker and easier. It should be noted that this issue was discussed when the Committee embarked on a study of the foreign qualification recognition process in Canada on September 29, 2011. During that study, witnesses underscored the importance of starting the foreign qualification process in the country of origin by issuing more certificates and licences to internationally trained physicians before they come to Canada so that they are prepared when they arrive in Canada. Dietitians also mentioned to the Committee that there is a growing number of internationally educated dietitians that want to work in Canada and that need bridging programs to be able to work in Canada.

Recommendation 9

The Committee recommends that the Canadian Institute for Health Information continue its good work in tracking and collecting workforce data in health professions, including the dietitians, laboratory technicians and social workers professions on its list.

D. Skilled trades

1. Information on the severity of anticipated shortages

Skilled trades include occupations in various sectors, such as natural resources, construction, manufacturing, but also in the service industry. According to COPS, at the beginning of the projection period, there was a surplus of chefs and cooks, and the number of new job seekers was forecast to exceed the number of new job openings from 2011 to 2020.⁶⁸ Butchers and bakers were balanced, but a surplus was anticipated by 2020.

67 Canadian Nurses Association brief, *Tested Solutions for Eliminating Canada's Registered Nurse Shortage*.

68 See Table 4 of Appendix A.

In the primary industry sector, underground miners, oil and gas drillers and related workers were in balance and should remain that way. Logging machinery operators showed a surplus, but a shortage was anticipated between 2011 and 2020.

Machinists are in a similar situation, with a surplus at the beginning of the projection period that will become a slight shortage between 2011 and 2020. Electricians and electrical power line workers were in balance, but will experience a more significant shortage from 2011 to 2020.

Still according to COPS, many of the construction trades will experience a surplus between 2011 and 2020, such as carpenters and cabinetmakers, as well as plumbers, pipefitters and gas fitters. However, this general surplus may hide shortages in certain regions or in certain jobs.

According to the Construction Sector Council, between 2012 and 2020, the construction sector will need 319,000 new workers: 219,000 to replace retiring workers, and 100,000 to fill new openings. The Council estimates that 163,000 graduates can be recruited, but an additional 156,000 workers will have to be found from other sectors or from outside of Canada. Certain provinces, such as Quebec, New Brunswick and Nova Scotia, will most likely have slower growth in this area.⁶⁹

According to COPS, there may be a slight shortage of mechanics, whether automotive service technicians, transportation mechanics other than motor vehicle, or stationary machinery.

The 2009 labour market study noted that employers were reporting approximately 13,000 unfilled positions and that 37% of these were for automotive service technicians. Overall, 29% of employers in the industry have one or more unfilled positions, and this is impacting business growth.⁷⁰

Jennifer Steeves,
Canadian Automotive Repair and Service Council

2. Challenges specific to this occupational group

Currently, the electricity sector employs over 108,000 people, the majority of them highly skilled workers. Our most recent labour market research published this January reports that employers in the electricity sector will have to recruit over 45,000 new workers ... by 2016. ... Advances in technology are also changing the skill profiles of employees. The available workforce will not meet these labour requirements, and employers need to look for and attract new recruits. There needs to be an increasing focus on targeting under-represented groups such as immigrants, women, and Aboriginal people We cannot replace the main infrastructure for the system without making an equal investment in

69 Construction Sector Council, [Construction Looking Forward: National Summary — 2012 Report and Highlights](#), February 2012.

70 *Evidence*, Meeting No. 38, 1st Session, 41st Parliament, May 14, 2012, 1530.

human resources. Human resource investment should be seen as equivalent to capital investment and not as a cost.⁷¹

Michelle Branigan,
Canadian Electricity Association

It is clear today that skilled trades offer jobs in construction and a variety of other industrial sectors that contribute significantly to Canada's economy. Three out of the oil and gas industry's top 10 jobs are in the skilled trades, but negative misconceptions are still prevalent about work in the trades, which is one of the causes preventing students from choosing a career in that sector. Many witnesses talked about skills shortages in the trades as being particularly challenging and stated that shortages could be putting Canada's economy at risk in the years ahead, particularly in growing sectors such as the oil and gas industry and the mining sector.

In fact Ernst and Young every year publishes the global risks that are impacting the global mining sector, and the labour shortage is now ranked as the number one risk for mining companies for both the developed world and the developing world.⁷²

Ryan Montpellier,
Mining Industry Human Resources Council

The mining industry is a good example. A third of its workforce is eligible to retire by 2016. Many of these employees have been acquiring experience for the last 20 to 30 years. The industry faces major challenges to replace these long-term employees, and attract job seekers to mining communities, which are for the most part located in remote and/or rural regions of Canada. Nonetheless, action has been taken for the last few years to address these challenges by reaching out to youth from an early age to raise awareness as well as assist job seekers in obtaining the skills they need to work in the industry, but a lot more needs to be done.

Some of the difficulties faced by the people who want to have a career in the skilled trades or those who are currently working in a skilled trade sont: 1) The pace of technology advancements and emerging technologies make it complicated for a tradesperson to stay current while working full-time; 2) On-the-job training is not always available; 3) Many employers expect their staff to upgrade their skills on their own time. 4) The need for graduates and other job seekers to be job ready. The job applicant must demonstrate that he or she possesses the foundational skills such as critical thinking, the ability to communicate and business skills, which are particularly important to owner-operated SMEs.

The 2009 labour market update, "*Performance Driven*," ... found that 58% of employers said that new hires were not job ready. Because of the complexities of vehicle electronic systems and engine/fuel systems, strong foundational skills in critical thinking/problem solving are required. Not only do incumbents need to be able to carry out diagnostics and repairs, they must understand why. So many vehicles systems are interlinked now that if

71 *Evidence*, Meeting No. 39, 1st Session, 41st Parliament, May 16, 2012, 1545.

72 *Evidence*, Meeting No. 38, 1st Session, 41st Parliament, May 14, 2012, 1635.

diagnostic, research and repair decisions are not made with an understanding of how one element impacts others, it is very hard to carry out the work properly. Information about new technologies, current workplace demands, skills demands as well as access to tools and training to support those preparing the future labour supply would support their endeavours.⁷³

The Committee received a brief from the Canadian Apprenticeship Forum discussing the importance of finding employers who are willing to take on apprentices, and of raising their interest by showing them that they have something to gain from hiring apprentices.⁷⁴

The Committee heard of innovative solutions such as sharing an apprentice among a number of SMEs. This kind of innovative thinking on the part of employers is what Canada needs to respond to the challenge of skills shortages. Sharing of best practices and forming partnerships are definitely part of the solution.⁷⁵

Some witnesses also mentioned the issue of mobility of apprentices in training across the country. Only those who have received their Red Seal certification can train and work across the country. This is a complex issue that touches on inter-jurisdictional regulations for those in training on one end, but that also can be looked at from a different point of view — that of the standardization of acquired competencies across provinces and territories.⁷⁶

On a regional basis, if southern Ontario's economy goes south in the steel industry, and I want to go finish my apprenticeship in the west, I might find out that I have to repeat my second year of trade school, because they don't recognize it. They consider it different, because it's provincial.

With the Red Seal, once I have it, I'm good. But as an apprentice, I'm left stranded without much support.⁷⁷

David Suess,
Canadian Apprenticeship Forum

Governments will need to address as many barriers to apprenticeship as possible as there is a definite need to increase Canada's supply of workers in the skilled trades. This is why the Committee has taken the decision to study the issue of economic opportunities for young apprentices in more depth in the fall of 2012.

73 Canadian Automotive Repair and Service, letter to the Committee, follow-up to May 14, 2012, presentation, June 26, 2012, p. 3.

74 Canadian Apprenticeship Forum, *Fixing the Skills Gap: Addressing Existing Labour Shortages in High-Demand Occupations*, brief presented to the Committee, May 14, 2012, p. 1.

75 Ibid., p. 3.

76 Government of Quebec, [The recognition of prior learning and competencies \(RPLC\) in brief](#), "What is the RPLC?", Éducation, Loisir et Sport Québec.

77 *Evidence*, Meeting No. 38, 1st Session, 41st Parliament, May 14, 2012, 1555.

3. Solutions specific to this occupational group

Job seekers train for the skills needed to get a job within a specific sector of the industry; however, with the emergence of new complex technologies, lifelong learning is as important as initial learning. Educators at all levels must connect with employers to ensure the curricula meet the short- and long-term expectations of those who are hiring people in the skilled trades. Private sector engagement and a willingness to hire an apprentice are some of the components to solving skills shortages in the trades. Witnesses agreed that there is a need to clearly communicate the business case outlining the benefits of hiring an apprentice. Many witnesses claimed that industry groups and companies will need federal support if they are to train more young people in the skilled trades.

The Committee was told that there is a need for governments, including the federal government, to participate in round table discussions to address some of the barriers to apprenticeship. According to the Canadian Construction Association, supporting apprenticeship training is one of the most important strategies to tackle labour shortages in the skilled trades.

Some witnesses raised the issue of the Apprenticeship Job Creation Tax Credit (AJCTC) being restricted to Red Seal trades and also being taxable, as the employer must add it back into his taxable income the year following the year he claimed the credit. The AJCTC is a non-refundable tax credit equal to 10% of the eligible salaries and wages payable to eligible apprentices in respect of employment after May 1, 2006. The maximum credit an employer can claim is \$2,000 per year for each eligible apprentice.⁷⁸ Many witnesses have asked for better tax incentives for employers to hire more apprentices.

The federal government has introduced a number of measures to assist apprentices. The Apprenticeship Incentive Grant offers up to \$2,000 to financially support the first two years of an apprentice's training in a Red Seal trade. The government also offers an Apprenticeship Completion Grant worth \$2,000 after an apprentice has obtained the journeyman qualification in a designated Red Seal trade.

The private sector is getting more involved in finding solutions to skills shortages as they understand that it will aid their businesses. Companies offer training to improve the skills of existing workers and to better integrate new employees. They also invest in technology-driven programs given at post-secondary institutions to ensure that graduates from these programs will have the necessary skills to immediately enter the workforce. Where such programs do not already exist, some companies are investing in the development of partnerships between the private sector and post-secondary institutions.

Employers in the skilled trades realize that they must start planning for their future workforce early on. The Committee was told that when companies plan special projects

78 Canada Revenue Agency, [Apprenticeship Job Creation Tax Credit](#).

they must plan for the need to get the right people on the job at the right time. In the same vein, the President of the Canadian Construction Association told the Committee that it has known it would face this tidal wave of retirements some 10 years ago, and it has not taken measures to attract more people from under-represented groups such as women, First Nations, Aboriginal peoples and youth. Canadian businesses, associations and governments cannot afford to repeat this mistake.

Recommendation 10

The Committee recommends that the Government of Canada undertake a review of its current tax credits for apprentices and employers, particularly the Apprenticeship Job Creation Tax Credit, to ensure that it continues to meet its objectives and outcomes.

Recommendation 11

The Committee recommends that the Government of Canada support round table discussions with multi-stakeholder panels that would be given the liberty to be creative and look at potential innovative solutions to the problem of skilled trades shortages in specific industrial sectors. For example, the idea of apprentice sharing among small and medium enterprises is an innovative idea that could benefit the private sector, the apprentices themselves and Canada's economy.

Recommendation 12

The Committee recommends that the Government of Canada work in partnership with stakeholders to determine if there is need to create better incentives for employers to take on even more apprentices for training, as well as to train and upgrade the skills of their existing apprentices by providing more on-the-job training, while taking into consideration the fact that the federal government currently has incentives for employees to choose apprenticeship training, as well as tax credits to support small and medium enterprises in hiring new workers.

E. Low-skilled occupations

1. Information on the severity of anticipated shortages

Some shortages are to be expected in lower-skilled occupations, especially in regions with rapid economic growth due to development in the mining or oil and gas industries, or other sectors.

According to COPS, significant shortages (in proportion to the current number of positions) are anticipated for cleaners (light duty cleaners, caretakers and janitors), people employed in the "support occupations in accommodation, travel and amusement services" category (e.g., hotel porters, amusement park attendants), the "other sales and related

occupations” category (e.g., service station attendant, grocery clerk), and security guards and other elemental service occupations (e.g., tanning salon attendant, laundry worker).⁷⁹

Less severe shortages are also anticipated for wholesale trade sales representatives, cashiers and childcare and home support workers.

COPS does not predict a shortage in occupations in food and beverage services (e.g., servers, bartenders), but representatives from the sector told the Committee that shortages are already in effect.

In our most recent restaurant outlook survey, for the first quarter of 2012, 31% of restaurant respondents said that a shortage of skilled labour is having a negative effect on their businesses, and 14% said that a shortage of unskilled labour is having a negative effect on their businesses.⁸⁰

Joyce Reynolds,
Canadian Restaurant and Foodservices Association

COPS does not anticipate a shortage for agriculture and horticulture workers, or for people in fishing, hunting and trapping occupations. However, some witnesses from these sectors told the Committee that shortages were already occurring or would occur soon.

We have a significant shortfall — a “deficit” is what we call it — of farm workers, something around 10%. That’s twice the national average of all other occupations that we can find. That’s a significant deficit.⁸¹

Mervin Wiseman,
Canadian Agricultural Human Resource Council

According to the Canadian Aquaculture Industry Alliance, “The sector is growing and new positions are available every week across the country. There is currently a shortage of skilled labour in the farm production and post-production processing side of operations.”⁸² The main labour market need appears to be for skilled workers in this industry.

2. Challenges specific to this occupational group

Lower-skilled occupations in agriculture, aquaculture and the service industry often involve physically demanding and repetitive tasks. These occupations are generally paid less well than occupations requiring post-secondary education.

For these reasons, some witnesses confirmed that they had difficulty recruiting local workers for these positions. When the Committee travelled to Western Canada, it

79 See Table 5, Appendix A.

80 *Evidence*, Meeting No. 43, 1st Session, 41st Parliament, June 13, 2012, 1540.

81 *Evidence*, Meeting No. 40, 1st Session, 41st Parliament, May 28, 2012, 1530.

82 Canadian Aquaculture Industry Alliance, [Education and Training](#).

heard from a restaurant owner who confirmed that many of the restaurant's employees were recruited from the Temporary Foreign Worker Program (TFW). The same issue came up in the agriculture industry, where employers often found workers to meet their labour needs mainly through the Seasonal Agricultural Worker Program.

Witnesses also mentioned that a significant number of people do not have the basic skills required to fill jobs, even lower-skilled positions.

I don't want to risk oversimplifying things, but on a scale of one to five, levels one and two are the levels you're at when you're learning to read and you're gaining your foundational skills. Once you attain skills and you're functioning at level three and up, instead of learning to read, you're reading to learn. So there is a transition in how you use those skills and how important they are to you. Requiring skills at level three is the case not only for the knowledge-based economy but really across all sectors of industry. Moving into the future, it is ever more evident that people need to continuously upgrade their skills. The difficult reality we're facing as a nation — and I know this is perhaps not news to some of the committee members — is that 43% of Canadians have literacy levels below level three. As I just indicated, level three is that kind of cut-off point, such that if you have skills lower than level three, you have difficulty functioning.⁸³

Lindsay Kennedy,
Canadian Literacy and Learning Network

3. Solutions specific to this occupational group

Ensuring that a larger percentage of Canadians achieve higher levels of literacy and numeracy could help solve part of the shortage problem for lower-skilled jobs, as even these positions may require at least a level one or level two reading level. Basic reading and math skills are taught in elementary and high school, which fall under provincial jurisdiction. However, the federal government funds the Adult Learning, Literacy and Essential Skills Program, which provides subsidies and funding to various agencies that offer adult education. The anticipated cost of this program is \$21.5 million annually for the next few years.⁸⁴

It is also important to encourage young people to acquire job experience in these fields so that they learn basic work skills such as communication, customer relations and teamwork. Throughout the Committee's study, many witnesses pointed out that young people often lack basic skills. Acquiring these skills can make it easier to move on to an occupation requiring more qualifications, whether in the same company or elsewhere. This is especially true for people in groups that are underemployed.

83 *Evidence*, Meeting No. 43, 1st Session, 41st Parliament, June 13, 2012, 1640.

84 Treasury Board of Canada Secretariat, [Report on Plans and Priorities 2012-2013, Human Resources and Skills Development Canada](#), Supplementary Tables.

One witness recommended “pilot projects aimed at linking social programs to low skilled jobs as part of a laddering process to higher learning, higher earning.”⁸⁵

Recommendation 13

The Committee recommends that the Government of Canada review the resources allocated to the Adult Learning, Literacy and Essential Skills Program to confirm the current levels are sufficient to raise the basic skill level for adults.

