



Labour Shortages in Canada

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Employment and Social Development Canada (ESDC)
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Structure

- About ESDC
- Labour Market Information System in Canada
- Canadian Occupational Projection System (COPS)
 - Some results
 - Uses of COPS
 - Challenges



About ESDC

Federal ministry that works to improve the standard of living and quality of life for all Canadians. We do this by promoting a labour force that is highly skilled, and an efficient and inclusive labour market.

Employment
Insurance

Job Search

Training

Student Loans

Temporary Foreign
Program

Disability Benefits

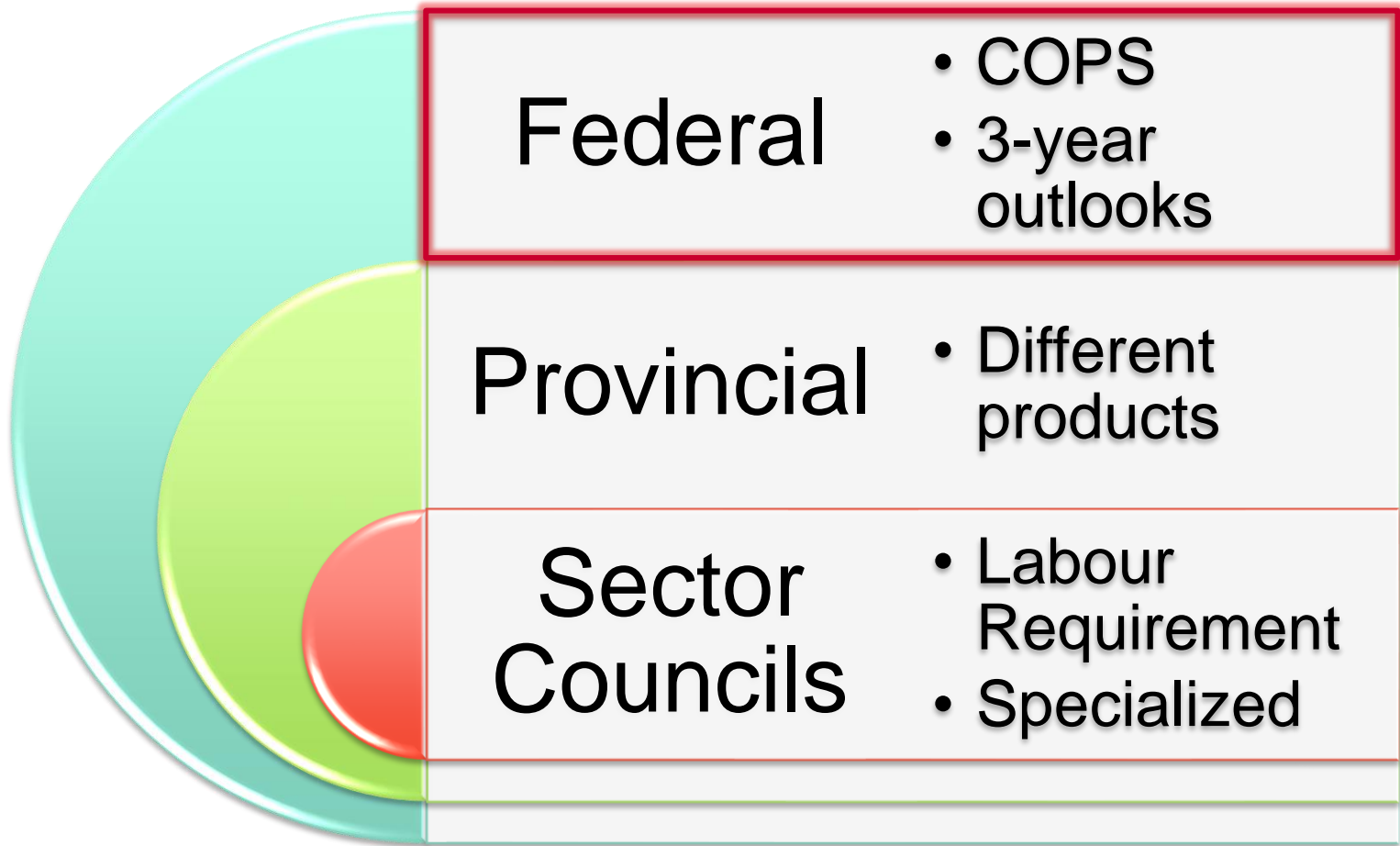
Family Benefits

Canada Pension
Plan

Others



Labour Market Information System in Canada



What is COPS?

The Canadian Occupational Projection System (or COPS) is a suite of models developed and used by ESDC to project labour demand and labour supply, and identify labour market imbalances (shortage/surplus)

for
293
occupational groups

at the
NATIONAL
level

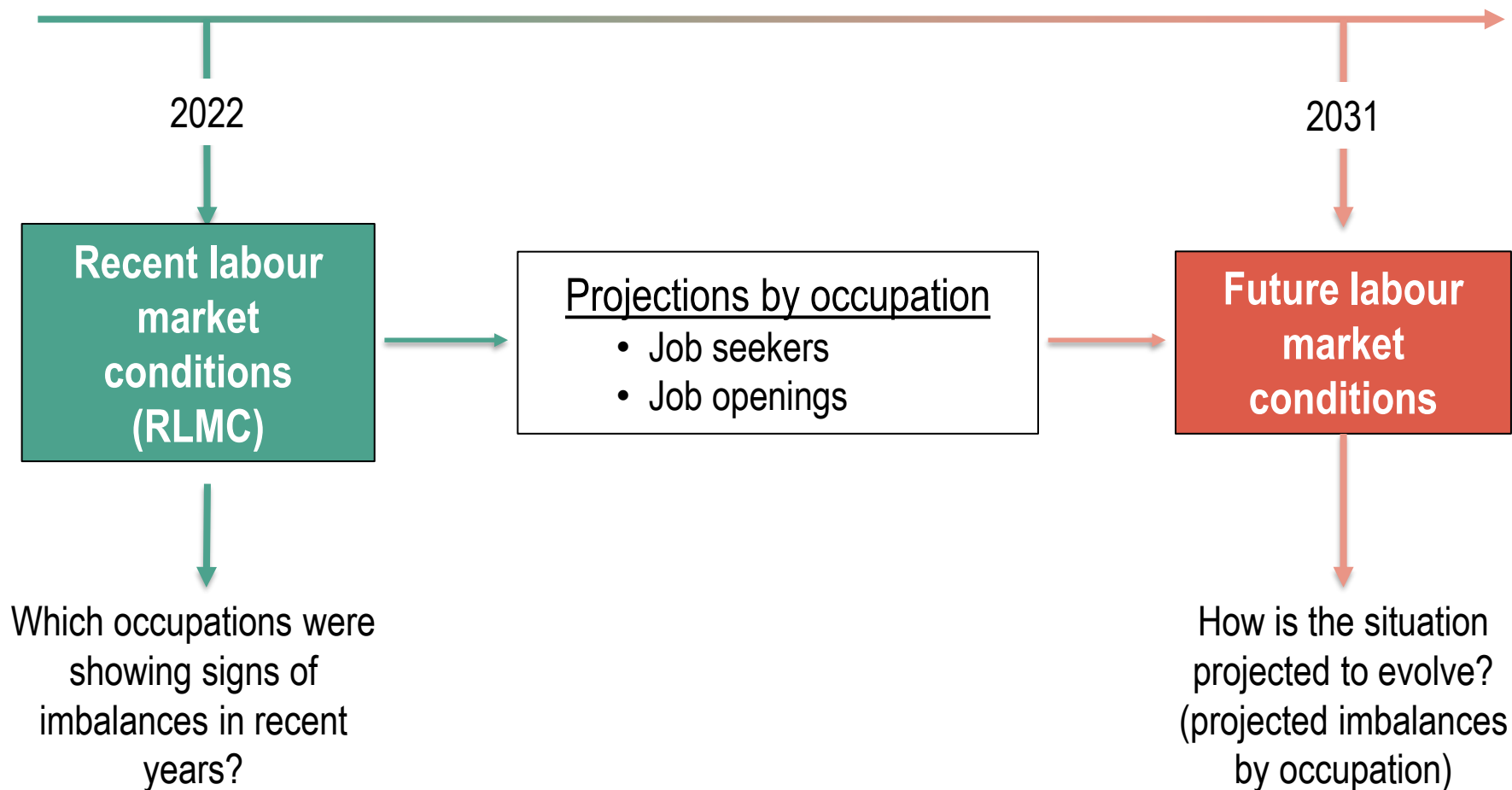
over the next
10
years

Examples of information that COPS provides:

