

Labour Shortages in the Trucking Sector

CCMTA Annual Meeting 2023



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Labour Shortages Across the Transportation Sector

The transportation sector underpins the Canadian economy and enables an efficient and effective supply chain, including the movement of goods and people.

Labour shortages threaten the health, safety, and economic viability of Canadians – particularly Indigenous, Northern, and remote communities dependent on transportation.

There is acute competition for workers across Canada – where trucking and other transportation sectors are competing for workers with other large sectors.

Trucking: 25,000-55,600 (2023-2035)

- Truck drivers, shippers and receivers

Aviation: 42,000-55,000 (2025-2035)

- Pilots, Aviation Mechanical Engineers, Flight attendants, Air traffic controllers

Marine: 1,000-19,000 (2031-2035)

- Seafarers, deck officers, marine navigation and engineering officers

Rail: 4,000 (2035)

- Railway conductors and brakemen/women, railway engineers, railway traffic controllers, track and yard maintenance workers

Impacts of Labour Shortages in the Transportation Sector



- Current labour gap in transportation has \$1.3B in direct economic costs to Canada (Conference Board, 2022)
- \$4.3B direct and indirect economic costs across the economy
- Causes cascading effects on reliant sectors (e.g. agriculture, natural resources, tourism, manufacturing)
- Total cost of labour shortages (direct + indirect + induced) is 3.2X higher than the direct cost

Total annual cost on the economy

Sectors	Indirect Costs
Transportation and Warehousing	\$1.324B
Finance, Insurance, Real Estate	\$728M
Manufacturing	\$317M
Wholesale and Retail Trade	\$283M
Agriculture and Mining	\$160M
Other sectors (including Tourism)	\$1,434M
Total Economy	\$4.259B

Barriers to Recruitment & Retention across the transportation system

HIGHT COSTS OF TRAINING

High training/education costs and low starting salaries; lack of funding to offset these costs act as disincentives to join the sector

At least \$85K or more to become a pilot or flight instructor and starting salaries between \$32 – 57K

Costs approximately \$11K - \$20K to be qualified to work on a marine vessel

AGING WORKFORCE / LACK OF DIVERSITY

28% of transportation and warehouse workforce and 33% of marine workforce is age 55+ (23% for total economy; 22% for health care)

Women are severely underrepresented at only 24% of sector's labour force (13% of rail, 7% of pilots, 5.5% of aircraft mechanics)

Indigenous Peoples are underrepresented despite Indigenous youth as fastest growing population segment

Isolated and monotonous work, as well as extended time away from home, create barriers to recruitment

REGULATORY AND SERVICE-RELATED BARRIERS

Many safety sensitive positions have mandatory certifications (e.g. seafarer and aviation pilot licenses)

Regulatory irritants / overlapping requirements across jurisdictions can lead to processing / issuance delays

Backlogs and delays to certification and licensing lead to potential workers delaying entry into workforce or leaving the sector entirely

Drivers of Labour Shortages in the Trucking Industry

HIGH COSTS OF TRAINING

Upfront training costs for 2-3 month truck driver training programs are high – costing up to \$15K to become a truck driver

Starting wages at roughly \$40K

AGING WORKFORCE AND LACK OF DIVERSITY

Trucking industry has a rapidly aging workforce

36.4% of truck drivers in Canada were 55 years or older (2021 Census) compared to 24.5% across the Canadian labour force

Only ~3.5% of truck drivers are women

Low Indigenous representation in Canada's truck driver labour pool

NEGATIVE PERCEPTIONS ABOUT WORK IN THE INDUSTRY

Long-haul drivers face difficult work-life balance and complex pay structures

Concerns regarding safety and long-term impacts on the body from long hours sitting

Actions to Date

Supporting Access to Immigration

- **NOC Changes:** Truck Drivers now eligible for IRCC Express Entry Program
- **Category-Based Selection Immigration:** Transportation has been selected as a priority category for this new system.
- **IRCC Immigration Review:** TC is supporting IRCC on its review of Canada's Immigration System's policies and programs

Increasing access to financial supports for training

- **ESDC's Sectoral Workforce Solutions Program (SWSP):** Trucking HR Canada received **\$46.3M** for its Driving Economic Recovery Project
 - Scaling up Career ExpressWay driver training program and building on Women With Drive initiative

Increasing participation of underrepresented groups

- **ESDC's Skills and Partnership Fund supporting training-to-employment of Indigenous workers in the trucking sector**
 - Gezhtoojig Employment & Training - Driving Your Future project (~\$1.5 million)
 - Qikiqtani Inuit Association - Qikiqtani Skills and Training for Employment Partnership project (~\$25M)

Awareness, Outreach and Collaboration

- **Interjurisdictional Engagement:** TC has engaged with Provinces and Territories to identify and discuss areas for collaboration
- **Engaging Transportation Jobs and Career Pathway Social Media campaign and website:** launched to help raise awareness of employment opportunities and encourage individuals to choose a career in transport sector

Forward-looking opportunities

Improving Infrastructure

- Road Infrastructure to improve quality of work (e.g. rest stops and parking areas)
- Training Infrastructure to reduce training costs (e.g. increased use of simulators)

Ensuring Awareness of Existing Programming

- Existing immigration programming: Express Entry, Temporary Foreign Worker Program and Economic Mobilities Pathway
- Existing project funding: Sectoral Workforce Solutions Program, Skills and Partnership Fund
- Bring together key stakeholders to discuss labour and skills needs and solutions

Collaborative Promotion, Outreach, and Adoption

- Promote TC's Transportation Jobs and Careers Website with industry and others
- Sharing best practices in recruitment and retention
- Complete roll-out of entry-level training program for truck drivers in all jurisdictions to facilitate driver license reciprocity and mobility