Recommendation 14

The Committee recommends that the Government of Canada identify ways to encourage young people to acquire work experience in occupations with lower skills requirements (while pursuing their studies), for example, by improving the Canada Summer Jobs program, if possible. These jobs could also be accompanied by French- or English-as-a-second-language training programs to provide young immigrants and other young Canadians with the opportunity to improve their language skills. The goal of these programs should be both to provide labour for low-skilled jobs and to provide students with work and language skills that can help them move into more highly skilled positions.

CHAPTER 3: GENERAL SOLUTIONS TO LABOUR SHORTAGES

A. Awareness raising of misconceptions about many of the occupations studied

The Committee was told that youth are not encouraged to go into the trades and are still told that this is what you do when you cannot do anything else. As well, many students are apprehensive about studying in STEM or ICT, or do not have the high school prerequisites necessary to pursue post-secondary education in these fields. All stakeholders involved need to raise awareness, tackle myths, clarify career opportunities and get governments involved if supply is to meet labour market demand.

Negative perceptions about careers in the trades as options of “last resort” do not encourage youth — even those with natural tendencies to hands-on, creative endeavours — to consider a career in the skilled trades.⁸⁶

Unfortunately, I think we’re still battling negative perceptions of skilled trades. Mothers and fathers, and even peers to a certain extent, still hold the view that there are not valuable careers available in the skilled trades and technology areas.⁸⁷

85 First Nations Human Resource Labour Council of British Columbia, brief presented to the Committee, June 2012.

86 Canadian Apprenticeship Forum, *Fixing the Skills Gap: Addressing Existing Labour Shortages in High-Demand Occupations*, brief presented to the Committee, May 14, 2012, p. 3.

Shaun Thorson,
Skills Canada

Demand for ICT professionals is changing in very exciting ways, but this news is not getting to the students, parents, and teachers who need it.⁸⁸

David Ticoll,
Canadian Coalition for Tomorrow's ICT Skills

The majority of witnesses agreed that there were lots of myths and misconceptions about job opportunities in STEM, ICT and skilled trades. Many suggestions were put before the Committee to deal with this matter, as it has led to skills shortages in these sectors across Canada. Some believe that more internship and co-op programs offered by industries at all educational levels will bring more youth and job seekers to choose a career in these fields. This can only be accomplished if parents, educators, and guidance counsellors come on board.

In Let's Talk Science, we're about citizenship as well as employment, and it is a cultural attribute that is embraced there. I believe that when parents are mobilized and understand the value of science for their kids' future and when you have a cascading mechanism to have a vision that will align people's work, you can get things done very quickly.⁸⁹

Bonnie Schmidt,
Let's Talk Science

The private sector has been involved in many interesting activities to raise awareness among youth of the career opportunities offered by industry. For example, the Committee heard about the work done by Research in Motion whereby their staff visit elementary and high schools to talk to children and youth about the reasons why they should learn physics and math and how they will miss out on exciting careers if they do not study these subjects. They give youth a hands-on experience by putting into practice the use of these academic courses in the making of ICT products. According to the Canadian Coalition for Tomorrow's ICT Skills, we should:

Communicate today's new narrative about this exciting field. Tech careers now are very different from the boring, geeky image of yesteryear. They appeal to every taste and interest. A quarter of the jobs — from analysts to entrepreneurs and CEOs — are as much about business as technology. Others combine information technology with life science, security, analytics, marketing, gaming, art and design — you name it. Students, parents, teachers and the public at large need to hear this new narrative.⁹⁰

87 *Evidence*, Meeting No. 39, 1st Session, 41st Parliament, May 16, 2012, 1650.

88 *Evidence*, Meeting No. 34, 1st Session, 41st Parliament, April 23, 2012, 1530.

89 *Evidence*, Meeting No. 31, 1st Session, 41st Parliament, March 28, 2012, 1655.

90 Canadian Coalition for Tomorrow's ICT Skills (CCICT), brief presented to the Committee, April 23, 2012, p. 1.

One way to change attitudes toward certain careers is launching exciting, innovative and interactive campaigns to reach out to youth and job seekers. The Committee heard from Skills Canada, a national organization created in 1994, which has as its mission to encourage and support a coordinated Canadian approach to promoting skilled trades and technologies to youth. Each year competitions are held for the best of the best in a great number of skilled trades; which is very motivating and rewarding for students who get to test their talent in an existing and competitive environment.

Another interesting interactive program offered during the national competitions held by Skills Canada is Try-a-Trade and Technology Demonstrations where students and youth can literally try their hands at different small projects related to a specific trade. This may raise their curiosity in a particular skilled trade that they would not have thought of before as a potential career.

The federal government also assists young people, particularly youth at risk, to make informed decisions about their future through the Youth Employment Strategy. The Government of Canada spends more than \$330 million annually to achieve this goal.

In addition, Budget 2012 announced an extra \$50 million to be spent over the next two years on a new initiative that consists of two programs: the Skills Link and Career Focus⁹¹ Programs. Career Focus will provide funding for post-secondary graduates to gain experience in a career-related occupation that belongs to a group of occupations that are in high demand. The additional dollars invested will also help youth who are facing barriers to employment to get job-ready and develop the skills required to find and retain a job.

Recommendation 15

The Committee recommends that the Government of Canada continue to support the development of career awareness activities for educators, youth, parents, guidance counsellors and the general public, particularly activities created by the private sector to motivate youth to choose high demand occupations.

Recommendation 16

The Committee recommends that the Government of Canada make labour market information available to high school guidance counsellors in a way that is relevant to the role they have to play guiding youth's future. Understanding clearly the information shared with them, guidance counsellors can transfer the information to youth and parents and make sure that they are more aware of future job opportunities.

91 Service Canada, [Applicant Guide for Skills Link and Career Focus Programs](#).

Recommendation 17

The Committee recommends that the Government of Canada build awareness about the extent of career opportunities in the sectors discussed in this report. For example, the government can communicate the value of apprenticeship certification for journeypersons, businesses, and consumers; and showcase professions and the exciting careers available in sciences, technology, engineering, mathematics and information and communications technology to improve the reputation of careers in these fields and increase the number of people who will choose a career in these growing sectors of the economy.

B. Immigration related issues

Immigration is one of the important solutions raised by witnesses to address skills and labour shortages. Several of them nevertheless pointed out that it is important to focus on solutions to shortages aimed at helping unemployed Canadians find work, since the number of unemployed workers exceeds the number of available jobs. These solutions, discussed elsewhere in the report, include having better LMI and providing more training so that Canadians can learn skills that match the needs of employers.

With five unemployed workers for every job available, our main problem remains unemployment, pure and simple. This is not to say, though, that any gap between available jobs and workers who are qualified to do them is acceptable. It's not. Let me assure you that if unemployed workers had the means to identify where the jobs were and then had access to training required to do those jobs, they would jump at the chance. Quite simply, if we find there is a shortage of workers with the skills required to fill a specific job, the answer is to train those workers⁹².

Kenneth V. Georgetti,
Canadian Labour Congress

The TFW Program and permanent immigration are two different streams that can bring talent to Canada to address the skills shortages.

The ability to welcome TFWs in Canada is important to the businesses who wish to recruit the best talents as rapidly as possible in order to remain competitive and continue to grow in Canada. The TFW program helps fill vacant positions. Employers willing to use this program are required to show that they made the necessary efforts to fill these vacant positions with the local workforce. HRSDC provides labour market opinions (LMOs), approving these demands or not.

Witnesses informed the Committee that there is a need to obtain LMOs more rapidly and that recent changes implemented by HRSDC and Citizenship and Immigration Canada (CIC) to the TFWs program have created additional barriers to employing foreign workers quickly.

92 *Evidence*, Meeting No. 47, 1st Session, 41st Parliament, October 2, 2012, 0850.

The departments have introduced other policy changes, including new minimum recruiting requirements, the elimination of LMO [labour market opinion] extension applications—thus requiring new recruitment even to extend an existing work permit—much shorter validity periods for existing LMOs, and a reduction in the length of time for work permits. At the same time, both departments have become much more stringent in their review processes.⁹³

Jason Kee,
Entertainment Software Association of Canada

In any event, other witnesses said that the TFWs program is essential and efficient.

Last year, over 24,000 LMOs were approved for food service jobs. The biggest demand was for food counter attendants, kitchen helpers, and related occupations. This was followed by cooks, food service supervisors, and food and beverage servers. If it weren't for the temporary foreign worker [TFW] program, some operators would have had to close their doors. The TFW program has helped our members to stabilize their businesses and retain their domestic employees because it has reduced the chaos that resulted from under-staffed restaurants.⁹⁴

Joyce Reynolds,
Canadian Restaurant and Foodservices Association

The Committee heard that the permanent immigration system mostly brings the highest level workers on the skills, education, and job experience ladder. However, high demand jobs in SMEs are often at the entry level, semi-skilled level or in the trades. Therefore, the permanent immigration system does not entirely meet the needs of SMEs.

The Government of Canada has created the Federal Skilled Worker Program (FSWP). Individuals that apply under the FSWP are selected as permanent residents based on their ability to become economically established in Canada. Applicants under the FSWP are assessed against a number of points on a selection grid and must receive a certain number of points to qualify for immigration.

In July 2012, CIC implemented a pause to applications under this program. In particular, this can be explained by the implementation of the revised FSWP selection criteria and the establishment of the new Skilled Trades Program under the FSWP. The purpose of these changes is referred to by CIC as a modernization of the FSWP selection criteria and an updated distribution of the points of the grid in order to improve the selection of skilled immigrants. Some of the proposed changes refer to language requirements, education, the value awarded to Canadian and foreign work experience and the age of immigrants coming to Canada.⁹⁵

93 *Evidence*, Meeting No. 33, 1st Session, 41st Parliament, April 4, 2012, 1540.

94 *Evidence*, Meeting No. 43, 1st Session, 41st Parliament, June 13, 2012, 1625.

95 Citizenship and Immigration Canada, [Citizenship and Immigration Canada Announces its Intention to Create a New Skilled Trades Program](#), News Release, April 10, 2012.

Immigrants, particularly in the five years following their arrival in Canada, have a higher unemployment rate (14.2% for recent immigrants compared to 7.4% for the total population in 2011).⁹⁶ The longer immigrants are in Canada, the more their job situation improves, because they make contacts, improve their language skills, get their credentials recognized or acquire job experience in Canada.

In certain industries, it is difficult to employ newcomers because of their lack of experience or knowledge of the specific position available. Their credentials are also hard to have recognized in Canada and employers have difficulties assessing their foreign experience. Different education and training systems may also make comparisons difficult. Language is also a problem for immigrants with a lack of fluency in English and/or French. Consequently, some of these factors may lead to skilled immigrants being unemployed or underemployed in Canada.

The Government of Canada has improved the foreign credential recognition process, making it faster and more flexible in order to meet labour market needs. Incidentally, the Committee has tabled a report on this topic in March 2012 which included several recommendations.⁹⁷

In order to help newcomers' integration in the Canadian labour market, the private sector and governments are offering immigrant bridging programs in partnership with immigrant serving organizations. New immigrants are helped in their search for jobs and informed about ethics at work and Canadian culture, among others.

We have an immigration portal on which we have some 120 occupational profiles, as well as a variety of other tools that immigrants can use in combination with our ECO Canada job board. We are Canada's largest electronic job board. We post approximately 120 new jobs every month on that site.⁹⁸

Grant Trump,
Environmental Careers Organization of Canada

Engineers Canada presented to the Committee a good example of projects developed to facilitate the integration of international engineering graduates into the profession and the Canadian workforce. The international engineering graduate road map was mentioned as being a one-stop resource to help and support the international engineering graduates licensing process in Canada. Another example is the project "From Consideration to Integration", which was also developed in partnership with HRSDC to help new immigrants understand the Canadian labour system.

We actually have success stories on our website, which are available to have a look at.

96 Statistics Canada, Labour Force Survey, CANSIM Table 282-0102.

97 House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities. [*A Framework for Success: Practical Recommendations to Further Shorten the Foreign Qualification Recognition Process*](#), Fourth Report, 1st Session, 41st Parliament, March 2012.

98 *Evidence*, Meeting No. 30, 1st Session, 41st Parliament, March 26, 2012, 1540.

Just before Christmas, I was at a Professional Engineers Ontario function, and a fellow came up to me and gave me his card. He said, “I came here as an immigrant. I got through the licensing program with no problem”— he was a structural engineer — “and I now own my own business. I’m hiring immigrant engineers, and if you need to show somebody a success story, I’m it.”

The first time Hatch called me I suggested they try Ireland, because we have a mutual recognition agreement with Engineers Ireland, so somebody registered with Engineers Ireland gets recognized fairly easily in Canada. When he phoned me yesterday, he said he had managed to mine all of the engineers that he could out of Ireland, and now he needed to go somewhere else for that.

There are a lot of success stories out there.⁹⁹

Marie Carter,
Engineers Canada

In addition, the Committee heard about the investments made by certain groups to improve the integration of immigrants by the creation of portals or by offering efficient information tools. For example, the Environmental Careers Organization of Canada has created, in partnership with certain provinces and local immigration organizations, an immigrant bridging initiative involving a 180-hour classroom training session explaining Canadian work norms and ethics with an immigration portal that offers numerous resources to immigrants.

Recommendation 18

The Committee recommends that the Government of Canada continue to organize meetings with stakeholders so that they can present the changes they would like to make to the Temporary Foreign Worker Program; and that the government evaluate these proposals and implement them if they are deemed appropriate.

Recommendation 19

The Committee recommends that the Government of Canada examine the possibility of offering better opportunities for temporary foreign workers to eventually become permanent immigrants.

Recommendation 20

The Committee recommends that the Government of Canada review its international recruitment programs and ensure that it establishes Canada as the destination for talent. It should also continue to provide incentives to knowledge workers who want to move to Canada.

99 *Evidence*, Meeting No. 29, 1st Session, 41st Parliament, March 14, 2012, 1710.

Recommendation 21

The Committee recommends that the Government of Canada act on the March 2012 report by the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities entitled *A Framework for Success: Practical Recommendations to Further Shorten the Foreign Qualification Recognition Process*.

C. Increase the employment of under-represented groups

1. Introduction

At many of the Committee's meetings, one of the proposed solutions to meet future labour needs that kept coming up was to increase the participation and employment rates for certain groups that are under-represented in the labour market in general or in certain professions in particular. Some of the anticipated shortages could be fixed by increasing the overall participation rate in the Canadian economy, if the participation rates of under-represented groups were increased.

Table 1 compares the participation, unemployment and employment rates of men and women, taken from data from the 2011 *Labour Force Survey*, while Table 2 shows these same rates for Aboriginal peoples and persons with a disability, taken from data from the 2006 Census and the 2006 *Participation and Activity Limitation Survey* (these data are not available in the *Labour Force Survey*). The participation rate for women is lower than for men, but the unemployment rate for men is higher.

Table 1 – Participation Rate and Employment Rate, by Sex, Canada, 2011

Group	Participation Rate	Unemployment Rate	Employment Rate
Men	71.5	7.8	65.9
Women	62.3	7.0	57.9

Source: Statistics Canada, *Labour Force Survey*, CANSIM table 282-0002.

Note: The participation rate refers to the labour force (the number of employed and unemployed individuals) divided by the population aged 15 or older (non-labour force participants are not looking for work). The unemployment rate refers to the number of unemployed individuals divided by the labour force. The employment rate refers to the number of employed individuals divided by the population aged 15 or older.

The participation rate for Aboriginal people is not that much lower than the rate for the overall population; however, their unemployment rate is much higher. Persons with a disability have both a lower participation rate and a higher unemployment rate than average.

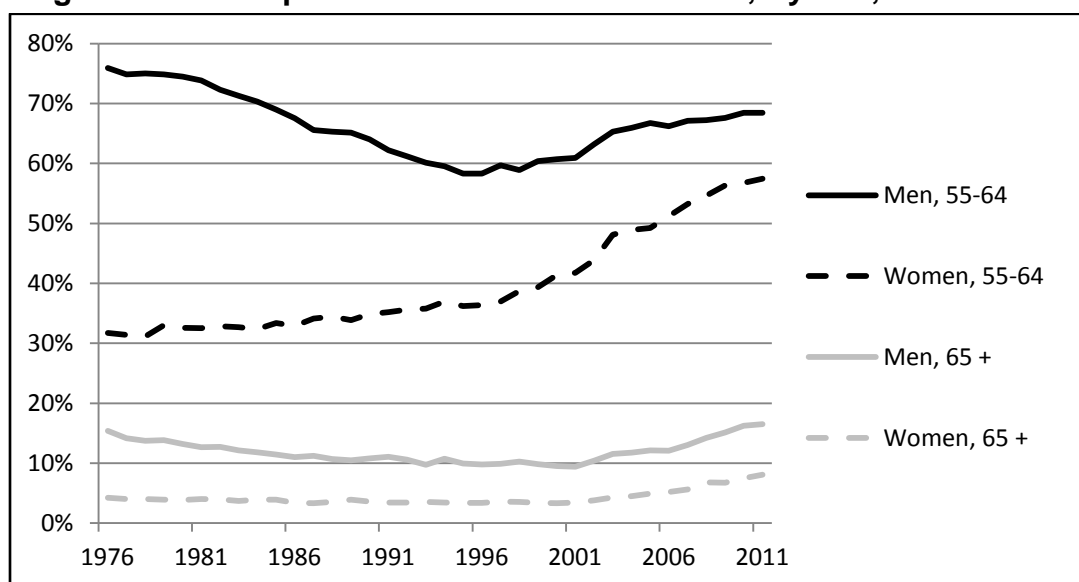
Table 2 – Participation Rate, Unemployment Rate and Employment Rate, Selected Groups, Canada, 2006

Group	Participation Rate	Unemployment Rate	Employment Rate
Aboriginal identity population	63.0	14.8	53.7
Non-Aboriginal identity population	66.9	6.3	62.7
Persons with a disability	59.7	10.4	53.5
Persons without a disability	80.6	6.8	75.1

Source: Statistics Canada, 2006 Census, topic-based tabulations; Statistics Canada, [Participation and Activity Limitation Survey 2006: Labour Force Experience of People with Disabilities in Canada](#), Social and Aboriginal Statistics Division.

