P. Opening the Job Market for Employers and Employees

Submitted by: Cambridge Chamber of Commerce. Co-sponsored by: Greater Kitchener Waterloo Chamber of Commerce

Issue

Finding a solution to Ontario's job shortages will require a multi-pronged approach consisting of unique ideas that take into consideration the diversity of labour needs among various sectors.

While a strong focus on streamlining immigration policies continues to build Canada's labour force, effort must also be made to reduce barriers for newcomers to find work, especially when it comes to accessing language training. As well, a potential workforce may already exist among many of those currently accessing the Ontario Disability Support Program (ODSP) providing they continue to have the support they require to successfully function full-time in the workplace. Also, consideration is needed to provide more cost recovery opportunities to employers regarding provincially regulated training, such as employee time spent completing WHMIS training.

Background

Terms like 'The Great Resignation', 'quiet quitting, 'ghosting' and 'grey wave', have become commonplace to describe trends creating upheaval for employers in their quest to attract and retain workers.

While the pandemic is often identified as the catalyst behind Canada's continued labour shortage, many experts believe our labour force growth rate has been trending downward since 2000 and has been exacerbated by the arrival of COVID-19. In fact, according to Statistics Canada, in 2021 one in five Canadian workers were between the age of 55 to 64 – representing an all-time high of baby boomers (those born between 1946 and 1964). This translates into 1.4 million Canadians between 2016 to 2021 who are 55 or older and looking towards retirement.[159]

Adding to this dilemma of a shrinking workforce, according to StatsCan, recruiting skilled workers was expected to be an obstacle for the first quarter of 2022 for 39.9% (approximately two-fifths) of all businesses.[160]

The effects may be reflected in the results of an annual labour survey conducted in 2022 by the Canadian Manufacturers and Exporters' (CME) of 563 manufacturers in 17 industries nationwide which outlined the impact labour shortages were having by indicating a nearly $13 billion loss in Canada's economy over the course of a year.[161]

While a job surge at the end of 2022 which saw the unemployment rate drop to 5% in December compared to 5.1% the prior month was welcomed news, StatsCan says a hike in illness-rated absences resulted in limited worker output.[162] As well, while StatsCan says Canada's employment rate increased to 61.8% in December, compared to 61.5% the month before, the projected trend shows a drop to 60.9% in 2024 – with the potential to rebound and hit 62.2% in 2025.[163]

The effect these fluctuations will have as employers continue to seek employees to fill the nearly one million job vacancies in Canada has yet to be determined, considering the results of a recent poll conducted by the

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[159] https://bit.ly/3kru36A-Canada's aging workforce root of national labour shortage - CTV
[160] https://bit.ly/3wmUhKf-Labour shortage trends - Statistics Canada
[161] https://bit.ly/3XxT0vY-Canada's economy lost nearly $13B due to labour shortage: report – Global News
[162] https://bit.ly/3wsN0bU-Strong December job growth muted by more sick workers – Global News
[163] https://bit.ly/3HsQnWq-Trading Economics website