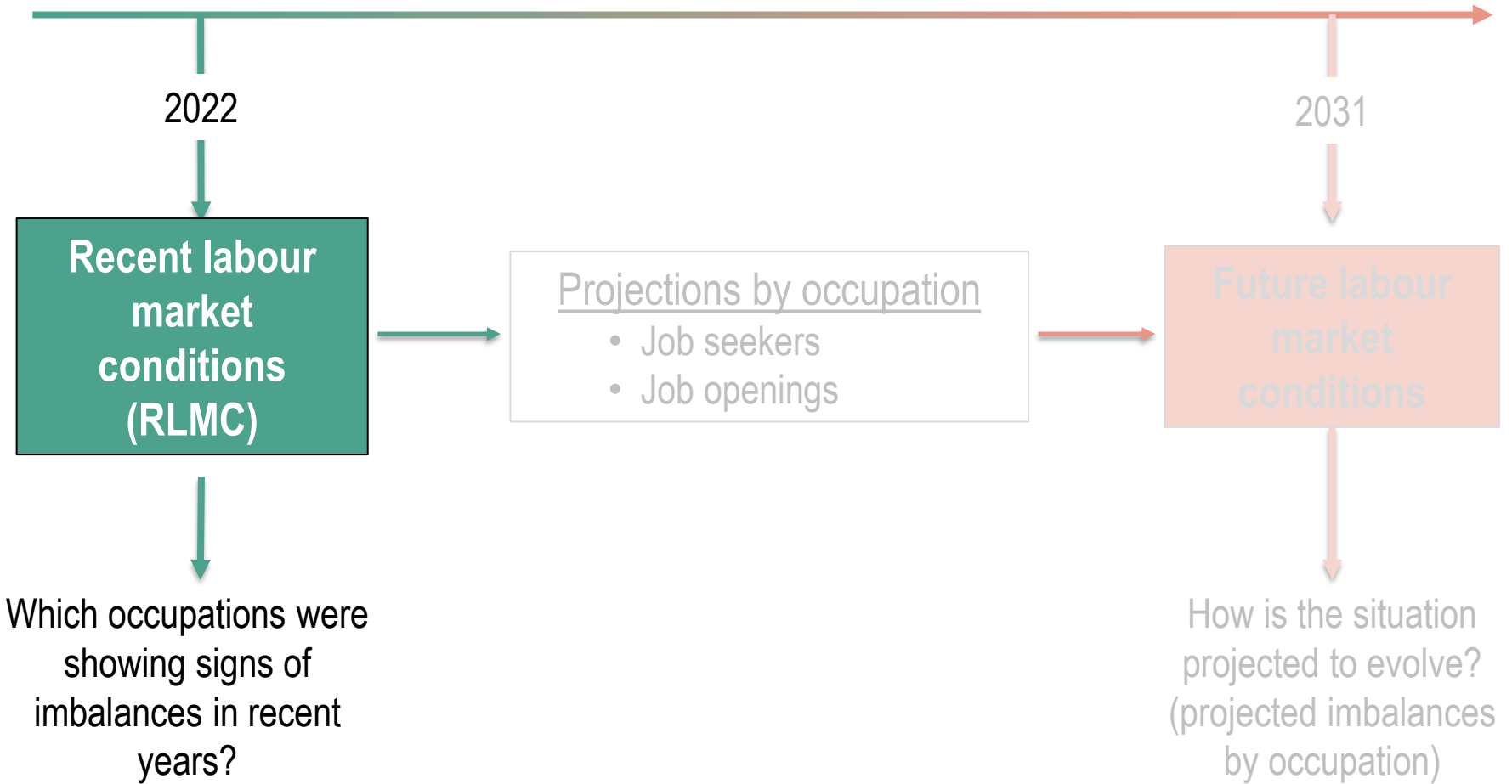
- Occupation with the strongest employment growth, or strongest/weakest retirement pressures
- What kind of education will be required to fill the job openings?
- How many new labour market entrants will come from the education system? Or immigration?



Structure of COPS

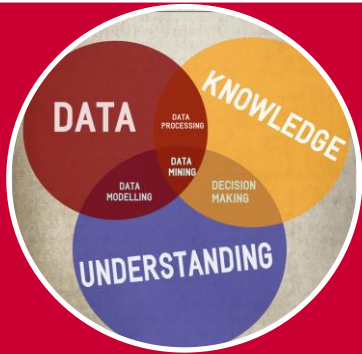


Structure of COPS



RLMC Methodology

Currently, there is no powerful automated method (or plug-and-play tool) to identify shortages. Our process consists of 3 main steps:



1. Analyses (20-30 indicators)

Employment growth
Unemployment rate
Wage growth
Employment Insurance
Job vacancies (quantity, length, unemployed per vacant position, etc.)