Another potential labour pool is mature workers. Figure 1 shows the participation rate of older workers by gender. From 1976 to the late 1990s, the participation rate of older men dropped due to an earlier average retirement age. Since then, their participation rate has increased, given that the average retirement age increased slightly. The retirement age for older women generally followed the same trend, but their participation rate increased over the entire period, given the flood of women entering the labour force in the 1960s and 1970s. In 2011, approximately one in two people aged 60 to 64 (men and women) were inactive on the labour market, compared with one in six people aged 50 to 54.

Figure 1 – Participation Rate of Mature Workers, By Sex, 1976 to 2011



Source: Prepared by the authors using data obtained from Statistics Canada, Labour Force Survey, CANSIM Table 282-0002.

2. Increase the representation of men and women in certain occupations

Attempting to draw more women or men toward a profession (e.g., women in IT, men in nursing) may help solving shortages in particular occupations, but would not solve the overall problem if the participation rate for all of Canada's labour force does not increase.

Nevertheless, the Committee was informed that, although women comprised 47% of the total workforce, they comprised only 13% of the engineering workforce and about 10% of the licensed professional engineers in the country. In addition the Committee heard that the plateau of females pursuing engineering contrasts with the rise of female participation in other previously male-dominated occupations, such as law and medicine. For example, in the 20-year period from 1986 to 2006, the proportion of women who were lawyers and doctors increased by almost 17% and about 13.5% respectively, whereas for engineers it increased by only 6%.¹⁰⁰

Natural sciences and engineering make up a very broad field. There is a high proportion of women in biology — about 60% of the people in that field are women — but when you get to computer science or engineering, the numbers go down to less than 30%, and sometimes 20%, so even within our fields, it's a very varied situation. Overall, the proportion of women is very low in science and engineering.¹⁰¹

Isabelle Blain,
Natural Sciences and Engineering Research Council of Canada

To fix the skills gap, the engineering profession is taking gender-oriented action and is looking more closely to the under-represented groups in engineering — women and Aboriginal peoples — to ensure diversity.

More programs need to encourage the participation of women in science and engineering. For example, the Natural Sciences and Engineering Research Council of Canada has developed the “Chairs for women in science and engineering program.” The goal of the program is to increase the participation of women in science and engineering, to provide role models and to create better communication and a network to ensure a regional and national impact on opportunities for women in science and engineering.¹⁰²

Even if the culture in certain industries has changed, there is still more work to be done to attract women. Certain industries are deploying efforts to offer a good work-life balance to all employees, but with a special focus on women. The Committee heard that many large companies establish as a priority work conditions that will appeal to women.

The Committee heard from the Canadian Council of Technicians and Technologists, which stated that only 18.3% of women work as technicians or technologists and that efforts are made to increase interest in the profession.

The Committee was also informed that there is almost an equal representation of boys and girls in grades 1 to 12. However, at the university level, there is an important gender divide in natural sciences and engineering. More women need to be attracted in

100 Statistics Canada, 2006 Census.

101 *Evidence*, Meeting No. 31, 1st Session, 41st Parliament, March 28, 2012, 1605.

102 Natural Sciences and Engineering Research Council of Canada, [Chairs for Women in Science and Engineering Program](#).

these domains of studies. Some witnesses also told the Committee that there is a need to focus on boys studying sciences in high school to keep them interested and decrease their risk of dropping out of these programs. This explains why some schools no longer have gender-specific programming.

The Committee was also told that school-to-work programs are great initiatives to promote non-traditional jobs to women without a gender-specific focus. In those school-to-work programs, opportunities are given to students so they can see and experience what a job is really like in a concrete practice setting.

For the under-represented groups — and I'll speak to women in trades — again, it's the school-to-work. The successful ones are where you've engaged — I'll speak to women — the young female in their secondary school years, you've given them some opportunity to come in to work and they understand the job, what they're getting into, and the commitment ahead of time.

As an employer, it gives us a chance to shop before we buy. And they get comfortable with the job and the environment. I think one of the things is no matter how hard we try, the work environment is not always the most conducive to some of the under-represented groups. I know as an employer, it's something we focus on a lot. Jobs can be dirty, and when you're down in the middle of a shutdown at two o'clock in the morning and you're covered in grease, that's not for everybody. It's not just a gender issue there.¹⁰³

Davis Suess,
Canadian Apprenticeship Forum

3. Reduce the unemployment rate of Aboriginal peoples

Aboriginal peoples' labour market outcomes must be improved without delay to ensure that a whole generation of Aboriginal youth do not miss out on the opportunities resulting from a lack of skilled workers on major projects operating near Aboriginal communities.

The Aboriginal labour force in British Columbia signifies an available labour pool, with census and statistical data depicting aboriginal growth rates as the highest in Canada, a source for new labour market entrants. We deem it critical full consideration be given to the unique dynamics of preparing the Aboriginal labour force to fill high demand, technical occupations.¹⁰⁴

Where First Nations living on reserve are concerned, the federal government has the responsibility to ensure that education, employment services, skills development and training truly prepare youth to be job ready and meet the high demand for skilled trades, technical occupations and other professions.

We need to scale the effort to ensure that we're not leaving anybody behind. Let's Talk Science starts in a sandbox with programs for child care centres. We've had some really interesting stories coming out of the aboriginal head start sites on reserve. We've been

103 *Evidence*, Meeting No. 38, 1st Session, 41st Parliament, May 14, 2012, 1600.

104 First Nations Human Resource Labour Council of British Columbia, brief to the Committee, 2012, p.1.

shocked at the uptake by that community with some of our early science programs for young children.

Once that interest is sparked early on, we have to nurture it throughout kindergarden right through to grade 12. We need to make better connections to jobs all along the way. The effort won't be wasted, because jobs in every field benefit from analytical, curious, and critical thinkers.¹⁰⁵

Dr Bonnie Schmidt,
Let's Talk Science

Education plays a paramount role in improving employment rates; however, far too many Aboriginal students drop out of high school. In 2006, 34% of Aboriginal peoples between the ages of 25 and 64 had not completed high school, compared to 15% among the general population. The education gap was even higher for Inuit and First Nations peoples living on reserves. Among those groups, approximately half of the adults had not completed their high school education. Despite this, a growing number of Aboriginal peoples are attending and completing post-secondary education. In 2006, 14% had trades credentials, 19% had a college diploma and 8% had a university degree.¹⁰⁶

In Budget 2012, the federal government made strong commitments to improve educational programs and training for First Nations. The Economic Action Plan 2012 provides for \$275 million over 3 years to support First Nations education and build and renovate schools on reserves. This amount includes \$100 million over 3 years for the provision of early literacy programs and other supports and services to enhance the relationship between First Nations schools and the provincial school systems. In a very important step forward, the government also committed to work in partnerships with interested parties to create a First Nations education act and see the passage of this legislation by September 2014.¹⁰⁷

However, funding for early learning and elementary education is only one solution. Aboriginal students must overcome numerous barriers to post-secondary education. According to a study published by the Canada Millennium Scholarship Foundation, some of the barriers they have to face include inadequate financial resources; poor academic preparation; a lack of self-confidence and motivation; an absence of role models who have post-secondary education; a lack of understanding of Aboriginal culture; and racism.¹⁰⁸ The Committee also heard about the challenges facing young Aboriginal students who need to leave home, sometimes for the first time, to attend post-secondary education.

105 *Evidence*, Meeting No. 31, 1st Session, 41st Parliament, March 28, 2012, 1650.

106 Statistics Canada, [Educational Portrait of Canada, 2006 Census](#), Catalogue no. 97-560-X, March 2008, p. 10 and p. 19-22.

107 Government of Canada, [Jobs Growth and Long-Term Prosperity](#), Economic Action Plan 2012, tabled in the House of Commons by the Honourable James M. Flaherty, PC, MP, Minister of Finance, March 29, 2012, p. 136 and p. 149.

108 Canada Millennium Scholarship Foundation, [Changing Course: Improving Aboriginal Access to Post-Secondary Education in Canada](#), Millennium research note #2.

This transition phase is critical, and youth should be fully supported throughout the whole journey if they are to complete post-secondary education.

The situation is dire, but it can get better if policies that target education-related activities take into consideration the whole environment. The issues are complex and the problems must be looked at holistically. Programming must also consider the regional demand for enhanced technology, as well as location, language and cultural differences. Partnerships between various groups are essential in order to overcome the numerous barriers to post-secondary education faced by Aboriginal peoples.

Some witnesses suggested that the best way to attract some under-represented groups such as Aboriginal peoples is to devise strategies to reach out to them in their own communities and provide career awareness, training, and educational programs. It is particularly important to connect with people living in remote locations via mobile remote training stations that allow direct interaction. Online learning tools can also be used, as we live in a world of global connectedness. However, remote locations must have access to high-speed Internet before this is possible. Broadband connectivity is discussed in the Committee's last report, *Skills Development in Remote Rural Communities in an Era of Fiscal Restraint*.¹⁰⁹

The Government of Canada offers a number of Aboriginal programs, including the Aboriginal Skills and Employment Training Strategy (ASETS) and the Skills and Partnership Fund (SPF), which are separate yet complementary programs. ASETS began on April 1, 2010 and will end in March 2015. It is funded at \$1.6 billion over 5 years. The main goal of ASETS is to ensure that First Nations, Inuit, and Métis peoples secure meaningful employment in the Canadian labour market.¹¹⁰

Most witnesses thought that ASETS was a great strategy as shown by its successful results: there have been an increasing number of Aboriginal peoples who have improved their knowledge and found employment. However, one witness did mention the administrative burden that ASETS holders have to overcome and that this situation has resulted in more time filling out forms than helping clients.

Regarding the administrative burden of the new ASETS, I will simply note that the number of reports requested by HRSDC and Service Canada throughout the year, the quality of new information to be provided, the number of amendments to be made, and the number of actions and decisions to explain and justify ensure the continuous increase in the workload related to accountability. We wonder if there is no limit to what the federal government will require in return for the funding provided through ASETS. Worse still, the latitude given to those who require and validate these reports and who are responsible for interpreting the requirements as we go along also seems unlimited.

109 House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities, [Skills Development in Remote Rural Communities in an Era of Fiscal Restraint](#), Sixth Report, 1st Session, 41st Parliament, June 2012.

110 Treasury Board Secretariat, [Human Resources and Skills Development 2010-2011 Departmental Performance Report, Supplementary Tables](#).

The irony here is that all these measures that are meant to ensure the profitability of the ASETS end up reducing its effectiveness, since the impact of accountability measures is mostly felt on the front line, in our service points, where the lack of human resources continues to lead to the difficult choice between quality services and administrative duties.¹¹¹

Cheryl McDonald,
First Nations Human Resources Development Commission of Quebec

The SPF shares the same objective as ASETS and is targeted to the same population. The SPF is a demand-driven, partnership-based program that offers funding to “projects that encourage innovation, partnerships and new approaches for delivery of employment services.”¹¹² It was launched in July 2010 with a budget of \$210 million over 5 years. One of the goals of this fund is the acquisition of skills that lead Aboriginal workers to access long-term employment. This program is only in its early years, but it is expected that it will show very good outcomes by 2015.

AANDC offers financial assistance to promote access to post-secondary education among Inuit and First Nations students residing on or off reserve. The Post-Secondary Student Support Program (PSSSP)¹¹³ and the University College Entrance Preparation Program¹¹⁴ provide assistance to cover the cost of tuition, books, travel and living expenses, when applicable. They are the main two programs covering student costs.¹¹⁵

The federal government, through its Youth Employment Strategy, offers a program called Skills Link, which is designed to reach under-represented groups such as Aboriginal youth, recent immigrants, and young people living in rural and remote areas, people with disabilities, and youth who have dropped out of high school. Under this program, employers and organizations can apply for funding to assist them in delivering projects at the local and regional levels. Until March 31, 2014, the program will have a specific focus on skills development activities that support the acquisition of digital skills and/or work experience activities that require the application of these skills.¹¹⁶

AANDC offers the First Nations and Inuit Skills Link Program, whose goal is to support projects that will help youth acquire the essential skills to make them job ready and more likely to be employed. The program also wants to raise awareness among Aboriginal youth of all the various career options available to them. To promote the benefits of education, the program supports projects such as “career fairs, co-operative

111 *Evidence*, Meeting No. 46, 1st Session, 41st Parliament, September 27, 2012, 0845.

112 Treasury Board Secretariat, [Human Resources and Skills Development 2010-2011 Departmental Performance Report, Supplementary Tables](#).

113 AANDC, [Post-Secondary Student Support Program](#).

114 AANDC, [University College Entrance Preparation Program](#).

115 Not all First Nations and Inuit students can access funding under the PSSSP, as resources are limited. Those who do not receive support under the PSSSP are usually eligible for Canada Student Loans, provincial loans and grant programs.

116 Service Canada, [Skills Link](#).

activities and other school-based work and study opportunities.”¹¹⁷ For example, the program supports National Science Camps that brings together First Nations and Inuit youth from across Canada to conduct activities that aim to foster their interest in science and technology.

Employers play an important role in raising awareness, skills development, training, as well as hiring and retaining Aboriginal workers. For example, the Committee heard witnesses describe the business practices of Cameco in northern Saskatchewan as some of the best practices in Canada. Witnesses indicated that the investments of Cameco make it a leader in reaching out to Aboriginal peoples, training and hiring them. Cameco is the largest industrial employer of Aboriginal peoples in Canada and has also done outstanding work in attracting and developing apprentices in the province of Saskatchewan.

Recommendation 22

The Committee recommends to the Government of Canada that it continue to work in partnership with Aboriginal leaders to find innovative ways to reach out to Aboriginal children and youth to raise their awareness of the benefits of an education and the exciting career options open to them. As well, it is crucial for Aboriginal young people to be aware of who are the employers hiring in their region and what skills they require of their employees.

Recommendation 23

The Committee recommends that the Government of Canada support the Aboriginal Skills Employment Training Strategy agreement holders who wish, in collaboration with Aboriginal communities, to explore best practices to ensure that the education available to Aboriginal peoples meets the standards for high demand and technical professions. Education available on reserve should allow any Aboriginal youth to pursue education leading them to meet the demand for an apprenticeship, various skilled trades, or a career in information and communication technologies, sciences, technology, engineering, mathematics or the health sector.

4. Increase access to the labour market for people with disabilities

According to the latest *Statistics Canada Participation and Activity Limitation Survey* conducted in 2006, about 4.4 million Canadians reported some form of activity limitation, representing a disability rate of 14.3% of the total population.¹¹⁸ Disability rates increase with age and the survey revealed that Canadians aged 65 and over had a disability rate of

117 AANDC, [First Nations and Inuit Skills Link Program](#).

118 Statistics Canada, [Participation and Activity Limitation Survey 2006: Analytical Report 2006](#), Catalogue no. 89-628-XIE, 2007, p. 9.

43.4% in 2006. As Canada's population is aging, we can expect the incidence of disability to continue to rise.

The rate of disability is even higher among Aboriginal peoples. According to a 2007 federal disability report, it was estimated that some 30% of Aboriginal peoples have a disability.¹¹⁹ It is clear that the disability rate among Aboriginal peoples with disabilities is higher than that of the non-Aboriginal population, and may well be above 30% today.

ASETS agreement holders have been given the flexibility to use some of their funding to address barriers to education and employment faced by Aboriginal students with disabilities. Aboriginal peoples with disabilities may also access training programs for people with disabilities offered through HRSDC. There is no denying that persons with disabilities have lower employment rates and lower incomes compared with persons without disabilities. Yet many of them want to work either full-time or part-time, depending on the severity of their disability and the willingness of employers to hire and support employees with the work accommodation they may need. Employers may find that, in the end, they needed to invest very little to gain a loyal and productive employee. The employment rate of people with disabilities also improves with their level of education. However, many people with disabilities who have completed a post-secondary education still find it difficult to enter the workforce.

