

Anticipated Labour Shortages in the Canadian Transportation Sector

Unifor Submission to the Standing Committee on Transport, Infrastructure and Communities

November 9, 2022

Unifor was pleased to provide evidence to the Standing Committee on Transport, Infrastructure and Communities hearing on Anticipated Labour Shortages in the Canadian Transportation Industry on Oct. 31, 2022.

The following items reiterate our position, bring additional information and respond to questions brought by the committee.

Air Transportation

Despite what Members of Parliament may have been led to believe during the hearing on Oct. 31, employers are facing challenges hiring workers into both high and low paid jobs. Much attention was placed on the fact that employers are challenged to hire pilots, air traffic controllers and mechanics – all highly paid, technical job openings that employers are having trouble filling.

In addition, our members in low paid jobs in the industry are working short handed. In some cases, their employers are unable to hire enough people to compete for new work. Employers are underestimating the level of skill required to do the work and importance of training in the industry. At all pay levels, workers are increasingly working with complex systems and new technologies that require time and attention to use well. About 50% of the staff in many subsectors of the industry have less than one year seniority and turnover is high. Add to this, inadequate training provisions, very few experienced coworkers to ask for help and inadequate management support and you have a recipe for ongoing inability to find workers. Turnover will continue to be high as workers are frustrated and look to find work elsewhere. Local unions continuously report low pay as a leading reason for taking employment elsewhere.

Contract flipping and on-the-job harassment are two more challenges plaguing workers in the industry. Three Unifor bargaining units have lost and had to reapply for their jobs due to contract flipping this year. This practice creates unattractive, precarious working conditions that are unfair, unhealthy and make the labour challenge worse.

As customer satisfaction deteriorates and bottlenecks get worse, aviation workers are facing increasing harassment on the job including verbal and physical assaults, with many being filmed and posted about online for a situation they have no control over – by design. Pilots, Air Traffic Controllers, Flight Services Specialists and Aircraft Mechanics face a continuous situation where employers fail to hire and train the appropriate number of workers in advance of the need for fully-licensed workers and then are surprised when the workers aren't available. Some are advocating for use of the Temporary Foreign Worker Program to circumvent the collective agreement and erode working conditions to increase profit.

According to the wage and job vacancy survey, the average offered starting wage for a worker in the industry has only increased by 6% (\$1.30) since 2019. That is an average of less than 2% per year and only 2.5% above what was offered in the first Quarter of 2020. Recent research indicates the average offered hourly wage in the transportation sector is lower than the industries reservation wage (the wage at which workers are willing to work) – demonstrating what is clearly a wage shortage not a worker shortage.

Unifor recommends that government:

- Institute a minimum living wage at airports across the country. In Toronto, the living wage is \$22.08 per hour.
- Implement full successor rights by changing Part III of the Canada Labour Code to deem a sale of business to have occurred where an employer that provides services to a client ceases to provide those services, and another employer begins to provide the same or similar services to the client.
- Enhance oversight of employers to ensure temporary migrant workers are hired only once workers in Canada have been offered the available work at pay rates competitive to the job classifications and the opportunity to train for that work.
- Ensure that employers pay temporary pilots through the TFW and IMP programs the same as workers based in Canada and that the employment qualifications match the qualification requirements of the government of Canada to promote both safety and parity.
- Fix the Federal Temporary Foreign Worker Program by granting migrant workers permanent residency status upon arrival to ensure equal rights and protections for all and reversing the current trend of allowing employers to use the program to decrease wages and working conditions.
- Develop a solution to the escalating problem of on the job harassment, including requiring corporate actors to take responsibility for the frustration their business models and technological advances introduce.

Freight Truck Drivers

The Truck Driver shortage has been looming for quite some time and is now upon us. A large portion of the problem is the quality of employment in the industry. The average wage was around \$25 per hour in 2021 though it has increased slightly in 2022¹. The self-employed driver model, used by many companies, drives wages down further as drivers have to pay their capital and travel costs out of those wages.