2. Overall Consultation with external stakeholders (direct and indirect)

Sector Councils
Industry organizations
Professional Associations

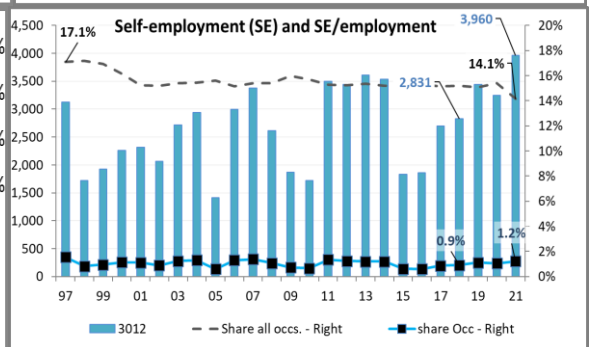
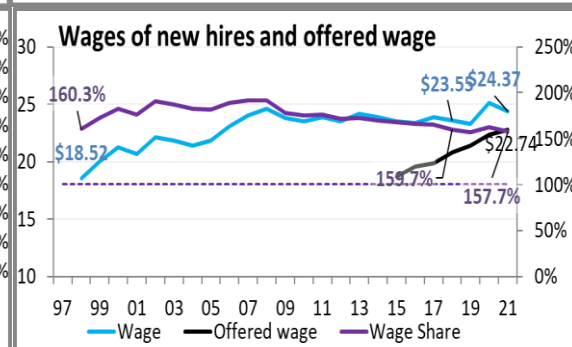
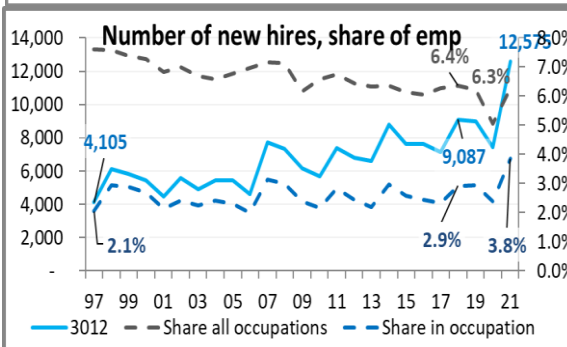
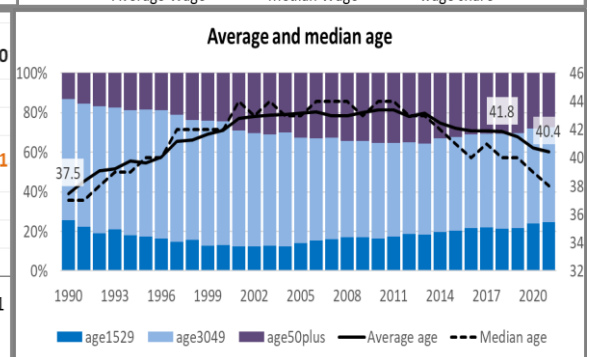
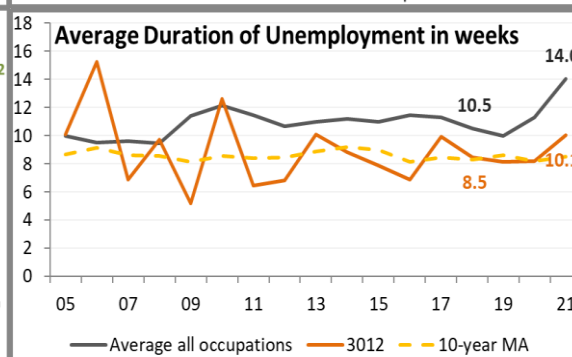
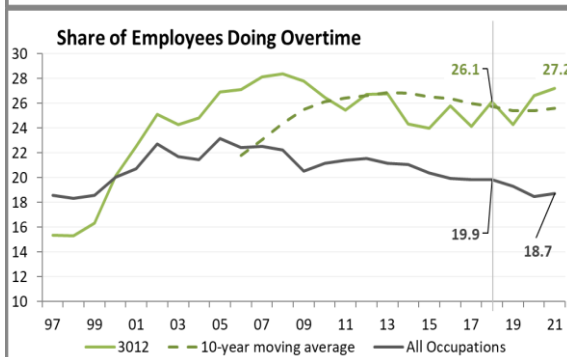
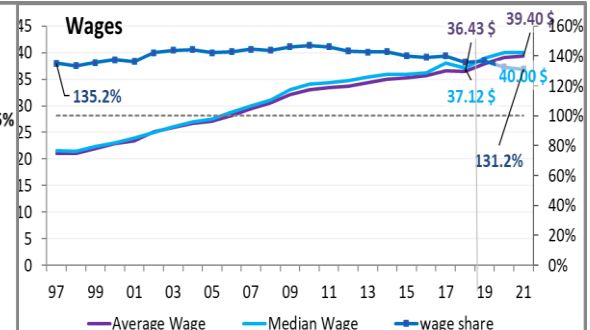
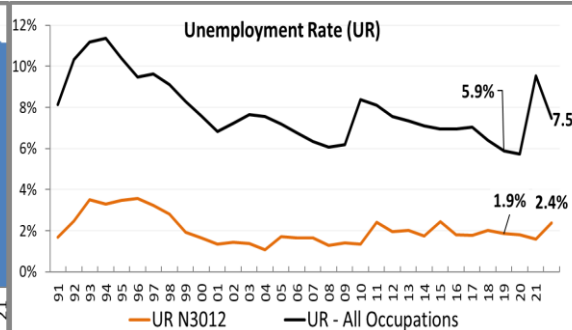
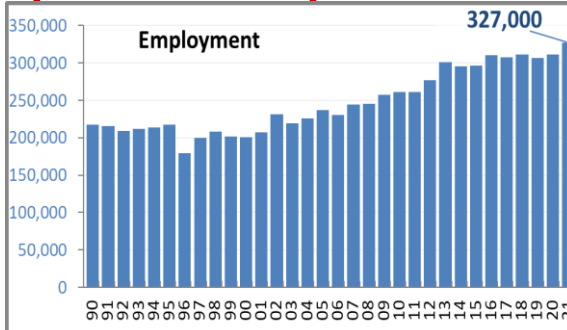


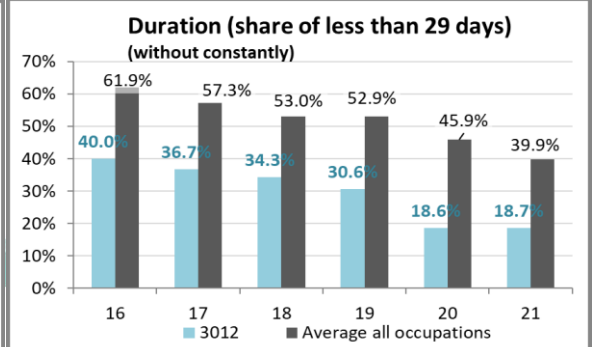
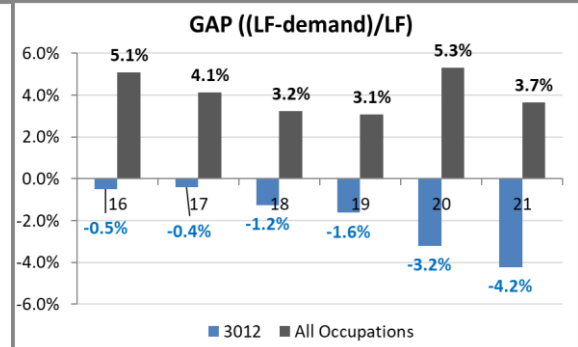
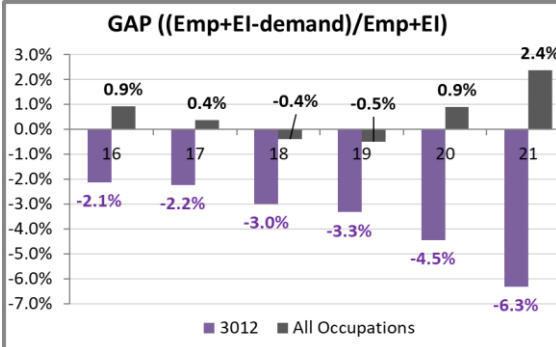
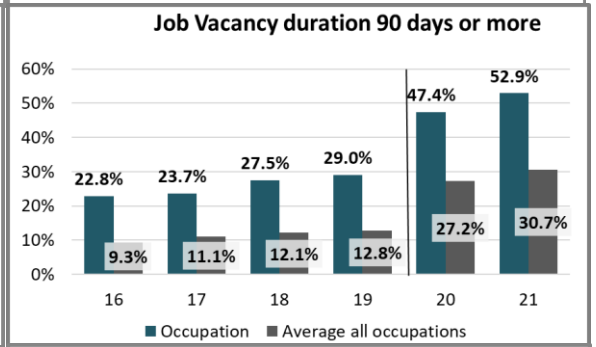
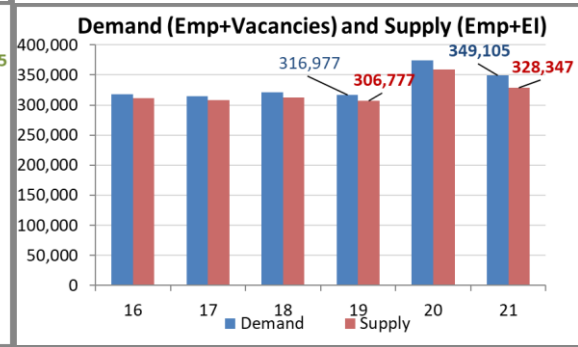
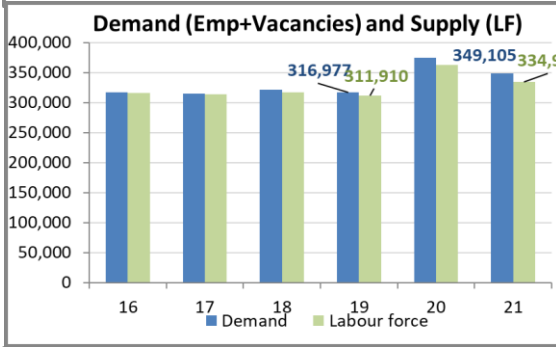
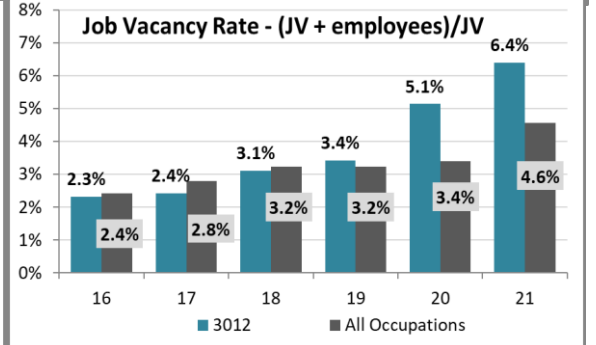
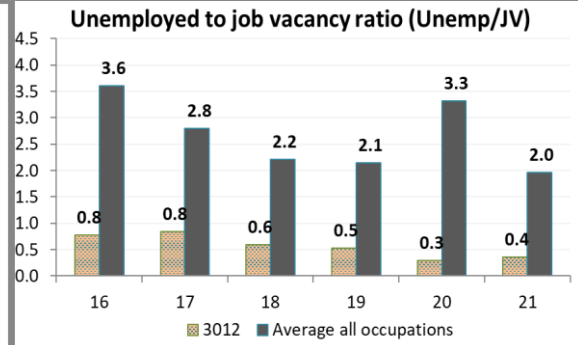
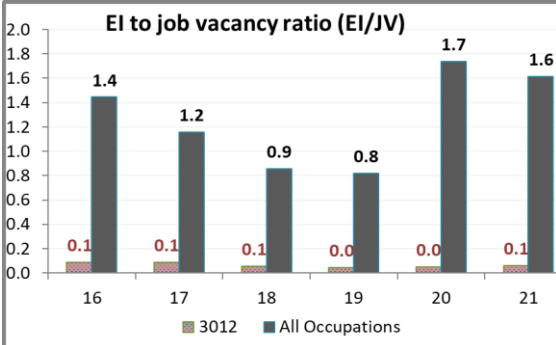
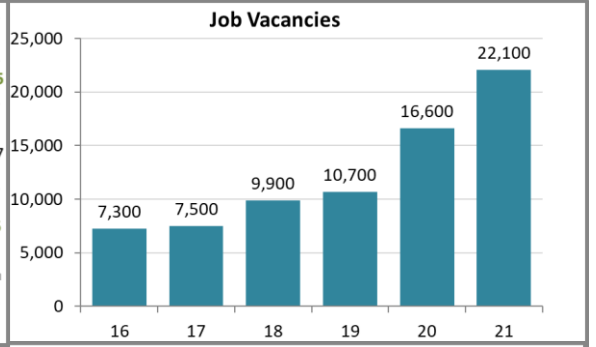
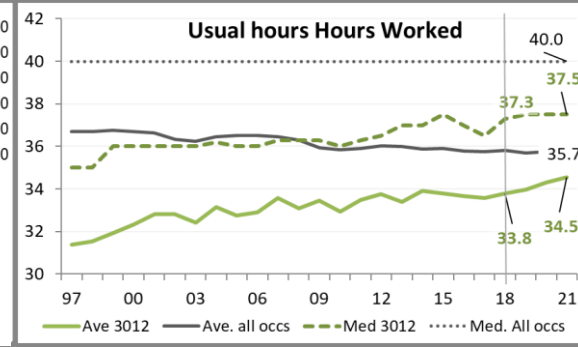
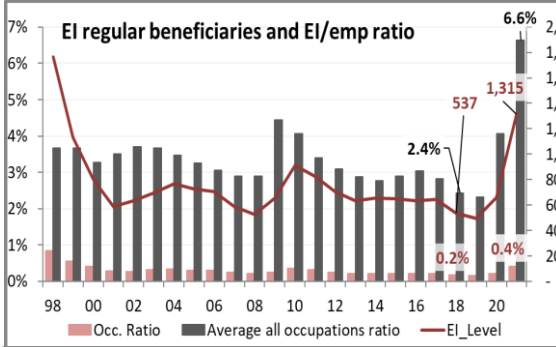
3. Detailed Consultation with regional economists within ESDC and provincial partners