While dealing with labour gaps directly affecting persons with disabilities is not BioTalent Canada's specific mandate, of those companies surveyed, research indicated that only 21.9% have hired persons with disabilities. In other words, persons with disabilities is a labour pool whose full potential is not currently being realized in Canada's bio-economy.¹²⁰

Robert Henderson
BioTalent Canada

In fact the employment success of disabled persons is very low. The numbers are not good at all. In fact, they're something of an embarrassment. ...

Another problem is the reluctance of employers to employ disabled people. That is another issue. If we are graduating more disabled learners, we must work on the employment side. We must educate employers to the benefits of disabled workers. I think it's an area that needs considerable focus.¹²¹

James Knight
Association of Canadian Community Colleges

As with other groups under-represented in the labour force, the federal government offers programs targeted directly at integrating people with disabilities into the Canadian workforce. It also offers important income security programs. However, it should be noted

119 Human Resources and Social Development Canada, *Advancing the Inclusion of People with Disabilities*, 2007 Federal Disability Report, 2007, p. 85.

120 *Evidence*, Meeting No. 30, 1st Session, 41st Parliament, March 26, 2012, 1530.

121 *Evidence*, Meeting No. 32, 1st Session, 41st Parliament, April 2, 2012, 1630.

that people with disabilities depend on provincial/territorial governments' funding for most of their disability supports and for the delivery of employment services.

It is estimated that the Government of Canada, through the Labour Market Agreements for Persons with Disabilities, transferred over \$222 million in 2011-2012 to provincial governments for the delivery of employment benefits and support measures to help people with disabilities develop the skills needed in today's workplace, as well as find and retain employment. The federal government will contribute 50% of the cost incurred by the provinces as outlined in each bilateral agreement.¹²²

In addition, funding is available to assist with the cost of a post-secondary education. People with disabilities can receive financial assistance through the Canada Student Loans Program, the Canada Study Grant for the Accommodation of Students with Permanent Disabilities, and the Canada Access Grant for Students with Permanent Disabilities. According to the *Canada Student Loans Program Annual Report 2010-2011*, students with permanent disabilities received 20,613 grants for a total of \$38.6 million that same year, representing an increase from 2009-2010, when students with permanent disabilities received 18,135 grants worth a total of \$33.8 million.¹²³

The Social Development Partnerships Program Disability component, created in 1998, is a grants and contributions program with the objective of supporting activities undertaken by non-profit social agencies that promote the inclusion of people with disabilities as full citizens in Canadian society. In 2011-2012, the federal government forecasted spending on the Social Development Partnerships Program as a whole was \$22.7 million; disability is only one component of the program.¹²⁴

Skills Link helps various youth populations facing barriers to employment, including young persons with disabilities, to develop the necessary skills and work experience they need to participate in Canada's labour market. The program offers a range of activities and services that can be customized to meet an individual's specific needs and provides more comprehensive assistance over a longer period of time.

The Opportunities Fund for Persons with Disabilities (OF) was founded in 1997 with a budget of \$30 million under the responsibility of HRSDC. The OF has been renewed ever since with the same annual budget of \$30 million, of which approximately \$4 million goes to operating costs. The forecasted spending for 2011-2012 according to HRSDC's Report on Plans and Priorities will be \$26.8 million. Funding is distributed to regional and national projects that help people with disabilities prepare for, find and retain employment, or become self-employed. An agreement for funding cannot last more than three years.

122 Treasury Board of Canada Secretariat, "Details of Transfer Payment Programs (TPPs)" in the [Report on Plans and Priorities 2012-2013, Human Resources and Skills Development Canada](#), Supplementary Tables.

123 Human Resources and Skills Development Canada, [Canada Student Loans Program Annual Report 2010-2011](#).

124 Treasury Board of Canada Secretariat, "Details of Transfer Payment Programs (TPPs)" in the [Report on Plans and Priorities 2012-2013, Human Resources and Skills Development Canada](#), Supplementary Tables.

National projects are selected via a call for proposals process.¹²⁵ As part of the Economic Action Plan 2012, the government sets out to improve labour market opportunities for people with disabilities by investing an additional \$30 million over 3 years in the OF. This additional funding will be targeted at helping persons with disabilities gain experience working with SMEs, and will highlight the invaluable contribution these workers can make to businesses and the Canadian economy.¹²⁶

In July 2012, the Honourable Diane Finley, Minister of Human Resources and Skills Development, and the Honourable Jim Flaherty, Minister of Finance, announced that, as part of the government's Economic Action Plan 2012, a "Panel on Labour Market Opportunities for Persons with Disabilities" would be set up to identify some of the private sector success stories and best practices related to the integration of people with disabilities into the workforce. The Panel will also look at barriers and disincentives to full-time or part-time employment of persons with disabilities. The Panel is set to submit its final report to both the Minister of Finance and the Minister of Human Resources and Skills Development in December 2012.¹²⁷

Recommendation 24

The Committee recommends that the Government of Canada ensure that some grants and contributions be designated to support projects that prepare people with disabilities for jobs in high demand with a good living wage and that better meet their skills and the knowledge gained through post-secondary education.

Recommendation 25

The Committee recommends that the Government of Canada review the need to provide an incentive to employers for reducing barriers to employment for people with disabilities. It should be taken into consideration that most work accommodation is either low cost or actually is only a change in the business practices such as flexible work hours.

Recommendation 26

The Committee recommends that the Government of Canada share the conclusions of the Panel on Labour Market Opportunities for Persons with Disabilities with this committee as soon as possible after it tables its report to the Minister of Finance and the Minister of Human Resources and Skills Development.

125 Ibid.

126 Government of Canada, "Improving Labour Market Opportunities for Canadians with Disabilities" in [Jobs Growth and Long Term Prosperity](#), Budget Plan, 2012, Chapter 3.3.

127 Human Resources and Skills Development Canada, [Government of Canada initiatives to help Canadians with disabilities find jobs](#), News Release, July 30, 2012.

5. Keep mature workers in the labour market

The majority of witnesses who appeared before the Committee agreed that the Canadian workforce is facing a major challenge with an aging population and an increasing number of workers reaching the age of retirement. In part, the way to respond to these challenges is to create incentives for mature workers to continue to work either part-time or full-time, and to assist mature workers who are unemployed to develop the skills they need to find a job in the current labour market. Thousands of replacement workers will be required if companies are to replace all retirees over the next 5 to 10 years; that is in addition to the increased demand for highly qualified workers following a scenario of continued economic growth and globalization.

As skills shortages continue to grow in certain industries, employers must develop retention strategies that offer mature workers flexible work hours, employee benefits tailored to their needs, and a system that can capture the knowledge of some workers who may have been in the industry for a very long time.

In industries where skills, knowledge and experience are in high demand, mature workers can be mentors, sharing years of knowledge obtained on the job with young graduates. Mentorships, as stated many times by witnesses, are important relationships that help young graduates make the transition from studying to working. Mentorships are a win-win solution; young graduates gain the experience and the workplace knowledge they so desperately need to make it in today's labour market, and mature workers play on their strengths teaching the next generation, at the same time saving the company a lot of dollars in training.

The Government of Canada announced in 2011 that it would extend the Targeted Initiative for Older Workers until March 31, 2014, at a cost of \$48 million over 2 years. Many older unemployed workers are looking for work and need assistance adapting to the labour market. It is well known that many workers who had been working for the same company for 20 to 30 years lost their jobs when major companies shut down in the last five years. They are now unemployed, and some may not have the foundational and technological skills needed to seek employment in today's knowledge economy.

Lastly, is the Targeted Initiative for Older Workers Program that is delivered through Yukon College's Whitehorse campus and six other community campuses. The program provides opportunities for individuals between the ages of 55 and 64 to develop employment skills and identify job suitability and goals. Funding for this program is made available by the Government of Canada and Yukon government's Community Training Funds. This program has been very popular in Yukon and there is usually a waiting list of individuals wanting to participate.¹²⁸

In the Economic Action Plan 2012, the government indicates that it will extend and expand the ThirdQuarter project at a cost of \$6 million over 3 years. This project was at the outset an initiative led by the Manitoba Chamber of Commerce and launched in

128 Speaking Points for Shawn Kitchen, Assistant Deputy Minister, Advanced Education Branch, Department of Education, presented to the Committee, Whitehorse, June 5, 2012, p. 5.

14 communities. The goal is to help employers connect with experienced workers age 50 and over. An online forum makes it easier to match supply and demand. The outcomes of the ThirdQuarter project were very good; 900 mature workers found employment.

In addition, the federal government made it easier for older workers to remain in the workplace should they wish to do so. It is making changes to the Canada Pension Plan¹²⁹ and providing flexibility in the Old Age Security program for those who want to postpone retirement. For example, older workers will be provided with the option of working longer (up until age 70) and receiving higher annual benefits.

Recommendation 27

The Committee recommends that the Government of Canada create incentives (e.g., flexible work arrangements, skills development and financial incentives) for older workers wishing to defer retirement and support work-to-retirement transition programs.

Recommendation 28

The Committee recommends that the Government of Canada continue to monitor the impact of phased-in retirement. Particularly, the federal government should follow closely the evolution of the Canada Pension Plan changes, which will not be fully implemented until 2016. It should ensure that these changes support older workers who want to continue to work.

Recommendation 29

The Committee recommends that the Government of Canada raise awareness about promising best practices to retain mature workers in the workforce including mentorship programs, flexible work arrangements (e.g., telework and reduced work hours), and flexibility through changes in the pension system.

D. Improve labour mobility

One reason that labour shortages occur is that the number of positions available in a certain occupation and area exceeds the number of qualified candidates that are available in that region. There may be qualified candidates in other regions, but they may not necessarily want to move. Deep regional ties, language differences (e.g., moving from an Anglophone region to a Francophone region or vice versa), moving costs and service

129 “The amendments to the CPP were introduced in Bill C-51, the *Economic Recovery Act (stimulus)*, which received Royal Assent December 15, 2009. Stewardship of the CPP is a joint Federal-Provincial responsibility. Provincial and federal Orders in Council to bring the changes into force are in place. The changes are being implemented gradually over a six-year period that started in January 2011, with full implementation in 2016.” Human Resources and Skills Development Canada, [Amendments to the Canada Pension Plan](#).

availability (basic infrastructure, childcare facilities, public transport, cinemas, etc.) in the destination region are all reasons that restrict labour mobility.

Another challenge in recruiting people to a region is that their spouses need job opportunities as well.

When you're recruiting someone to a rural community, you're not just recruiting the clinician; you're recruiting the family. Recognizing that it does take a while to produce a fellow of the Royal College or the College of Family Physicians of Canada, you're looking at really attracting the whole family. So you're looking for employment for the spouse or their partner, and they want good schools for their children.¹³⁰

Danielle Fréchette,
Royal College of Physicians and Surgeons of Canada

Some witnesses mentioned that the lack of affordable housing and rental properties in rural regions that are experiencing an economic boom limits labour mobility and prevents positions from being filled.

The greatest deterrent to attracting labour to Estevan and many other southeast Saskatchewan communities has been an ongoing shortage and lack of development of rental housing properties. While housing starts in Estevan have been leading the province on a per capita basis, the great majority of development has been in condominium and single house development.¹³¹

Michel Cyrenne,
Estevan Chamber of Commerce

A lack of qualification recognition between provinces can also impede labour mobility. However, since amendments were made to Chapter 7 of the Agreement on Internal Trade, provinces must recognize certificates of qualification from another province unless they can prove that there are significant differences between the certification requirements. This reduces this kind of problem, especially in regulated occupations.

While the Committee travelled in Eastern Canada, a witness stated that a lot of transportation costs of moving to another region to work were not tax deductible. One witness supported the idea of creating a tax credit for travel and lodging if a person must work more than 80 km from his or her residence. Another witness mentioned the importance of offering financial assistance to help unemployed people, for example seasonal employees, who would be willing to relocate to a region with more job opportunities.

One of the things that our industry has been calling for, and, indeed, this committee recommended, was to provide either some tax incentives through the *Income Tax Act* or some support for relocation expenses through the EI system for workers relocating on a temporary basis. And as I said earlier, a lot of projects that we will be doing in the future in the resource sector are going to be in very remote areas, and we're going to need a

130 *Evidence*, Meeting No. 36, 1st Session, 41st Parliament, May 7, 2012, 1550.

131 Estevan Chamber of Commerce, speaking notes, June 7, 2012, Estevan, Saskatchewan.

workforce for a temporary time in that area. Unfortunately, right now there is not a support network to limit or mitigate the expenses incurred by workers going into areas on a temporary basis, when they still have a principal residence to maintain at home. So that's one area where we think there could be some assistance.¹³²

Michael Atkinson,
Canadian Construction Association

Some Committee members believe that these suggestions should be considered in greater detail. It is also important to identify the potential cost of the tax credit and what impact it could have on labour mobility.

Several witnesses mentioned that students who come from rural regions that are experiencing labour shortages are more likely to return to these regions once they have completed their studies. Furthermore, Aboriginal peoples account for a large percentage of those living in rural areas, and they are an underemployed group that would be very open to staying in rural regions or in Northern Canada. Some witnesses also mentioned that, if students receive their education in these areas rather than in big cities, they are more likely to stay in the region when their studies are over. Of course, the location of public educational institutions falls to the provinces, but part of the solution may be to consider increasing the presence of educational institutions in rural and remote regions in order to encourage as many graduates as possible to stay in the areas experiencing strong economic growth.

Furthermore, members of the Committee would like to reiterate a recommendation made in a previous study on skills development in remote rural communities. Companies should be able to rely on local labour to fill their vacant positions in rural or remote communities instead of having to recruit candidates from other regions.¹³³

Recommendation 30

The Committee recommends that the Government of Canada study the anticipated cost of introducing new fiscal measures that would help people who find jobs far away from where they live, for example a tax credit for travel and lodging if a person must work more than 80 kilometers from his or her residence, and that it study the potential impact of such measures on labour mobility and labour shortages.

Recommendation 31

The Committee recommends that the Government of Canada provide more labour market information to high school students in remote communities, such as information on job opportunities in their regions

132 *Evidence*, Meeting No. 36, 1st Session, 41st Parliament, May 7, 2012, 1645.

133 House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities. [Skills Development in Remote Rural Communities in an Era of Fiscal Restraint](#), Sixth Report, 1st Session, 41st Parliament, June 2012, Recommendation 4 (Recommendation 31 of the current report).

and on the advantages of obtaining their high school diploma or pursuing post-secondary education (e.g., apprenticeship programs or college or university programs). This awareness campaign should employ not only traditional methods of increasing awareness but also new ways of reaching youth, for example, a tour of schools and community centres with representatives from Service Canada or the private sector, or an information campaign in local media or using social media.

E. Other measures

1. Increase productivity

In economic terms, labour productivity corresponds to the total GDP of a country divided by the total number of hours worked. There are a number of ways to increase labour productivity, such as increasing the quantity or quality of physical capital (machines, equipment) available to each worker; increasing workers' skills levels through education and on-the-job training; improving production processes and investing in innovative products; increasing R & D; implementing better management methods; and having larger companies that benefit from economies of scale. Increasing productivity means that fewer workers can produce the same quantity of goods and services, or that the same number of workers can create economic growth without needing more workers.

During the Committee meetings, many witnesses mentioned increased productivity as a way to help address labour shortages.

Productivity gains can be made through facility design, use of technology, and health delivery innovations. We see productivity gains with nurse practitioners in Newfoundland and Labrador, who are supported by teams and telehealth technology while providing care in rural and remote communities. By doing things differently we can enhance the use of the existing supply of nurses already working within the system, all the while providing more patient-centred care. As you can see in our brief, implementing measures to increase RN productivity by 1% per year would have a dramatic and immediate effect on the shortage.¹³⁴

Rachel Bard,
Canadian Nurses Association

I think the industry also needs to take a very good look at what they can do to increase productivity. This country in the mining sector has lacked in productivity gains compared to other countries in the world. Any investment to drive innovation or lead productivity would certainly be welcome. At the end of the day, we will need to do more with less. People will continue to be a scarce resource or input into the mining sector.¹³⁵

Ryan Montpelier,
Mining Industry Human Resources Council

134 *Evidence*, Meeting No. 35, 1st Session, 41st Parliament, April 25, 2012, 1550.

135 *Evidence*, Meeting No. 38, 1st Session, 41st Parliament, May 14, 2012, 1640.

Given that productivity is a complex subject that was not the focus of this study, a more complete study should be carried out as soon as possible to suggest concrete measures to improve Canadian productivity.