In addition to the low pay, work conditions are difficult and injuries are common. Truckers work about 20% more hours than other workers. Truckers and other heavy equipment operators suffer 25,000 lost time injuries per year. On average, 100 truck drivers and heavy equipment operators die every year.

In addition, loneliness, stress on the family and back problems make the job even less attractive to the current work force.

Driver misclassification means workers don't get to claim overtime, don't get holiday pay, severance pay or compensation for injuries. After paying expenses, many barely make the minimum wage.

Driver surveillance is increasingly become a feature of work. Drivers are told they are independent contractors while simultaneously being constantly monitored by their contracting employer and under threat of reprimand. Companies monitor location on GPS

¹ <https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=1410020501>

and track things like stops, length of stops and whether or not a driver is distracted with little description of if or how that data will be used. This only intensifies the stress drivers are under and does nothing to alleviate the shortage.

On major highway networks, there is a lack of rest, washroom and shower stops that offer truck drivers a safe place to rest. Break-ins and theft are common occurrences for drivers.

Unifor recommends that government:

- Increase inspections of federally-regulated trucking companies for driver misclassification, wage theft and exposing employers that are driving down conditions;
- Improve infrastructure that supports truck drivers including more rest and washrooms stops, parking spots, places to get healthy means or get cleaned up. Stops need to be safe places that are monitored so that drivers feel secure.

Training

Worker training was continually referenced during the hearing. Employers were adamant that they were working hard to find trainees but were unsuccessful to find enough. Unifor experience suggests that in many of these roles, particularly specialised roles such as mechanics, the bottleneck is caused by employers who refuse to hire and train apprentices. Instead, small firms hire and train workers who are then enticed away by higher pay or better hours at larger airlines.

A solution to this problem could be to require a certain ratio of apprentices as is done at the auto companies in Ontario or ensuring a common pool of trained workers from which to hire.

In addition, employers need to pay more attention to the amount and quality of training that must be provided as jobs become increasingly complex. Just because a job is low paid doesn't mean it requires little skill. Employers need to rethink and improve training programs and provide more support through the early stages of gaining experience to ensure workers are equipped with the skills and confidence they need to perform the work required of them.

Union – Employer Collaboration

Union-employer collaboration is an essential component of solving labour and workforce issues. Workers have first hand experience of what a job requires, the challenges faced and skills needed. When employers are willing, union-employer collaboration can be the best way to identify the requirements that should be listed on a job description and identify potential candidates likelihood of success or the additional training required to increase chances of success.

Unifor locals have numerous examples where union-employer collaboration has been successful.

For example, when Air Canada recently introduced a new web-based reservations system, Unifor Local 2002 members approved job postings and participated in the interviews for members on special assignment in system testing. Those members on special assignment then became Change Agents that assisted the agents with the introduction of the new system. This was far more successful than the previous attempt to introduce new technology when trainers were contract workers from another who didn't understand the job or how to assist beyond very technical system issues.

Last year, customer service agents negotiated to have training for new hires increased from six days to 30 days. The union sat in on the pilot training classes last fall before training was finalized and gave feedback on how it could improve. Feedback included adding some training topics, addressing real life issues at the airport, and pointing out where the training needed to be improved.

These are just a few examples of union-employer collaboration that have improved on-the-job capabilities and retention rates.

In addition to collaboration at the workplace level, Unifor has been advocating for the introduction of sector councils at the federal level that would bring industry stakeholders together to discuss broad issues such as job quality, skill changes, training apprentices and hiring skilled trades, and increasing visibility of jobs facing shortages of trained workers.

Unifor recommends that government:

- Create a sector council for each industry in the transportation sector. The councils would bring together stakeholders from all sectors of the industry including government, employers, unions and educational institutions to identify high priority challenges and produce actionable recommendations that will be acted upon by government and the private sector.

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