OCCUPATIONAL ANALYSIS

List of indicators – some graphs

Registered nurses and registered psychiatric nurses (NOC 3012)





Recent Conditions: *There are currently twice as many occupations in shortage situation as there were prior to the pandemic*

Occupational groupings showing signs of shortage or surplus conditions in recent years*

Occupations showing signs of:	Number of occupations*	Share of occupations*	Employment, 2021	Share of total employment, 2021
- Shortage – Struct.	38	13%	2,812,000	15%
- Shortage – fric./cycl.	20	7%	1,942,300	10%
- Balance	228	78%	13,936,600	74%
- Surplus – Struct.	4	1%	115,700	0.6%
- Surplus – fric./cycl.	3	1%	58,900	0.3%

Occupations showing signs of labour shortage

- 17 health-related occupations
- 11 natural and applied science
- 8 sales and services
- 8 trades
- 7 manufacturing occupations
- 3 natural resources and agriculture
- 2 education, law, social and government
- 2 management occupations

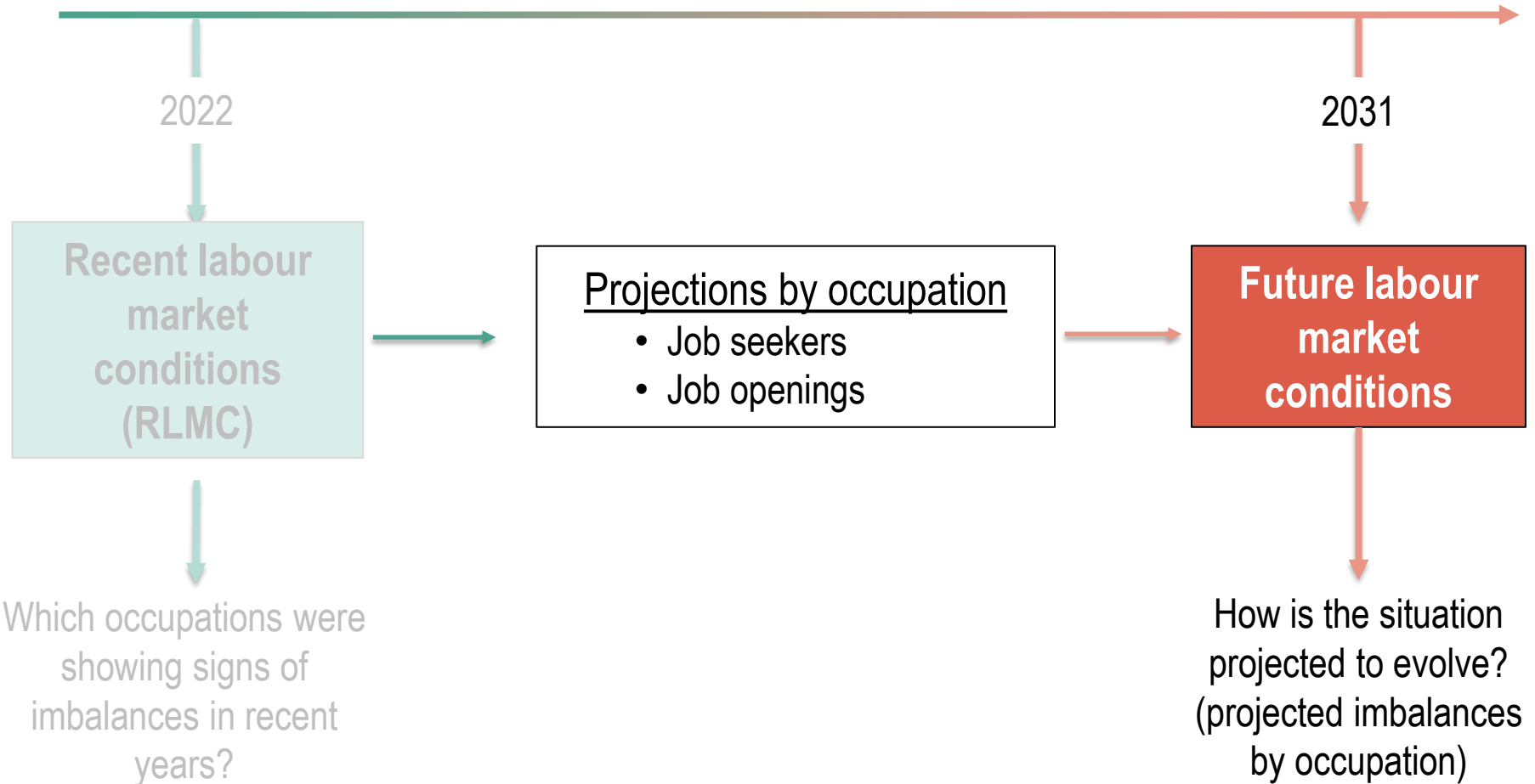
Occupations showing signs of labour surplus