Recommendation 32

The Committee recommends that one or more parliamentary committees be tasked with studying the methods currently available to the federal government and the methods that could be established to improve productivity in Canada, thereby reducing the anticipated labour shortages.

2. Increase on-the-job training and other forms of training

Training is key to workers' productivity and efficiency in a competitive labour market. Businesses need a qualified and competent workforce to meet market demands while acquiring the skills to be constantly productive and in sync with new technologies. The Committee heard that the companies of today value training and can spend between 3.5% and 5% of their annual sales in training. Continuous learning has to be seen as an integral part of a career.

In Canada when students graduate from high school, college, or university, people often feel that their training or education is done. This is not a sustainable approach for the jobs of the future. Continuous learning cannot be seen as a novelty; and must become part of everyone's career. The world has changed and we need to change with it.¹³⁶

Perrin Beatty, P.C.
Canadian Chamber of Commerce

The Committee heard that industries offer on-the-job training to individuals who are newly employed and who need to acquire quickly the necessary skills to work in the position offered. On-the-job training also allows employees to maintain their skills and to remain competitive with the advancement of technology. It values talent and allows the industry to keep those talented employees. Mentorship is also effective between young workers and professionals with more experience, and even with highly skilled foreign workers who can share their talents and experience to bolster the knowledge of recent graduates, young employees and even experienced employees.

Generally, colleges and universities are the most common institutions providing education and training to the students that will be part of tomorrow's workforce. The Committee heard that almost 2.2 million Canadians between 25 and 64 years of age do not have a high school diploma, and 40% of adults struggle with low literacy. Colleges are therefore a great resource to provide upgrading programs to obtain a high school diploma and to transition to post-secondary education.

136 *Evidence*, Meeting No. 40, 1st Session, 41st Parliament, May 28, 2012, 1655.

Colleges, institutes, polytechnics, and CEGEPs excel at providing accessible, cost-effective post-secondary education and lifelong learning—critically important. They possess a unique ability to nurture the marginalized through to graduation and employment.

Despite the sluggish economy, upwards of 90% of college students find employment within six months of graduation. We are very good at placing our graduates into the economy and into solid jobs.¹³⁷

James Knight,
Association of Canadian Community Colleges

Co-operative programs were also mentioned to the Committee as being very beneficial, as they allow individuals to get a “school-at-work” experience with a better grasp and understanding of what a particular job entails. They also permit to reach out to young people who need to meet the skills profiles that the companies are looking for. Universities and colleges are collaborating with the private sector to offer co-operative experiences to students making them understand the requirements of the job while actually working at it.

From our point of view, we believe there should be more internship and co-op programs initiated by the industry. A closer focus on attracting that talent early in the game, even at the high school level, and attracting them into the ICT domain is going to be key going forward.¹³⁸

Namir Anani,
Information and Communications Technology Council

The Committee also heard that there is a need for employers to be informed and to understand new technologies in order to anticipate the demands of the labour market and the future skills required. Employers’ expectations and requirements could then be communicated to educators and training institutions in order to develop the necessary skills to students.

When I talk about labour market information, I include technology, because people’s skills have to respond to technology, and people have to have those good, strong foundations.¹³⁹

Jennifer Steeves,
Canadian Automotive Repair and Service

Some witnesses encouraged the Government of Canada to provide additional financial incentives through tax credits.

Still, we would argue, incentives for employers to provide workplace training, including a tax credit for employers who train, would be very helpful. Increase in the support for

137 *Evidence*, Meeting No. 32, 1st Session, 41st Parliament, April 2, 2012, 1540.

138 *Evidence*, Meeting No. 33, 1st Session, 41st Parliament, April 4, 2012, 1610.

139 *Evidence*, Meeting No. 38, 1st Session, 41st Parliament, May 14, 2012, 1610.

training in the employment insurance system, including work sharing while working and extending benefit for workers who are in training, and continued and restored support for organizations that provide support and encouragement for the development and the expansion of workplace training, such as the Canadian Apprenticeship Forum.¹⁴⁰

Kenneth V. Georgetti,
Canadian Labour Congress

In addition, the Committee was informed that the Government of Canada supports the talents of graduates and postgraduate students through numerous programs offered by the granting councils.

The Industrial R & D Fellowships and the Industrial Research and Development Internship programs, among others, offer opportunities to students to gain R & D experience in the private sector. These experiences also allow the private sector to be aware of the knowledge and capabilities of talented recent graduates. An HRSDC official also told the Committee that the Government of Canada transfers almost \$2.5 billion each year under the labour market development agreements and labour market agreements, and over \$218 million to provinces through the labour market agreements for persons with disabilities.¹⁴¹ The Government of Canada also announced in Budget 2012 that it would invest an additional \$50 million in the Youth Employment Strategy and \$14 million over 2 years in the Industrial Research and Development Internship program.¹⁴²

Recommendation 33

The Committee recognizes that workplace training is part of the solution to skills and labour shortages, as well as the development of those foundational skills needed for youth to transition to the workforce. The Government of Canada should continue to support projects that aim to improve these necessary skills and explore ways of improving that support.

Recommendation 34

The Committee recommends that the Government of Canada study the possibility and cost of offering more financial incentives for on-the-job training, for example targeted tax relief for employers that offer training or by ensuring that the employment insurance program does not limit eligibility to training to those who have already been unemployed for a minimum number of weeks.

Recommendation 35

The Committee recommends that the Government of Canada review the support available for co-op students in order to increase

140 Ibid., 0850.

141 *Evidence*, Meeting No. 44, 1st Session, 41st Parliament, June 18, 2012, 1620.

142 Government of Canada, [Budget 2012](#).

opportunities to gain experience in Canadian companies, including potential targeted tax relief for employers.

Recommendation 36

The Committee recommends that the Government of Canada study the possibility of offering financial awards to assist college graduates in their future studies through a scholarship program similar to the Vanier Canada Graduate Scholarships program.

3. Increase reliance on partnerships

The Committee seeks a multi-sectoral approach to address labour shortages. Elements that must be in place for successful partnerships include effective, reliable and regular communication between educational institutions, industry, employers, employees' groups, sector councils, parent groups and guidance counsellors, and all levels of government. Obviously, it is very difficult to get all these groups together in one room to share best practices. However, round table discussions regularly take place, at which some of these groups share their best practices. It is important to consider sharing the information gathered at these round tables on a public online forum.

I don't know what the answers are, but I know this problem is of such proportion that we need every order of government, every sector—private sector and civil society. We need an enormous national focus on this problem, without which our economy will lose several ranks in terms of per capita income, and that will happen quickly. The federal government certainly must be an important player at the table.¹⁴³

James Knight
Association of Canadian Community Colleges

To go about this, I would like to suggest we need a national skills strategy ... that involves all levels of governments, business, the education system across the country and a number of other stakeholders.¹⁴⁴

Andrew Cardozo,
Alliance of Sector Councils

While respecting the fact that the provinces and territories have the primary role in delivering education and training, it is essential that all the stakeholders mentioned above work together to find solutions that would allow for optimal matching between labour supply and demand. Witnesses told the Committee that the federal government has a national role in facilitating the sharing of success stories and innovative solutions.

The Committee heard about many best practices taking place across the country, for example, to encourage young people to pursue apprenticeship in the skilled trades, STEM, ICT, and health careers, or in less qualified occupations.

143 *Evidence*, Meeting No. 32, 1st Session, 41st Parliament, April 2, 2012, 1545.

144 *Evidence*, Meeting No. 48, 1st Session, 41st Parliament, October 4, 2012, 0905.

The Canadian Coalition for Tomorrow's ICT Skills works at many levels to help youth make the best decision in terms of their post-secondary studies. The objective of the Coalition is to ensure that young graduates have the skills that are needed in high demand professions, and can thus fill some of the skills shortages threatening the economy in certain industrial sectors.

The focus of CCICT [Canadian Coalition for Tomorrow's ICT Skills], as we call it, is Canada's information and communications technology skills challenges. Our thought leadership and programs have achieved significant real-world results, in no small measure due to our collaborative multi-stakeholder partnerships. Formed in 2008, CCICT includes 25 financially contributing corporate members—that is, industry members—plus universities, school boards, industry organizations, and professional associations, two of which as it happens are sitting with me today. We all came together to tackle a skills crisis.¹⁴⁵

David Ticoll
Canadian Coalition for Tomorrow's ICT Skills

Witnesses talked about universities working with the private sector to create co-op experiences, practicums, internships, and field placements providing students with hands-on experience. These best practices are made possible in part through funding offered by the Natural Sciences and Engineering Research Council of Canada.

Funding is certainly helping, and over the years we have changed our focus and have come to better understand the key role of effective relationships in transferring knowledge, in working across academia and the private sector. That's where we've been focusing our energies more recently: developing those relationships and helping those relationships to happen.¹⁴⁶

Isabelle Blain
Natural Sciences and Engineering Research Council of Canada

The Committee heard about the Helmets to Hardhats program that was announced in Budget 2011 to help veterans, Canadian Forces members and reservists access a range of careers in the construction industry. This initiative is made possible through partnerships between unions, private and public sector resources. The Government of Canada is contributing \$150,000 to this program.

As a final point, it is worth mentioning again the important partnership between the federal government and Aboriginal peoples. Through ASETS, the federal government works in partnership with industry, Aboriginal leaders and other stakeholders to support the successful work of agreement holders. The latter develops and delivers relevant and successful programming to assist Aboriginal youth and adults who want to pursue apprenticeship training, technology and health studies, and other educational programs. Agreement holders help Aboriginal people who are either unemployed or out of the labour force finally fulfill their employment aspirations.

145 *Evidence*, Meeting No. 34, 1st Session, 41st Parliament, April 23, 2012, 1530.

146 *Evidence*, Meeting No. 31, 1st Session, 41st Parliament, March 28, 2012, 1615.

Recommendation 37

The Committee recommends that the Government of Canada put in place a national skills strategy that would involve provincial/territorial governments, Aboriginal peoples, employers, unions, education institutions and students' associations. The purpose of this strategy would be to ensure a better alignment of the skills of the adult population and those in demand by employers.

Recommendation 38

The Committee recommends that the Government of Canada continue to facilitate public-private partnerships and the sharing of best practices to find solutions to skills and labour shortages in high demand occupations and identify barriers to filling low-skilled jobs.

CONCLUSION

Prior to the 2008-2009 recession, labour shortages were already being felt, especially in the Western provinces. The recession eased this pressure, but already shortages are reappearing in certain regions and sectors. Given the aging population, labour and skills shortages will only increase; however, not all regions and occupational groups will be affected. While shortages may be less severe in occupations requiring fewer qualifications, low-skilled occupations are also experiencing shortages, especially in regions with strong and rapid economic growth.

The first finding of this study, which was reiterated by many witnesses, is that no single solution will magically solve the challenges caused by labour and skills shortages: various complementary solutions must be identified.

One solution that was mentioned often by the witnesses who appeared as part of this study was to make all the essential information on future labour needs available so that educational programs can be created and modified accordingly and consequently, so that young people can choose occupations that will be in high demand. This is not possible without high quality LMI. The holders of this data should work together to avoid duplication and find ways to improve the quality of the information as well as the distribution of all LMI products to the people who can benefit the most from its use.

Another solution the Committee heard throughout the study was to maximize the untapped potential of individuals in certain groups of the Canadian population that have a lower participation rate or a higher unemployment rate than average, such as mature workers, people with disabilities, Aboriginal peoples and recent immigrants. This could help address part of the labour and skills shortages.

Other suggestions made by witnesses include improving the Temporary Foreign Worker Program so that it is better tailored to occupations in high demand; increasing labour force mobility; increasing awareness of trades and professions in demand that are not popular with young people; providing workers with adequate on-the-job training;

increasing the level of basic skills; improving worker productivity; and increasing reliance on partnerships between various levels of government, companies, educational institutions, students and workers.

To meet these objectives, the Committee has prepared a series of recommendations to the federal government that should help address the challenge of labour shortages and skills shortages so that Canadian businesses can take advantage of all the economic development opportunities that come their way.

LIST OF RECOMMENDATIONS

Recommendation 1 11

The Committee recommends that the Government of Canada support the creation of a more formal public-private-academia partnership to be coordinated by the Forum of Labour Market Ministers with a mission to ensure a better match between the skills of young graduates and job seekers with those needed by Canadian employers. This partnership should allow for better sharing of labour market information already collected by various stakeholders in an attempt to provide more consistent forecasts in the future.

Recommendation 2 11

The Committee recommends that the Government of Canada continue its efforts toward achieving better and more user-friendly labour market information, which could in turn be provided to students, graduates and job seekers, giving them the information they need to make informed education and career decisions.

Recommendation 3 11

The Committee recommends that the Government of Canada address the lack of awareness of labour market information products available. A publicity campaign should be launched to educate the public on how to use labour market information and how it can contribute to their success on the labour market.

Recommendation 4 11

The Committee recommends that the Government of Canada continue to improve the labour market information and the delivery of other information available on its Working in Canada Website.

Recommendation 5 16

The Committee recommends that the Government of Canada continue to fund programs to increase enrolment and graduation rates in sciences, technology, engineering and mathematics.

Recommendation 6 16

The Committee recommends that the Government of Canada increase collaboration between academia and industries using sciences, technology, engineering and mathematics professionals, to ensure that curricula are more relevant and meet the needs of these industries.

Recommendation 7 20

The Committee recommends that the Government of Canada, while respecting the jurisdiction of provincial/territorial governments with regard to education and training, consider establishing a panel, composed of officials from various governments, industry leaders and their associations, small and medium enterprises (SMEs), academia, policy-makers and other interested stakeholders. The panel would be given the mandate to find ways over the next three to five years to help SMEs embrace the technological shifts, hire information and communications technology (ICT) professionals and facilitate their capacity to do business using ICT tools and contribute to Canada’s economy.

Recommendation 8 20

The Committee recommends that the Government of Canada support action to increase collaboration between the information and communications technology industry and academia to ensure that the curricula will be more relevant and meet the needs of the industry and also be more likely to catch the attention of students. The curricula in Canadian colleges and university must be flexible, as technology changes so fast that it is hard to keep the curricula up to date.

Recommendation 9 26

The Committee recommends that the Canadian Institute for Health Information continue its good work in tracking and collecting workforce data in health professions, including the dietitians, laboratory technicians and social workers professions on its list.

Recommendation 10 31

The Committee recommends that the Government of Canada undertake a review of its current tax credits for apprentices and employers, particularly the Apprenticeship Job Creation Tax Credit, to ensure that it continues to meet its objectives and outcomes.

Recommendation 11 31

The Committee recommends that the Government of Canada support round table discussions with multi-stakeholder panels that would be given the liberty to be creative and look at potential innovative solutions to the problem of skilled trades shortages in specific industrial sectors. For example, the idea of apprentice sharing among small and medium enterprises is an innovative idea that could benefit the private sector, the apprentices themselves and Canada’s economy.

Recommendation 12 31

The Committee recommends that the Government of Canada work in partnership with stakeholders to determine if there is need to create better incentives for employers to take on even more apprentices for training, as well as to train and upgrade the skills of their existing apprentices by providing more on-the-job training, while taking into consideration the fact that the federal government currently has incentives for employees to choose apprenticeship training, as well as tax credits to support small and medium enterprises in hiring new workers.

Recommendation 13 34

The Committee recommends that the Government of Canada review the resources allocated to the Adult Learning, Literacy and Essential Skills Program to confirm the current levels are sufficient to raise the basic skill level for adults.

Recommendation 14 34

The Committee recommends that the Government of Canada identify ways to encourage young people to acquire work experience in occupations with lower skills requirements (while pursuing their studies), for example, by improving the Canada Summer Jobs program, if possible. These jobs could also be accompanied by French- or English-as-a-second-language training programs to provide young immigrants and other young Canadians with the opportunity to improve their language skills. The goal of these programs should be both to provide labour for low-skilled jobs and to provide students with work and language skills that can help them move into more highly skilled positions.

Recommendation 15 36

The Committee recommends that the Government of Canada continue to support the development of career awareness activities for educators, youth, parents, guidance counsellors and the general public, particularly activities created by the private sector to motivate youth to choose high demand occupations.

Recommendation 16 36

The Committee recommends that the Government of Canada make labour market information available to high school guidance counsellors in a way that is relevant to the role they have to play guiding youth's future. Understanding clearly the information shared with them, guidance counsellors can transfer the information to youth and parents and make sure that they are more aware of future job opportunities.

Recommendation 17 37

The Committee recommends that the Government of Canada build awareness about the extent of career opportunities in the sectors discussed in this report. For example, the government can communicate the value of apprenticeship certification for journeypersons, businesses, and consumers; and showcase professions and the exciting careers available in sciences, technology, engineering, mathematics and information and communications technology to improve the reputation of careers in these fields and increase the number of people who will choose a career in these growing sectors of the economy.