- 4 business, finance and administration
- 1 natural and applied sciences
- 1 arts, culture, recreation and sports
- 1 sales and services

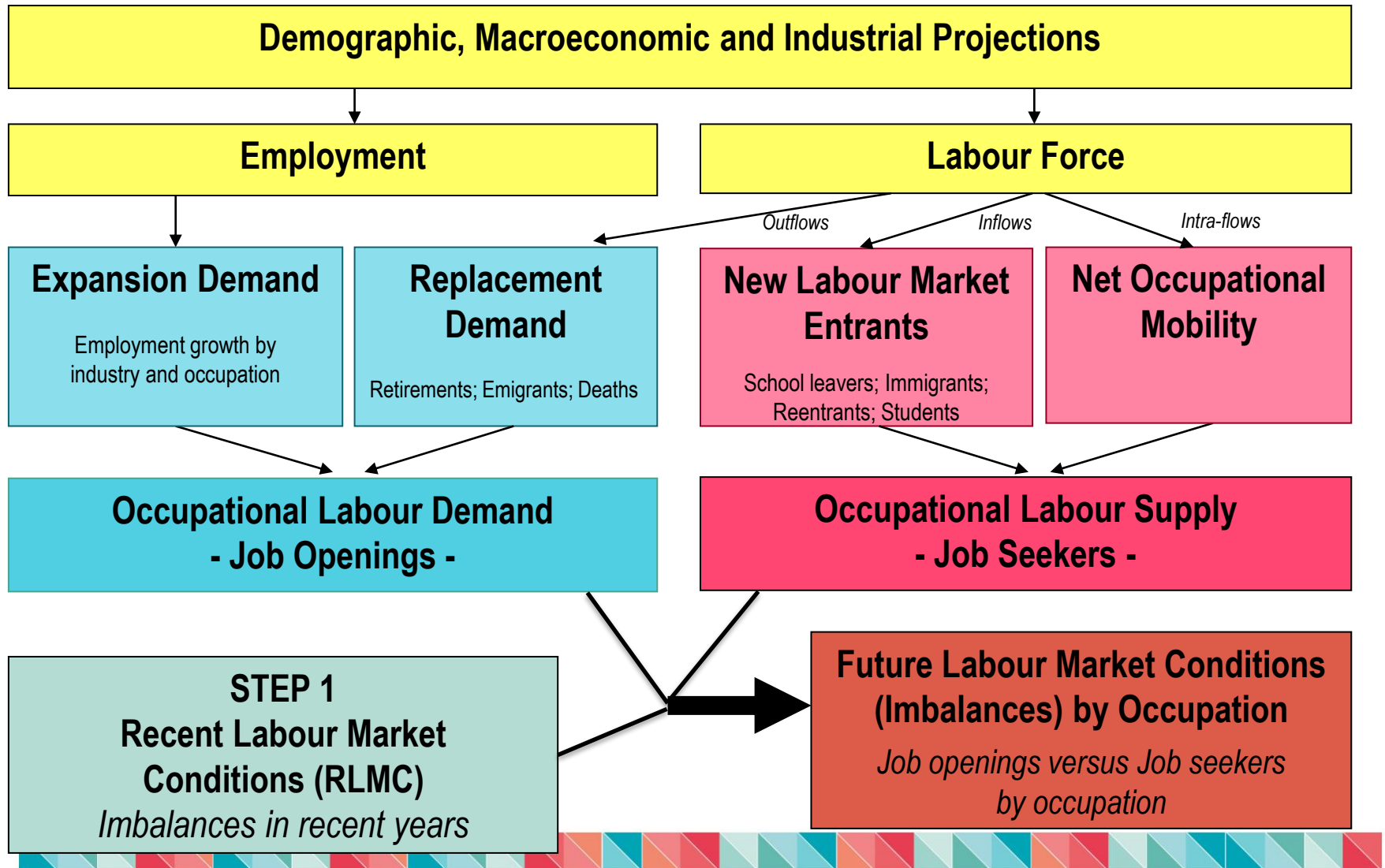
Sources: ESDC 2022 COPS Projections (preliminary) using ESDC and Statistics Canada data.

*Recent years refer to the period 2019-2021

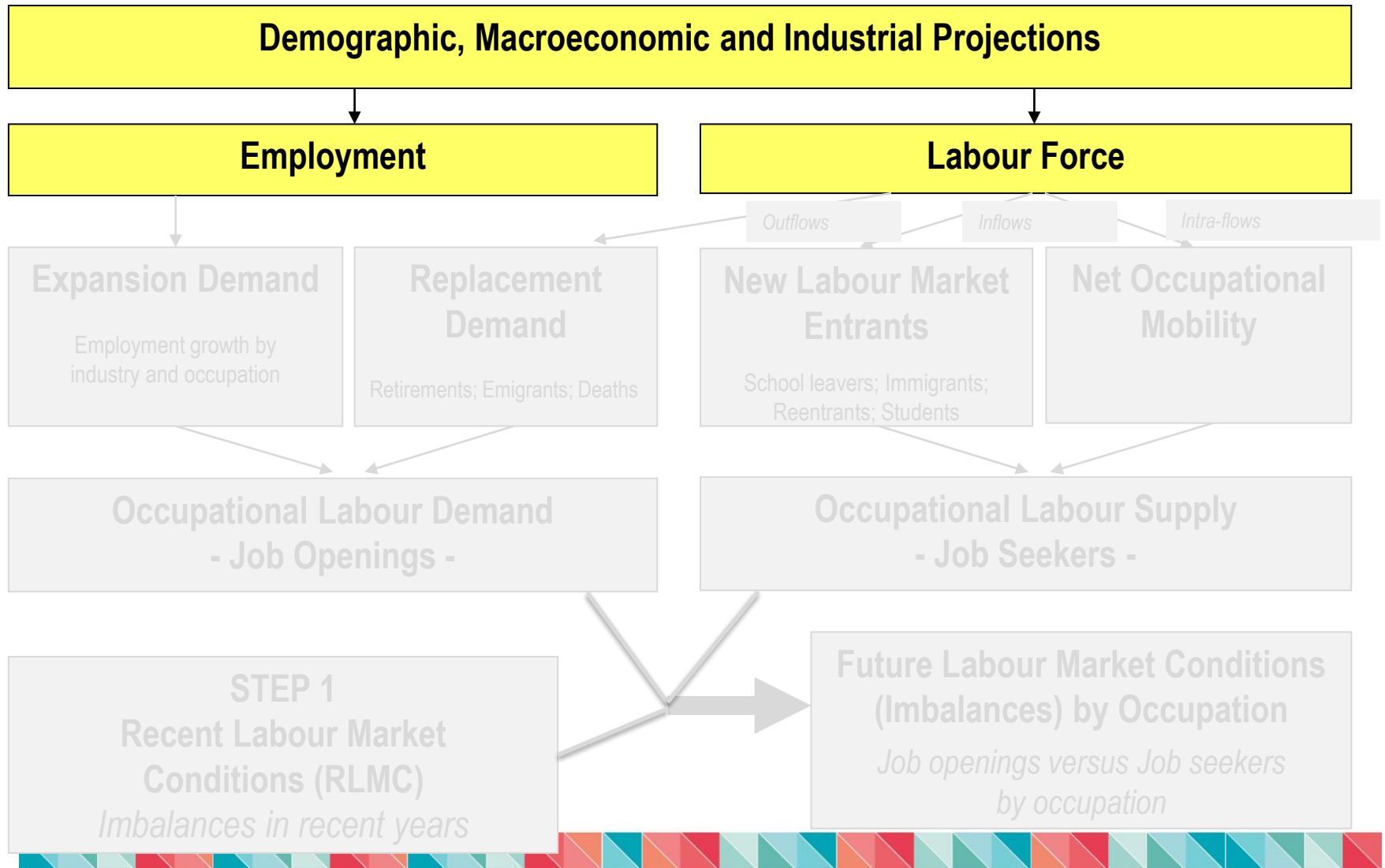
Structure of COPS



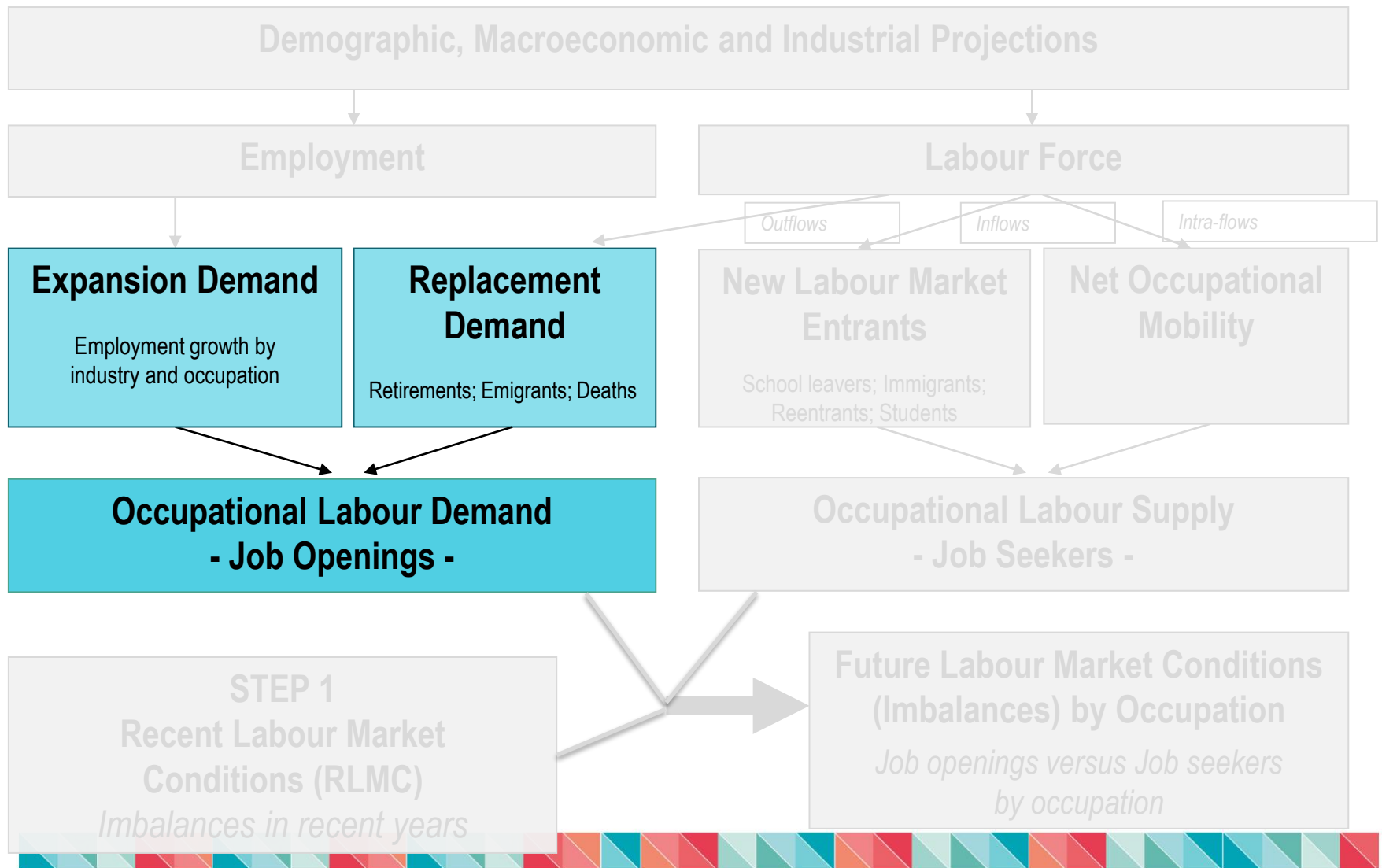
Projected Job Openings and Job Seekers Structure