Recommendation 18 40

The Committee recommends that the Government of Canada continue to organize meetings with stakeholders so that they can present the changes they would like to make to the Temporary Foreign Worker Program; and that the government evaluate these proposals and implement them if they are deemed appropriate.

Recommendation 19 40

The Committee recommends that the Government of Canada examine the possibility of offering better opportunities for temporary foreign workers to eventually become permanent immigrants.

Recommendation 20 40

The Committee recommends that the Government of Canada review its international recruitment programs and ensure that it establishes Canada as the destination for talent. It should also continue to provide incentives to knowledge workers who want to move to Canada.

Recommendation 21 41

The Committee recommends that the Government of Canada act on the March 2012 report by the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities entitled *A Framework for Success: Practical Recommendations to Further Shorten the Foreign Qualification Recognition Process*.

Recommendation 22 48

The Committee recommends to the Government of Canada that it continue to work in partnership with Aboriginal leaders to find innovative ways to reach out to Aboriginal children and youth to raise their awareness of the benefits of an education and the exciting career options open to them. As well, it is crucial for Aboriginal young people to be aware of who are the employers hiring in their region and what skills they require of their employees.

Recommendation 23 48

The Committee recommends that the Government of Canada support the Aboriginal Skills Employment Training Strategy agreement holders who wish, in collaboration with Aboriginal communities, to explore best practices to ensure that the education available to Aboriginal peoples meets the standards for high demand and technical professions. Education available on reserve should allow any Aboriginal youth to pursue education leading them to meet the demand for an apprenticeship, various skilled trades, or a career in information and communication technologies, sciences, technology, engineering, mathematics or the health sector.

Recommendation 24 51

The Committee recommends that the Government of Canada ensure that some grants and contributions be designated to support projects that prepare people with disabilities for jobs in high demand with a good living wage and that better meet their skills and the knowledge gained through post-secondary education.

Recommendation 25 51

The Committee recommends that the Government of Canada review the need to provide an incentive to employers for reducing barriers to employment for people with disabilities. It should be taken into consideration that most work accommodation is either low cost or actually is only a change in the business practices such as flexible work hours.

Recommendation 26 51

The Committee recommends that the Government of Canada share the conclusions of the Panel on Labour Market Opportunities for Persons with Disabilities with this committee as soon as possible after it tables its report to the Minister of Finance and the Minister of Human Resources and Skills Development.

Recommendation 27 53

The Committee recommends that the Government of Canada create incentives (e.g., flexible work arrangements, skills development and financial incentives) for older workers wishing to defer retirement and support work-to-retirement transition programs.

Recommendation 28 53

The Committee recommends that the Government of Canada continue to monitor the impact of phased-in retirement. Particularly, the federal government should follow closely the evolution of the Canada Pension Plan changes, which will not be fully implemented until 2016. It should ensure that these changes support older workers who want to continue to work.

Recommendation 29 53

The Committee recommends that the Government of Canada raise awareness about promising best practices to retain mature workers in the workforce including mentorship programs, flexible work arrangements (e.g., telework and reduced work hours), and flexibility through changes in the pension system.

Recommendation 30 55

The Committee recommends that the Government of Canada study the anticipated cost of introducing new fiscal measures that would help people who find jobs far away from where they live, for example a tax credit for travel and lodging if a person must work more than 80 kilometers from his or her residence, and that it study the potential impact of such measures on labour mobility and labour shortages.

Recommendation 31 55

The Committee recommends that the Government of Canada provide more labour market information to high school students in remote communities, such as information on job opportunities in their regions and on the advantages of obtaining their high school diploma or pursuing post-secondary education (e.g., apprenticeship programs or college or university programs). This awareness campaign should employ not only traditional methods of increasing awareness but also new ways of reaching youth, for example, a tour of schools and community centres with representatives from Service Canada or the private sector, or an information campaign in local media or using social media.

Recommendation 32 57

The Committee recommends that one or more parliamentary committees be tasked with studying the methods currently available to the federal government and the methods that could be established to improve productivity in Canada, thereby reducing the anticipated labour shortages.

Recommendation 33 59

The Committee recognizes that workplace training is part of the solution to skills and labour shortages, as well as the development of those foundational skills needed for youth to transition to the workforce. The Government of Canada should continue to support projects that aim to improve these necessary skills and explore ways of improving that support.

Recommendation 34 59

The Committee recommends that the Government of Canada study the possibility and cost of offering more financial incentives for on-the-job training, for example targeted tax relief for employers that offer training or by ensuring that the employment insurance program does not limit eligibility to training to those who have already been unemployed for a minimum number of weeks.

Recommendation 35 59

The Committee recommends that the Government of Canada review the support available for co-op students in order to increase opportunities to gain experience in Canadian companies, including potential targeted tax relief for employers.

Recommendation 36 60

The Committee recommends that the Government of Canada study the possibility of offering financial awards to assist college graduates in their future studies through a scholarship program similar to the Vanier Canada Graduate Scholarships program.

Recommendation 37 62

The Committee recommends that the Government of Canada put in place a national skills strategy that would involve provincial/territorial governments, Aboriginal peoples, employers, unions, education institutions and students' associations. The purpose of this strategy would be to ensure a better alignment of the skills of the adult population and those in demand by employers.

Recommendation 38 62

The Committee recommends that the Government of Canada continue to facilitate public-private partnerships and the sharing of best practices to find solutions to skills and labour shortages in high demand occupations and identify barriers to filling low-skilled jobs.

APPENDIX A: PROJECTED LABOUR SHORTAGES AND SURPLUSES ACCORDING TO THE CANADIAN OCCUPATIONAL PROJECTION SYSTEM

Tables 1, 2A, 3, 4 and 5 show employment in 2010 and the cumulative number of new job seekers and new job openings for the projection period stretching from 2011 to 2020, according to COPS. The variation between the two shows the extent of either the shortage (if the result is negative) or the surplus (if the result is positive). Of course, this shows only the variation between the number of new job openings and the number of new job seekers. If a shortage was already being felt when the projection period began, it is possible that a positive number merely indicates that the shortage is projected to decrease. The last column of the table shows whether the occupation was experiencing a surplus, a shortage or was in balance at the beginning of the projection period (2011). This COPS analysis is based on recent data on job growth, salary and variations in unemployment rate by occupation.¹

Table 1 – Employment Levels (2010) and Projected Shortages or Surpluses, 2011 to 2020, Sciences, Technology, Engineering and Mathematics Occupations

	Employment Level (2010)	New Job Seekers (1)	New Job Openings (2)	Shortages (-) or Surpluses (+) (3) = (1) – (2)	Status at Start of Projection Period
Physical Science Professionals	34,995	20,824	13,708	7,116	Shortage
Life Science Professionals	24,081	10,875	10,441	434	Balance
Civil, Mechanical, Electrical and Chemical Engineers	129,154	71,768	60,436	11,332	Balance
Other Engineers	81,229	37,851	36,655	1,196	Shortage
Architects, Urban Planners and Land Surveyors	41,163	12,628	13,379	-751	Shortage
Mathematicians, Statisticians and Actuaries	8,791	3,138	2,910	228	Shortage
Technical Occupations in Physical Sciences	28,404	14,952	12,026	2,926	Surplus
Technical Occupations in Life Sciences	39,195	15,255	18,008	-2,753	Balance
Technical Occupations in Civil, Mechanical and Industrial Engineering	68,841	31,897	29,027	2,870	Balance
Technical Occupations in Electronics and Electrical Engineering	109,759	47,472	46,832	640	Balance

¹ HRSDC, Canadian Occupational Projection System, Imbalances Between Labour Demand and Supply — 2011-2020 (forthcoming).

Technical Occupations in Architecture, Drafting, Surveying and Mapping	63,813	25,963	20,574	5,389	Balance
Other Technical Inspectors and Regulatory Officers	55,699	27,914	31,776	-3,862	Balance
Transportation Officers and Controllers	27,292	7,874	11,948	-4,074	Balance

Source: HRSDC, Canadian Occupational Projection System, [Search Occupation Data](#) and Imbalances Between Labour Demand and Supply - 2011-2020 (forthcoming).

Table 2A – Employment Levels (2010) and Projected Shortages or Surpluses, 2011 to 2020, Professionals in the Digital Occupations

	Employment Level (2010)	New Job Seekers (1)	New Job Openings (2)	Shortages (-) or Surpluses (+) (3) = (1) – (2)	Status at Start of Projection Period
Computer and Information Systems Professionals	372,787	210,662	152,835	57,827	Balance
Technical Occupations in Computer and Information Systems	119,034	61,005	49,381	11,624	Balance

Source: HRSDC, Canadian Occupational Projection System, [Search Occupation Data](#) and Imbalances Between Labour Demand and Supply - 2011-2020 (forthcoming).

Tables 2B and 2C show the results of analyses performed by the Information and Communications Technology Council. It identifies five labour market rankings, ranging from a severe shortage to an extreme surplus. However, in each of the occupations analyzed and for each region, only the three middle rankings are forecast for 2011 to 2016 (the categories “acute excess of supply over demand” and “acute excess of demand over supply” are not predicted for any occupation). The results for professionals are presented in Table 2B and for technicians and technologists in Table 2C. See the legend to identify which colour is associated with which occupation.

Table 2B – Projected Surpluses, Balances and Shortages, by Occupation and Region for Professionals in the Digital Occupations, 2011–2016

		Atlantic	Quebec	Ontario	Man. / Sask.	Alberta	B.C.
Computer and information systems managers	2011						
	2012						
	2013						
	2014						
	2015						
	2016						
Telecommunication carriers managers	2011						
	2012						
	2013						
	2014						
	2015						
	2016						
Electrical and electronics engineers	2011						
	2012						
	2013						
	2014						
	2015						
	2016						
Computer engineers (except software engineers)	2011						
	2012						
	2013						
	2014						
	2015						
	2016						
Information systems analysts and consultants	2011						
	2012						
	2013						
	2014						
	2015						
	2016						
Database analysts and data administrators	2011						
	2012						
	2013						
	2014						
	2015						
	2016						
Software engineers and designers	2011						
	2012						
	2013						
	2014						
	2015						
	2016						
Computer programmers and interactive media developers	2011						
	2012						
	2013						
	2014						
	2015						
	2016						
Web designers and developers	2011						
	2012						
	2013						
	2014						
	2015						
	2016						
Legend:		Pervasive surplus		Balance		Pervasive shortage	

Source: Table taken from: Information and Communications Technology Council, *Outlook for Human Resources in the ICT Labour Market, 2011–2016*, March 2011.

Table 2C – Projected Surpluses, Balances and Shortages, by Occupation and Region for Technicians and Technologists in the Digital Occupations, 2011–2016

		Atlantic	Quebec	Ontario	Man. /	Alberta	B.C.
Electrical and electronics engineering technologists and technicians	2011	Balance	Balance	Balance	Balance	Balance	Balance
	2012	Balance	Balance	Balance	Balance	Balance	Balance
	2013	Pervasive shortage	Balance	Balance	Balance	Balance	Balance
	2014	Pervasive shortage	Balance	Balance	Balance	Pervasive shortage	Balance
	2015	Balance	Balance	Balance	Balance	Pervasive shortage	Pervasive shortage
	2016	Pervasive shortage	Balance	Balance	Balance	Pervasive shortage	Pervasive shortage
Computer network technicians	2011	Balance	Balance	Balance	Pervasive surplus	Balance	Balance
	2012	Balance	Pervasive surplus	Pervasive surplus	Pervasive surplus	Pervasive surplus	Balance
	2013	Balance	Balance	Balance	Balance	Balance	Balance
	2014	Pervasive surplus	Balance	Balance	Balance	Balance	Pervasive surplus
	2015	Pervasive surplus	Balance	Balance	Balance	Balance	Pervasive surplus
	2016	Pervasive surplus	Balance	Balance	Balance	Balance	Pervasive surplus
User support technicians	2011	Pervasive surplus	Pervasive surplus	Pervasive surplus	Pervasive surplus	Pervasive surplus	Pervasive surplus
	2012	Pervasive surplus	Pervasive surplus	Pervasive surplus	Pervasive surplus	Pervasive surplus	Pervasive surplus
	2013	Balance	Pervasive surplus	Balance	Pervasive surplus	Balance	Pervasive surplus
	2014	Balance	Balance	Balance	Pervasive surplus	Balance	Balance
	2015	Balance	Balance	Balance	Pervasive surplus	Pervasive surplus	Balance
	2016	Balance	Balance	Balance	Pervasive surplus	Pervasive surplus	Balance
Systems testing technicians	2011	Balance	Pervasive surplus	Balance	Pervasive surplus	Balance	Pervasive surplus
	2012	Balance	Balance	Balance	Balance	Balance	Pervasive surplus
	2013	Balance	Balance	Balance	Balance	Balance	Balance
	2014	Balance	Balance	Balance	Balance	Balance	Balance
	2015	Balance	Balance	Balance	Balance	Balance	Balance
	2016	Balance	Balance	Balance	Balance	Balance	Balance
Broadcast technicians	2011	Pervasive shortage	Pervasive shortage	Pervasive shortage	Balance	Balance	Balance
	2012	Pervasive shortage	Balance	Balance	Balance	Balance	Balance
	2013	Pervasive shortage	Balance	Balance	Balance	Balance	Balance
	2014	Pervasive shortage	Pervasive shortage	Pervasive shortage	Balance	Balance	Balance
	2015	Pervasive shortage	Balance	Balance	Balance	Balance	Balance
	2016	Balance	Balance	Balance	Balance	Balance	Balance

Legend:	Pervasive surplus	Balance	Pervasive shortage
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Source: Table taken from: Information and Communications Technology Council, [Outlook for Human Resources in the ICT Labour Market, 2011–2016](#), March 2011.

Table 3 – Employment Levels (2010) and Projected Shortages or Surpluses, 2011 to 2020, Health Occupations

	Employment Level (2010)	New Job Seekers (1)	New Job Openings (2)	Shortages (-) or Surpluses (+) (3) = (1) – (2)	Status at Start of Projection Period
Physicians, Dentists and Veterinarians	101,976	46,566	57,591	-11,025	Shortage
Optometrists and Chiropractors	15,653	7,350	7,331	19	Shortage
Pharmacists, Dietitians and Nutritionists	33,288	15,098	13,093	2,005	Balance
Therapy and Assessment Professionals	48,965	23,869	22,215	1,654	Shortage
Nurse Supervisors and Registered Nurses	273,063	128,671	161,979	-33,308	Shortage
Medical Technologists and Technicians	88,825	41,321	40,302	1,019	Shortage
Technical Occupations in Dental Health Care	28,965	9,664	10,300	-636	Balance
Other Technical Occupations in Health Care	124,687	56,445	62,321	-5,876	Balance
Assisting Occupations in Support of Health Services	316,207	158,108	165,014	-6,906	Shortage

Source: HRSDC, Canadian Occupational Projection System, [Search Occupation Data](#) and Imbalances Between Labour Demand and Supply - 2011-2020 (forthcoming).

Table 4 – Employment Levels (2010) and Projected Shortages or Surpluses, 2011 to 2020, Skilled Trades

	Employment Level (2010)	New Job Seekers (1)	New Job Openings (2)	Shortages (-) or Surpluses (+) (3) = (1) – (2)	Status at Start of Projection Period
Chefs and Cooks	194,893	94,613	77,627	16,986	Surplus
Butchers and Bakers	70,447	35,389	26,396	8,993	Balance
Underground Miners, Oil and Gas Drillers and Related Workers	42,234	22,572	22,969	-397	Balance
Logging Machinery Operators	8,205	1,763	2,949	-1,186	Surplus
Machinists	52,117	16,884	17,917	-1,033	Surplus
Electrical Trades	172,673	71,450	87,924	-16,474	Balance
Plumbers, Pipefitters and Gas Fitters	71,531	31,687	22,679	9,008	Balance
Metal Trades	123,305	52,750	46,727	6,023	Surplus
Carpenters and Cabinetmakers	150,716	63,724	42,048	21,676	Surplus
Masonry and Plastering Trades	69,813	29,054	23,383	5,671	Surplus
Other Construction Trades	95,610	49,819	32,664	17,155	Balance
Machinery and Transportation Equipment Mechanics (Except Motor Vehicle)	177,513	75,686	77,587	-1,901	Balance
Automotive Service Technicians	147,480	36,660	40,842	-4,182	Balance
Other Mechanics	30,601	8,712	10,304	-1,592	Balance
Upholsterers, Tailors, Shoe Repairers and Jewellers	27,556	4,004	12,161	-8,157	Surplus
Stationary Engineers and Power Station and System Operators	27,236	8,111	11,310	-3,199	Balance
Train Crew Operating Occupations	10,129	3,212	2,345	867	Surplus
Crane Operators, Drillers and Blasters	16,357	6,702	7,788	-1,086	Balance
Printing Press Operators and Other Trades	36,766	10,357	13,905	-3,548	Surplus

Source: HRSDC, Canadian Occupational Projection System, [Search Occupation Data](#) and Imbalances Between Labour Demand and Supply - 2011-2020 (forthcoming).

Table 5 – Employment Levels (2010) and Projected Shortages or Surpluses, 2011 to 2020, Low-skilled Occupations in the Service, Agricultural and Aquaculture Industries

	Employment Level (2010)	New Job Seekers (1)	New Job Openings (2)	Shortages (-) or Surpluses (+) (3) = (1) – (2)	Status at Start of Projection Period
Cashiers	233,364	63,402	71,048	-7,646	Surplus
Other Sales Occupations	165,296	44,604	64,775	-20,171	Surplus
Food Counter Attendants and Kitchen Helpers	202,550	60,582	56,111	4,471	Surplus
Security Guards	90,832	34,194	44,122	-9,928	Surplus
Cleaners	404,200	121,590	174,300	-52,710	Surplus
Other Occupations in Travel, Accommodation, Amusement and Recreation	28,365	5,957	9,760	-3,803	Surplus
Other Elemental Service Occupations	45,738	13,934	18,538	-4,604	Surplus
Sales Representatives, Wholesale Trade	258,859	80,896	102,234	-21,338	Balance
Retail Salespersons and Sales Clerks	428,527	144,948	131,282	13,666	Surplus
Occupations in Travel and Accommodation	65,834	16,789	15,300	1,489	Surplus
Tour and Recreational Guides and Casino Occupations	15,600	8,368	5,866	2,502	Surplus
Occupations in Food and Beverage Service	190,572	72,972	66,861	6,111	Surplus
Other Occupations in Protective Service	40,127	12,755	10,786	1,969	Shortage
Childcare and Home Support Workers	201,154	75,782	81,696	-5,914	Balance
Other Occupations in Personal Service	77,016	38,997	34,968	4,029	Balance
Agriculture and Horticulture Workers	67,590	28,709	14,459	14,250	Surplus
Other Fishing and Trapping Occupations	4,187	2,416	1,165	1,251	Surplus

Source: HRSDC, Canadian Occupational Projection System, [Search Occupation Data](#) and Imbalances Between Labour Demand and Supply - 2011-2020 (forthcoming).

APPENDIX B LIST OF WITNESSES

Organizations and Individuals	Date	Meeting
<p>Department of Human Resources and Skills Development</p> <p>Louis Beauséjour, Associate Assistant Deputy Minister Skills and Employment Branch</p> <p>Yves Gingras, Acting Director General, Labour Market Policy</p>	2012/03/12	28
<p>Engineers Canada</p> <p>Marie Carter, Chief Operating Officer, Interim Chief Executive Officer</p> <p>Alana Lavoie, Manager, Government Relations</p>	2012/03/14	29
<p>Informetrica Limited</p> <p>Michael C. McCracken, Chair and Chief Operating Officer</p>		
<p>Statistics Canada</p> <p>Josée Bégin, Director, Centre for Education Statistics</p> <p>Marc Lachance, Assistant Director, Labour Statistics</p> <p>Tracey Leesti, Director, Labour Statistics</p> <p>Kathryn McMullen, Chief, Education Matters and Integrated Analysis</p>		
<p>BioTalent Canada</p> <p>Robert Henderson, Executive Director</p>	2012/03/26	30
<p>Department of Industry</p> <p>Alain Beaudoin, Director General, Information and Communications Technologies Branch</p> <p>Shane Williamson, Director General, Program Coordination Branch, Science and Innovation Sector</p>		
<p>Environmental Careers Organization of Canada</p> <p>Grant Trump, President and Chief Executive Officer</p>		
<p>Canadian Council of Technicians and Technologists</p> <p>Isidore LeBlond, Chief Executive Officer</p>	2012/03/28	31
<p>Let's Talk Science</p> <p>Bonnie Schmidt, Founder and President</p>		

Organizations and Individuals	Date	Meeting
Natural Sciences and Engineering Research Council of Canada Isabelle Blain, Vice-President, Research Grants and Scholarships Directorate	2012/03/28	31
Association of Canadian Community Colleges James Knight, President and Chief Executive Officer	2012/04/02	32
Association of Universities and Colleges of Canada Greg Fergus, Director, Public Affairs Herb O'Heron, Director, Research and Policy Analysis Division		
Polytechnics Canada Ken Doyle, Director, Policy Nobina Robinson, Chief Executive Officer		
Communitech Avvey Peters, Vice-President, External Relations	2012/04/04	33
Entertainment Software Association of Canada Jason Kee, Director, Policy and Legal Affairs		
Information and Communications Technology Council Namir Anani, President and Chief Executive Officer Sandra Saric, Director, Talent Initiatives		
Canadian Coalition for Tomorrow's ICT Skills David Ticoll, Executive Director	2012/04/23	34
Information Technology Association of Canada Karna Gupta, President and Chief Executive Officer		
Research in Motion Morgan Elliott, Director, Government Relations		
Canadian Institute for Health Information Jean-Marie Berthelot, Vice-President, Programs and Executive Director, Quebec Office Carole Brulé, Manager, Health Human Resources, Pharmaceuticals and Health Workforce Information Services	2012/04/25	35

Organizations and Individuals	Date	Meeting
<p>Canadian Nurses Association Rachel Bard, Chief Executive Officer Lisa Little, Consultant, Health Human Resources</p> <p>As an individual Arthur Sweetman, Professor, Department of Economics, McMaster University</p>	2012/04/25	35
<p>Canadian Dental Association Robert Sutherland, President Euan Swan, Manager, Dental Programs</p> <p>Canadian Federation of Medical Students Noura Hassan, President Chloé Ward, Vice-President, Advocacy</p> <p>Canadian Society for Medical Laboratory Science Christine Nielsen, Executive Director</p> <p>Dietitians of Canada Pat Vanderkooy, Manager, Public Affairs Marlene Wyatt, Director, Professional Affairs</p> <p>Royal College of Physicians and Surgeons of Canada Danielle Fréchette, Director, Health Policy and External Relations</p>	2012/05/07	36
<p>Association of Faculties of Medicine of Canada Nick Busing, President and Chief Executive Officer Steve Slade, Vice-President, Research and Analysis</p> <p>Canadian Association of Occupational Therapists Claudia von Zweck, Executive Director</p> <p>Canadian Medical Association John Haggie, President</p> <p>Canadian Physiotherapy Association Michael Brennan, Chief Executive Officer</p>	2012/05/09	37
<p>Canadian Apprenticeship Forum David Suess, Incoming President Sarah Watts-Rynard, Executive Director</p>	2012/05/14	38

Organizations and Individuals	Date	Meeting
Canadian Automotive Repair and Service Council Jennifer Steeves, President	2012/05/14	38
Mining Association of Canada Paul Hébert, Vice-President, Government Relations		
Mining Industry Human Resources Council Ryan Montpellier, Executive Director		
Building and Construction Trades Department, AFL-CIO, Canadian Office Christopher Smillie, Senior Advisor, Government Relations	2012/05/16	39
Canadian Construction Association Michael Atkinson, President		
Canadian Electricity Association Francis Bradley, Vice-President, Policy Development Michelle Branigan, Member		
Skills Canada Shaun Thorson, Chief Executive Officer		
Canadian Agricultural Human Resource Council Portia MacDonald-Dewhirst, Executive Director Mervin Wiseman, Chair	2012/05/28	40
Canadian Chamber of Commerce Hon. Perrin Beatty, President and Chief Executive Officer		
Canadian Council of Professional Fish Harvesters John Sutcliffe, Executive Director		
Canadian Federation of Independent Business Daniel Kelly, Senior Vice-President, Legislative Affairs		
Canadian Manufacturers and Exporters Mathew Wilson, Vice-President, National Policy		
Canadian Literacy and Learning Network Lindsay Kennedy, President and Chief Executive Officer	2012/06/13	43
Canadian Restaurant and Foodservices Association Joyce Reynolds, Executive Vice-President, Government Affairs		

Organizations and Individuals	Date	Meeting
Contingent Workforce Solutions Jeff Nugent, President and Chief Executive Officer	2012/06/13	43
Ted Rogers School of Management Ken Jones, Dean		
WhoPlusYou Inc. Doug Walker, Chief Executive Officer		
Department of Human Resources and Skills Development Alexis Conrad, Director General, Horizontal Management and Integration Directorate Yves Gingras, Senior Director, Economic Policy Directorate Catherine Scott, Director, Trades and Apprenticeship Division, Labour Market Integration Directorate	2012/06/18	44
First Nations Human Resources Development Commission of Quebec Cheryl McDonald, Director, Support Services	2012/09/27	46
Vocational Training Centre for Aboriginals in the Construction Trades Mary Ann Desjardins, Director for Development		
All Weather Windows Paul Taylor, Director, Human Resources	2012/10/02	47
Canadian Labour Congress Kenneth V. Georgetti, President		
International Union of Operating Engineers Harold McBride, Executive Director, Operating Engineers Training Institute of Ontario Steven Schumann, Canadian Government Affairs Director		
Petroleum Services Association of Canada Mark Salkeld, President and Chief Executive Officer		
ABC Life Literacy Canada Aleksandra Popovic, Program Manager, Workplace Skills and Training	2012/10/04	48
Alliance of Sector Councils Andrew Cardozo, Executive Director		

APPENDIX C

Round table discussions in Eastern Canada
St. John's, Newfoundland and Labrador,
Sydney and Halifax, Nova Scotia, and Montréal, Quebec

Organizations and Individuals	Date	Location
<p>Newfoundland and Labrador Association of Seafood Producers Derek Butler, Executive Director</p> <p>Newfoundland and Labrador Building Construction Trades Council David Wade, Executive Director</p> <p>Newfoundland and Labrador Employers' Council Richard Alexander, Executive Director</p> <p>Newfoundland Aquaculture Industry Association Inc. Cyr Couturier, member of the Board of Directors</p> <p>Restaurant Association of Newfoundland and Labrador Nancy Brace, Executive Director</p> <p>St. John's Board of Trade Steve Power, Chair Des Whelan, Director</p>	<p>2012/04/30</p>	<p>St-John's, N.L.</p>
<p>Canadian Federation of Independent Business Leanne Hachey, Vice-President, Atlantic</p> <p>Dalhousie University Lars Osberg, Professor</p> <p>Halifax Chamber of Commerce Nancy Conrad, Senior Vice-President</p> <p>LED Roadway Lighting Charles Cartmill, President and Chief Executive Officer</p> <p>Nova Scotia Community College Catherine MacLean, Vice-President People and Planning</p>	<p>2012/05/01</p>	<p>Halifax, N.S.</p>

Organizations and Individuals	Date	Location
Cape Breton District Health Authority Jim MacLellan, Chief Human Resource Officer	2012/05/02	Sydney, N.S.
Cape Breton Island Building Trades Council Clifford Murphy, President		
Cape Breton University Mel Clarke, Disabilities Resource Facilitator Norm Smith, Director of Student Services		
Halifax BioMedical Chad Munro, Chief Executive Officer		
Nova Scotia Community College Bruce Hubley, Manager of Student Services		
Sydney and Area Chamber of Commerce Adrian White, Executive Director		
CGI Group Inc. Renaud Caron, Senior Vice-President, Strategic Development Line Soucy, Director, Recruitment Services	2012/05/03	Montréal, QC
TECHNOCompétences Sylvie Gagnon, Executive Director		
Ubisoft Francis Baillet, Vice-President, Human Resources		

APPENDIX D

Round table discussions in Western Canada

Vancouver, British Columbia, Whitehorse, Yukon Territory, Fort McMurray, Alberta, and Estevan, Saskatchewan

Organizations and Individuals	Date	Location
<p>British Columbia Hotel Association James Chase, Chief Executive Officer</p>	2012/06/04	Vancouver, B.C.
<p>BC Salmon Farmers Association Mary Ellen Walling, Executive Director</p>		
<p>British Columbia and Yukon Territory Building and Construction Trades Council Brynn Bourke, Researcher Tom Sigurdson, Executive Director</p>		
<p>Centre for Digital Media Richard Smith, Director</p>		
<p>Corix Morena Franke, Director, Human Resources</p>		
<p>Federation of Post-Secondary Educators of BC George Davison, Secretary-Treasurer</p>		
<p>First Nations Human Resource Labour Council Karin Hunt, Council Member</p>		
<p>Independent Contractors and Businesses Association Philip Hochstein, President Greg Hubbard, Vice-President of Operations for LMS Reinforcing Steel Group Wayne Marsden, Representative, PCL Construction Westcoast Inc.</p>		
<p>MITACS Arvind Gupta, Chief Executive Officer</p>		
<p>S.U.C.C.E.S.S. Thomas Tam, Chief Executive Officer</p>		
<p>TDL Group (Tim Hortons) Chris Thomas, Manager, Labour Strategies</p>		

Organizations and Individuals	Date	Location
<p>Government of Yukon</p> <p>Shawn Kitchen, Assistant Deputy Minister, Advanced Education Branch, Department of Education</p> <p>Shannon McNevin, Product Development Officer, Tourism Product Development and Research, Department of Tourism and Culture</p> <p>Joy Waters, Deputy Minister, Department of Tourism and Culture</p>	2012/06/05	Whitehorse, Yukon
<p>Tourism Industry Association of the Yukon</p> <p>Blake Rogers, Executive Director</p>		
<p>Whitehorse Chamber of Commerce</p> <p>Rick Karp, President</p>		
<p>Yukon Chamber of Mines</p> <p>Claire Derome, Past President and Director</p>		
<p>Yukon College</p> <p>Karen Barnes, President</p>		
<p>Yukon Producers Group</p> <p>Brad A. Thrall, Chair</p>		
<p>As an individual</p> <p>Douglas Terry, Owner Operator of Tim Hortons, Whitehorse</p>		
<p>Alberta Federation of Labour</p> <p>Gil McGowan, President</p>	2012/06/06	Fort McMurray, AB
<p>Canadian Association of Petroleum Producers</p> <p>Tom Huffaker, Vice-President, Policy and Environment</p>		
<p>Careers: The Next Generation</p> <p>Andy Neigel, President and Chief Executive Officer</p>		
<p>Fort McMurray Chamber of Commerce</p> <p>Ted Doleman, First Vice-President</p>		
<p>Keyano College</p> <p>Ann Everatt, Vice President, Academics</p> <p>Debbie O'Halloran, Chair, Counselling, Disability Services & SKILL Centre</p> <p>Kerrin Steele, Acting Human Resources Director</p>		

Organizations and Individuals	Date	Location
McDonald's Restaurants of Canada Limited Ben Land, Franchisee, Cold Lake, Alberta	2012/06/07	Estevan, SK
Progressive Contractors Association of Canada Merron Pearce, Operations Manager		
Enbridge Pipelines (Saskatchewan) Inc. John Williams, General Manager		
Estevan Chamber of Commerce Michel Cyrenne, Executive Director		
Kramer Ltd Vera Youck, Manager, Human Resources Health and Safety		
Saskatchewan Chamber of Commerce Curtis Hemming, Director, Government Relations		
Saskatchewan Mining Association Corby Cairns, Member, Manager of Human Resources and Safety, Sherritt Coal Pam Schwann, Executive Director		
SaskJobs Dorna MacDonald, Manager, Client Services, Program Partnerships, Ministry of Advanced Education, Employment and Immigration		
SaskPower Jim Diotte, Vice-President, Human Resources, Communications and Safety Robert Watson, President and Chief Executive Officer		
Southeast Regional College Norma Jo Baker, Dean of Academics Ken Shackel, Lead Consultant, Campus Services		
As an individual Denise Vanderhurk, Immigration consultant, PAX Access Centre for Labour Alternatives and owner of the Estevan Dairy Queen Grill N Chill Orange Julius		

APPENDIX E

LIST OF SITE VISITS

Eastern and Western Canada

Site	Date	Location
C&W Industrial Fabrication & Marine Equipment Ltd. 74 Irish Town Road Bay Bulls, NI	April 30, 2012	St-John's N.L.
Irving Shipyards 3099 Barrington Street	May 1, 2012	Halifax, N.S.
Tech Link Entertainment 480 Kings Road	May 2, 2012	Sydney N.S.
Port of Vancouver (By Boat)	June 4, 2012	Vancouver, B.C.
Tour of Yukon College (Including Mine Training Simulator) Tour of Alexco Transfer Yard and Golden Predator Shop Tour of Access Consulting Group	June 5, 2012	Whitehorse, Yukon
Mildred Lake Plant Site Tour: Utilities, Extraction, North Mine Viewpoint and Upgrading Reclamation Tour: Bison Viewpoint and Gateway Hill	June 6, 2012	Fort McMurray, AB
Boundary Dam Power Station, Saskpower	June 6, 2012	Estevan, SK

APPENDIX F LIST OF BRIEFS

Organizations and Individuals

Alberta Federation of Labour

ArrowMight Canada Ltd.