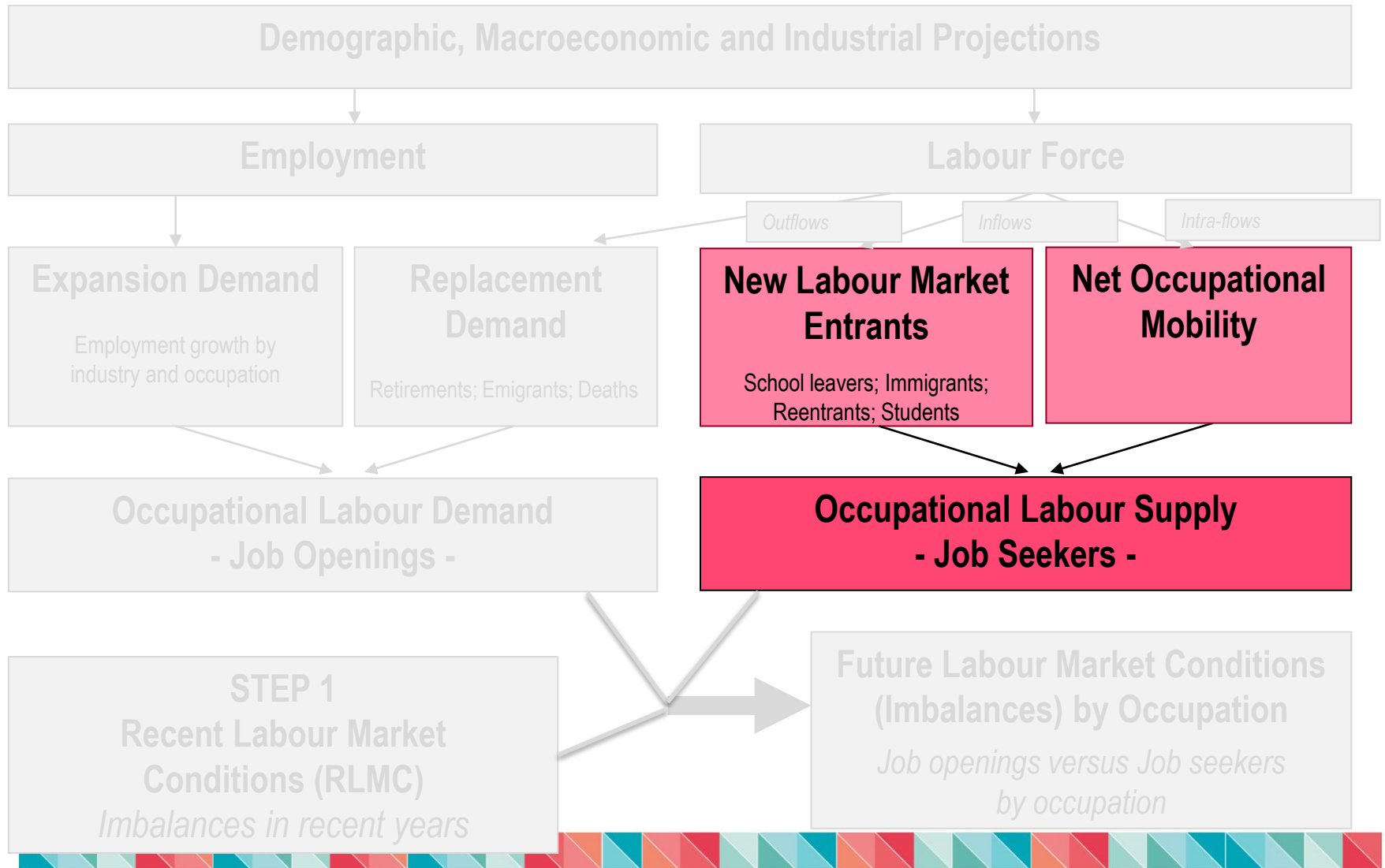
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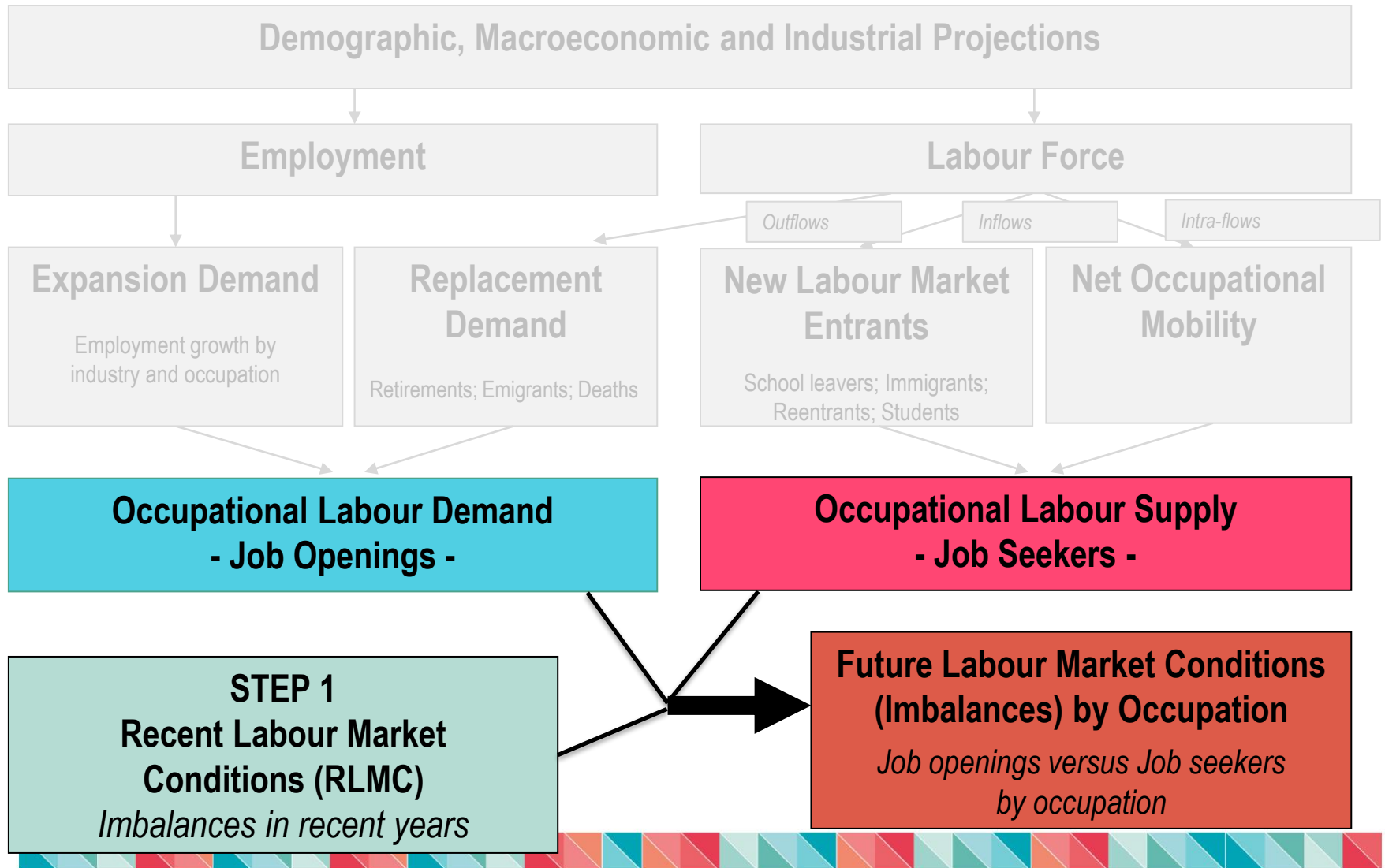
Projected Job Openings and Job Seekers Structure



Projected Job Openings and Job Seekers Structure



Projected Job Openings and Job Seekers Structure



High level results – Mega-trends

Aging of Population

Population is aging in Canada. All baby boomers will surpass the typical retirement age (65 years old) by the end of the projection period.

Immigration

- Canada announced a plan to increase immigration to about 450,000 immigrants annually (previously 250,000 to 325,000), which is an average rate of 11 immigrants per 1,000 population

Automation

- Productivity impacting employment growth
- Impacting occupational distribution within industries: over / under utilization of occupations

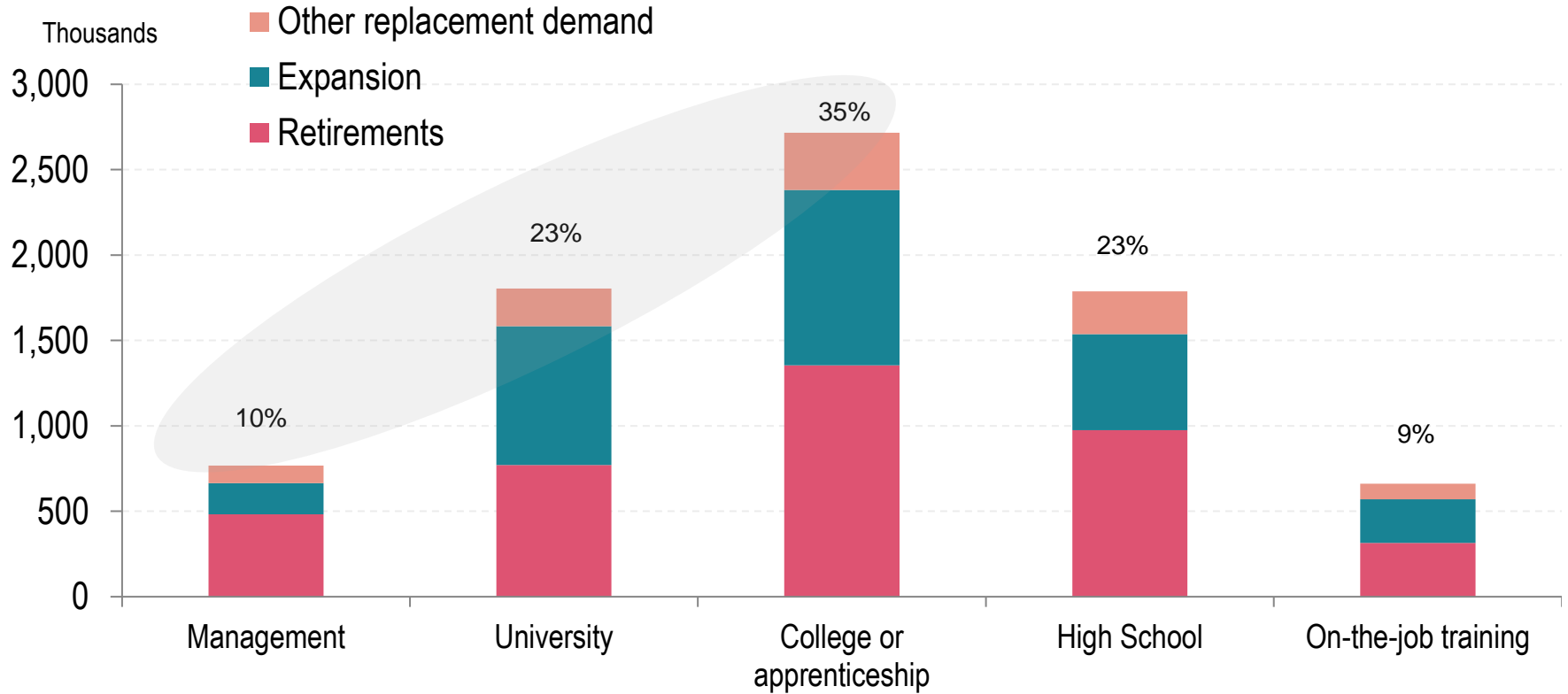
Green Transition

- Canada's Emissions Reduction Plan (ERP) - reduce emissions to 40% below the 2005 levels by 2030
 - Carbon Pricing
 - Clean Fuel Regulation (CFR)
 - Complementary sectoral measures



Two-thirds of all projected job openings are in occupations usually requiring at least post-secondary education or in management occupations.

Job Openings from Expansion and Replacement Demand by Usual Educational Requirement, Projection 2022-2031

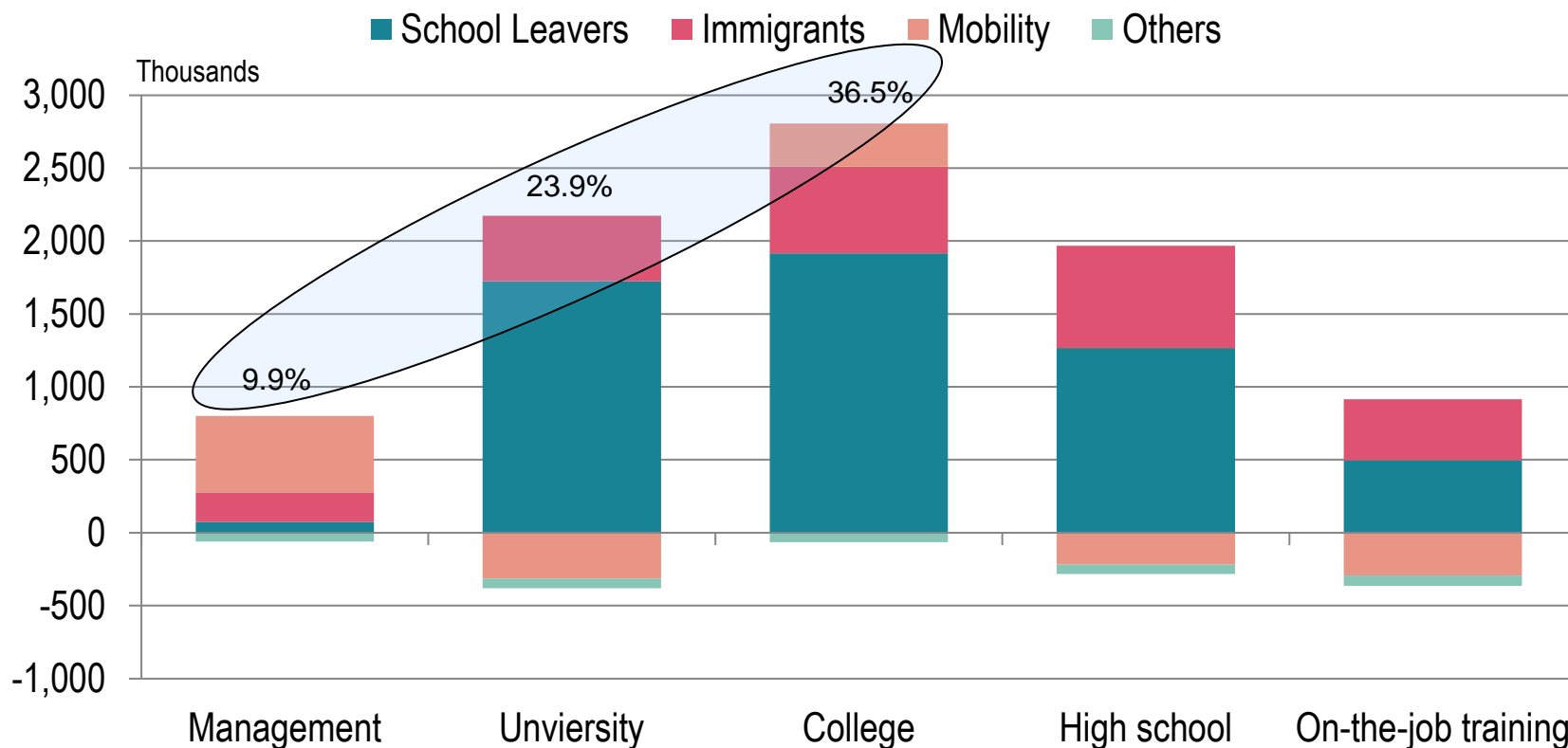


The shaded area represents the occupations are related to management or that typically required at least post-secondary
 Source: ESDC, COPS 2022 Projections.



Two-thirds of all job seekers are expected to look for work in occupations usually requiring at least post-secondary education (PSE), or in management occupations.

Job Seekers by Usual Educational Requirement, 2022-2031



Sources: ESDC 2022 COPS projections








Final outlook summary - Most frictional/cyclical imbalances return to balance, but some become structural.





Distribution of occupational outlooks, 2022-2031

Occupations showing signs of:	Number of occupations	Share of occupations	% of emp. 2031	Ratio of Job Openings
- Shortage (Structural)	38 → 56	19.1%	20.8%	44.4%
- Surplus (Structural)	4 → 8	2.7%	1.0%	25.5%
- Frictional/cyclical imbalances in recent years returning to Balance	23 → 16	5.5%	8.3%	35.6%
- Balance	213	72.7%	69.9%	40.9%

Shortages

-  **18** in **health-related** occupational groupings.
-  **14** in occupational groupings related to **natural and applied sciences**.
-  **9** in **trades** occupational groupings related to **construction**.
-  **4** in occupational groupings related to **agriculture**.
-  **4** in occupational groupings related to **manufacturing**.

Surpluses

-  **4** in occupational groupings related to **business, finance and administration**.
-  **1** in occupational groupings related to **natural and applied sciences**.
-  **2** in **sales and services** related occupational groupings.
-  **1** in occupational groupings related to **Occupations in art, culture, recreation and sport**.

Top 10 skills with the largest difference between occupations expected to be in shortages and surplus conditions, 2022-2031

	IN SHORTAGE	IN SURPLUS	ALL OCCUPATIONS
Science	31.5	9.8	18.2
Operations Analysis	31.7	18.2	26.1
Trouble shooting	28.4	16.8	23.2
Operation Monitoring	38.7	28.2	34.7
Quality Control Analysis	37.3	27.0	32.8
Learning Strategies	45.1	35.6	41.3
Systems Evaluation	42.4	33.2	38.1
Active Learning	51.1	42.9	47.2
Instructing	46.5	38.4	42.7
Management of Personnel Resources	42.0	34.0	40.3

Source: ESDC, COPS 2022 projections and using O*NET (Author's estimates).



Uses - LMI

- Job Bank: Canadians and councilors for career planning.
- Immigration, Refugees and Citizenship Canada (IRCC):
 - Economic immigrant:
 - Skilled workers;
 - Trades.
 - Immigration level planning.
- Temporary Foreign Worker Program:
 - Labour Market Impact Assessments (LMIAs);
 - Global Talent Program (priority processing for certain occupations);
 - Pilot projects (Alberta negative list).
- Youth Employment Strategy (YES).
- Foreign Credential Recognition Program.
- International trade negotiations



COPS Challenges

- It is extremely time consuming
- Small sample size for what it is demanded
 - Too much volatility
 - Suppressed data
- Lack of further occupational detail
 - New NOC offers new details, e.g. IT occupations
- Lack of understanding of what it can do and what it is built for
 - Labour requirement
 - Business cycles
- Lack of consensus to serve everyone
- No historical data for some components (e.g. School Leavers, emigration, others)
- Provincial and Regional imbalances are masked by a national view



Merci Thanks

Canadian Occupational Projection System (COPS)

<https://occupations.esdc.gc.ca/sppc-cops>

(or just type COPS Canada in your search engine)

Generic email: SPPC-COPS@hrsdcc.gc.ca



Occupation Quick Search

Go