Association of Seafood Producers

BC Salmon Farmers Association

British Columbia and Yukon Territory Building and Construction Trades Council

British Columbia Hotel Association

Canadian Agricultural Human Resource Council

Canadian Apprenticeship Forum

Canadian Association of Occupational Therapists

Canadian Association of Petroleum Producers

Canadian Construction Association

Canadian Dental Hygienists Association

Canadian Federation of Independent Business

Canadian Federation of Nurses Unions

Canadian Literacy and Learning Network

Canadian Medical Association

Canadian Nurses Association

Canadian Tourism Human Resource Council

Canadian Trucking Alliance

Cape Breton University

Careers: The Next Generation

Centre for Digital Media

CGI Group Inc.

Organizations and Individuals

Contingent Workforce Solutions

Corix

Dietitians of Canada

Electricity Sector Council

Enbridge Pipelines (Saskatchewan) Inc.

Environmental Careers Organization of Canada

Estevan Chamber of Commerce

First Nations Human Resource Labour Council

Halifax Chamber of Commerce

Independent Contractors and Businesses Association of British Columbia

Keyano College

LED Roadway Lighting Ltd

McDonald's Restaurants of Canada Ltd. (Ben Land???)

MITACS

Newfoundland and Labrador Employers' Council

Newfoundland Aquaculture Industry Association

Nova Scotia Community College

Polytechnics Canada

Progressive Contractors Association of Canada

Restaurant Association of Newfoundland Labrador

Ryerson University (Ted Rogers School of Management)

S.U.C.C.E.S.S.

Saskatchewan Chamber of Commerce

Saskatchewan Mining Association

SaskJobs

Organizations and Individuals

SaskPower

Southeast Regional College

St. John's Board of Trade

TDL Group (Tim Hortons)

TECHNOCompétences

Terry, Douglas

Tourism Industry Association of the Yukon

Ubisoft Montreal

Vanderhurk, Denise

Vocational Training Centre for Aboriginals in the Construction Trades

Whitehorse Chamber of Commerce

WhoPlusYou Inc.

Yukon Chamber of Mines

Yukon College

Yukon Department of Education

Yukon Department of Tourism and Culture

Yukon Producers Group

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the Committee requests that the government table a comprehensive response to this Report.

A copy of the relevant *Minutes of Proceedings* ([Meetings Nos. 28 to 40, 43, 44, 46 to 48, 56, 59 and 62](#)) is tabled.

Respectfully submitted,

Ed Komarnicki

Chair

SUPPLEMENTARY OPINION OF THE NEW DEMOCRATIC PARTY OF CANADA

A vital, competitive economy in the global era requires the development of a skilled workforce that provides Canadian employers with the workers they need and Canadian workers with the opportunities they deserve. In order to achieve this goal, Canada needs to find the right match between skills and employment opportunities, so that we don't suffer from skills shortages and high unemployment at the same time. The New Democratic Party supports this report on labour shortages in Canada, and we were particularly pleased to see recommendations on incentives for training and labour mobility. However, we think there are some important areas in which the recommendations did not go far enough in addressing the crucial challenge that Canada faces.

LABOUR MARKET INFORMATION

Time and time again the committee heard from witnesses that labour market information (LMI) in Canada is not good enough. The data is not granular enough, and does not allow for sufficient breakdown by occupation or region. The data is also not published frequently enough and does not allow for high quality projections of shortages in the future. In fact, the committee's final report offers numerous instances where the testimony from industries and the data available from current surveys disagree on whether or not there is or will be a skills or labour shortage in a given industry.

The Certified General Accountants recently published an examination of available sources of data which concluded that our current LMI is not good enough to enable policy makers to effectively deal with labour shortages. They recommend "closing the statistical information gap and improving the relevance and reliability of labour market statistics at the regional and occupational levels".¹

Given that good LMI is the linchpin to good skills training and labour force development policy, as well as being crucial to good immigration policy and management of the Temporary Foreign Worker Program, we find the report's recommendations on LMI to be very weak. We need more than better publicity for the data that is already being produced.

The experts on the Advisory Panel on Labour Market Information established by the Forum of Labour Market Ministers have already provided an excellent blueprint of what steps can be taken to improve the collection, analysis and use of LMI in Canada.² New Democrats recommend **that the government take steps to implement the recommendations made in the Final Report of the Advisory Panel on Labour Market Information.**

We also note that the weakness of our LMI has been exacerbated by cuts to Statistics Canada and its surveys and the elimination of core funding for Sector Councils, which play a crucial role in bringing together industry partners and provide very useful sector-specific LMI. Therefore, New Democrats recommend **providing Statistics Canada**

with the funding it needs to improve labour force-related surveys and restoring core funding to Sector Councils.

DEVELOPING THE CANADIAN LABOUR FORCE

While employers are experiencing shortages of both skilled and low-skilled labour, unemployment in Canada remains high, with more than five unemployed Canadians for every job vacancy. The Conservative response has been to blame the unemployed for their unemployment, reducing access to Employment Insurance, trying to force Canadians to move to other parts of the country, and using the Temporary Foreign Worker (TFW) Program to drive down wages.

New Democrats believe that Canadian workers and employers benefit when Canadians are given the tools they need to be able to take available jobs. That's why we believe investments in skills training are so important, and we laud the report's recommendation that the government consider incentives to employers to invest in on-the-job training. We also recommend **that the government review its bilateral agreements with the provinces to ensure that they provide maximum benefit to Canadians in need of training.** For instance, the fact that the largest part of funding for skills training, provided through the Labour Market Development Agreements, is limited to those who qualify for Employment Insurance benefits makes no sense when more than six in ten unemployed Canadians aren't qualifying for EI.

We also believe that Canadians need support for labour mobility, rather than being threatened with the loss of their EI benefits if they don't move for jobs. We are pleased that the report recommends support for a tax credit for travel and lodging for those working more than 80 kilometres away from their residence, a proposal we have promoted with NDP Bill C-201. As the report notes, affordable housing is often a major barrier to labour mobility, as regions experiencing an economic boom cannot develop housing fast enough to offer workers reasonable accommodation at prices they can afford. We therefore recommend **that the government support the NDP Bill C-400 to create a national, affordable housing strategy in cooperation with the provinces and territories.**

The Conservatives have also mismanaged the TFW Program, allowing employers to bring in TFWs with little-to-no monitoring for compliance with the rules of the program. The result has been that Canadian workers have lost out on jobs that should have been available to them and TFWs face exploitation and rights-violations. If managed properly, the TFW Program should provide a temporary solution to a serious problem while emphasizing a longer-term response that promotes the best interests of Canadian workers, employers and our economy. The government has announced a review of the TFW Program, and New Democrats recommend **that this review be conducted in a thorough and transparent manner, with a report tabled in the House of Commons as soon as the review is concluded.**

PARTNERSHIPS APPROACH

In its Skills Strategy, the Organisation for Economic Cooperation and Development suggests that all relevant stakeholders must be involved in order to ensure an effective, comprehensive approach to skills policies. “Designing effective skills policies requires more than coordinating different sectors of public administration and aligning different levels of government: a broad range of non-governmental actors, including employers, professional and industry associations and chambers of commerce, sector councils, trade unions, education and training institutions and, of course, individuals must also be involved.”³

New Democrats agree that policies are stronger when all relevant stakeholders are involved and consulted and we recommend **that policy options to improve LMI, ensure a better match between the skills of graduates and the needs of employers, and develop strong curricula, should always include all relevant stakeholders – federal, provincial, territorial and Aboriginal governments, businesses and industry, employee representatives and labour unions, educational institutions and student associations, and not-for-profit groups.**

While New Democrats respect that one of the major goals of post-secondary education is skills training, we also recognize that this is not the only goal for Canada’s colleges and universities and that there is a role for pure research. We also respect academic freedoms and the rights of scholars to freely choose their subject areas and research projects. Therefore, New Democrats recommend **that consultations on curricula always be undertaken with appropriate respect for the multiple roles of post-secondary educational institutions.**

ABORIGINAL PEOPLES

As the report notes, Aboriginal peoples’ labour market outcomes must be improved to ensure that Aboriginal peoples benefit from resource development, to reduce Aboriginal poverty, and to provide the skilled labour force that Canada will need in the future. A key element of Aboriginal labour market outcomes is education, yet the report offers no recommendations on Aboriginal education. If educational outcomes are to improve for Aboriginal students, they need adequately funded education that respects their unique culture and history in safe and healthy school facilities.

First Nations education is the jurisdiction of the federal government, which does not provide equitable funding for First Nations children. While Budget 2012 provided some new funds for First Nations education, only 8 new schools will be built out of 170 needed and so far, no money has been committed directly to First Nations schools for front-line education services. According to the Assembly of First Nations (AFN), \$500 million is needed to bring funding for First Nations K-12 education to parity with non-Aboriginal Canadians. The AFN has also noted that a gap in funding for post-secondary education has prevented more than 13,000 First Nations students from pursuing higher education. New Democrats recommend **that the government provide**

sufficient and equitable funding for First Nations K-12 education and post-secondary education, including vocational training and apprenticeships, and that the government remove the punitive 2% cap on funding increases to First Nations.

Budget 2012 also promised consultations with First Nations on the creation of a First Nations Education Act. The government's failure to take consultation seriously has already derailed this process once, with the chiefs withdrawing from the process due to inadequate consultations. Now that both sides have agreed to come back to the table, New Democrats recommend **that the government recognize First Nations jurisdiction over education and abide by the federal government's duty to consult by holding extensive and meaningful consultations leading to the creation of a First Nations Education Act that respects First Nations rights, culture and history.**

The federal government also provides funding for Inuit education through territorial transfers and land claims agreement transfers. The education system is seriously failing Inuit youth, with only 25% graduating from high school. Those that do manage to graduate are still not at the same skill level as non-Aboriginal graduates.⁴ The report of Thomas Berger, a conciliator appointed to resolve differences in the negotiations of the Implementation for Land Claims Agreement, found that education is a key factor in impeding progress on Inuit representation in the public service. He called for an increase of \$20 million annually to education funding, beyond what is provided through territorial financing.⁵ The same holds true for other jobs: Inuit youth need culturally and linguistically appropriate education that enables them to stay in school and graduate with the skills they need to join the workforce. New Democrats therefore recommend **that the government increase funding for Inuit education, beyond the funding provided through territorial financing and land claims agreements.**

The committee heard from multiple witnesses that the Aboriginal Skills and Employment Training Strategy (ASETS) has been very successful at providing the training Aboriginal Canadians need and the links with employers that help them to find jobs after their training. However, the committee also heard that funding has been frozen since 1996, despite the fact that the need is greater than ever as the Aboriginal population grows. ASETS holders have also noted the heavy reporting burden that comes with their funding. A review of the program is beginning, and New Democrats recommend **that the federal government include ASETS holders in the ongoing program review in a meaningful way, and work with them to establish a process for stable, predictable and adequate funding to maintain and improve this highly successful program.**

1 Rock Lefebvre, Elena Simonova, and Liang Wang, *Labour Shortages in Skilled Trades — The Best Guestimate?* Certified General Accountants, July 2012, http://www.cga-canada.org/en-ca/ResearchReports/ca_rep_2012-07_labour-shortage.pdf.

2 Advisory Panel on Labour Market Information, *Working Together to Build a Better Labour Market Information System for Canada*, Final Report, May 20, 2009, http://publications.gc.ca/collections/collection_2011/rhdcc-hrscd/HS18-24-2009-eng.pdf.

3 OECD, *Better Skills, Better Jobs, Better Lives: A Strategic Approach to Skills Policies*, OECD Publishing, 2012, <http://dx.doi.org/10.1787/9789264177338-en>.

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- 4 National Committee on Inuit Education, Inuit Tapiriit Kanatami, *First Canadians, Canadians First: National Strategy on Inuit Education*, http://www.itk.ca/sites/default/files/National-Strategy-on-Inuit-Education-2011_0.pdf.
- 5 Thomas R, Berger, “Conciliator’s Final Report: The Nunavut Project,” <http://www.tunnigavik.com/documents/publications/2006-03-01%20Thomas%20Berger%20Final%20Report%20ENG.pdf>.

Minority Report, Liberal Party of Canada

We would like to thank all of the witnesses that appeared before the HUMA committee during the course of the *Labour and Skills Shortages in Canada: Addressing Current and Future Challenges* study. The Liberal Party supports the intent of the study and many of its recommendations; however, it feels that the final report did not address all of the key concerns or suggestions of the stakeholder groups that appeared before the Committee or submitted briefs for consideration.

The following are some areas that the Liberal Party believes the Report could have been strengthened.

Labour Market Information

Although we agree with the Report's recommendations regarding the need for better and more user-friendly labour market information, we believe the report does not go far enough to ensure positive outcomes. It has been over three years since the federal government received the final report, *Working Together to Build a Better Labour Market Information System for Canada* from the advisory panel on Labour Market Information, chaired by Mr. Don Drummond. Yet the government has failed to implement most of the advisory panel's report recommendations.

In some cases, the government has gone in the opposite direction of what the advisory panel recommended. For example, the advisory panel recommended that Statistic Canada improve its ability to collect and disseminate labour market data, and that more funding would be required to pay for these improvements. Budget 2012 saw the government cut significant funding (\$33.86 million) from Statistics Canada's economic, social, census, and Aboriginal statistics collection programs, which provided vital labour market information.

The Liberal Party believes the HUMA report should have recommended the adoption of all the advisory panel's recommendations concerning labour market information.

Health Human Resources Information

One of the most significant consequences of the aging of the Canadian population is the impact it is having, and will continue to have, on the healthcare system. This coupled with emerging challenges around issues like mental health; demand that we have the right health care workforce to meet these needs.

A key means of managing this is to strike a multi-stakeholder forum, like a national health human resources data and analysis centre, to identify, prioritize and address areas where the training of future health care providers can be brought into greater alignment with the future health care needs.

This body could provide a formal structure for the collection and analysis of Canada's disparate data sets, the collection of data where needed, and to serve as a resource to

governments, federal and provincial, in matters of policy planning for health human resources.

Financial Support for Skilled Trades

Although the government promotes a number of measures it has introduced to assist apprentices, the apprenticeship program completion rates are abysmal. The government's strategy has failed to increase the apprenticeship graduation rate.

One of the challenges raised to entering and completing apprenticeship programs is the current Employment Insurance system. Canadians have been experiencing increasingly long delays in having their EI applications processed in general. This fact deters, not encourages people to enter an apprenticeship program.

The Liberal Party believes the EI application process must be effective and efficient for the promotion of apprenticeship entry and completion. In addition, we recommend increased support for training in the employment insurance system, including extending benefits for workers who are in training, and looking at options such as pre-qualifying apprentices for EI in the skilled trades.

Canadians with Disabilities

Canadians with disabilities are much more likely to be unemployed, to living in low-income situations, and face discriminatory treatment. Yet there is no recommendation within the report about how to address these issues. We believe that funding for Labour Market Agreements for Persons with Disabilities – which has been frozen at current levels for years - should be increased. Further, Canada has signed and ratified the UN Convention on the Rights of Persons with Disabilities, but has done nothing to implement it. We believe the government must work with the provinces, territories, disabled Canadians and their organizations to develop an action plan for implementing the convention.

Funding for Aboriginal Education

The First Nations population represents a key part of our future workforce, but a failure to invest in First Nations K-12 education has resulted in some of the worst education outcomes in the country. The federal government must commit to working with First Nations to close the education funding gap that exists between First Nations students and non-First Nations students on an urgent basis, so that every First Nations student receives a high-quality, culturally relevant education.

The funding for the Post-Secondary Student Support Program (PSSSP), which provides funding to First Nations and Inuit students has been capped at 2% growth since 1996. This funding rate has failed to either match growth in the target population applying to this program, or for the growing costs of education. The Liberal Party advocates for lifting the cap and fully funding the program so that every qualified learner can attend and graduate from a post-secondary institution.

Incentivizing Co-operative Education

A co-op employer tax credit is a strong incentive for companies, like those in the STEM (science, technology, engineering and math) industries to take advantage of the talent produced by local colleges and universities. Co-op work terms strengthen the affinity students have to their local industry and community and lessen the likelihood that they will seek opportunities in other tech clusters like Silicon Valley or Boston. In Ontario, the co-op employer tax credit reimburses employers 25% of eligible expenditures up to a maximum of \$3,000; smaller businesses are eligible for a higher credit rate of 30%.

The Liberal Party recommends the federal government to consider matching this kind of incentive to increase the opportunity for Canadian co-op students to gain experience in Canadian companies. This significantly increases the likelihood that they will accept full-time employment in Canada after graduation.

