



Labour Market Snapshot

JANUARY 2023



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When referring to the information presented in this report, please cite Trucking HR Canada, or use the following reference:

Trucking HR Canada. (2023). Labour Market Snapshot: January 2023. Ottawa: Trucking HR Canada.

Note to readers: Trucking HR Canada's Labour Market Snapshots monitor and report on key labour market indicators that support industry stakeholders to identify areas of concern and develop strategies to build a skilled workforce.

Our quarterly labour market snapshots analyze a customized labour force survey and other data that is not available elsewhere. Readers are invited to share this information widely with their networks and are asked to reference Trucking HR Canada's LMI system as the source.



LMI Snapshot – January 2023

The Trucking labour market grows tighter in 2022. What does 2023 have in store?

The importance of Canada's truck transportation services

Trucking is central to the health, sustainability and competitiveness of the Canadian economy. Recently published data from the US showed that trucks moved almost 54% of all goods crossing the Canada-US border in October 2022 - goods valued at over US \$35 billion¹. It is fair to say the stakes are high when it comes to our labour shortages.

Trucking HR Canada's (THRC) labour market research shows that among key trucking and logistics occupations including truck drivers, dispatchers, shippers & receivers and delivery and courier services drivers - over 42% are employed directly by key economic sectors. These include retail/wholesale trade, manufacturing, construction, agriculture and natural resources, including forestry, mining, oil and gas.

A labour shortage in any of these key trucking and logistics occupations can have a negative impact on all industries.

The year in review - 2022

Total employment in trucking and logistics during 2022 was 737,000 workers, down from 755,000 in 2021 but still well above the 10-year average of 705,000 (2013 to 2022). The sector's unemployment rate averaged 3.2% in 2022, down from 4.5% in 2021. These numbers indicate that the labour supply in trucking and logistics shrank by 3.7%, down by over 29,000 workers from 2021.

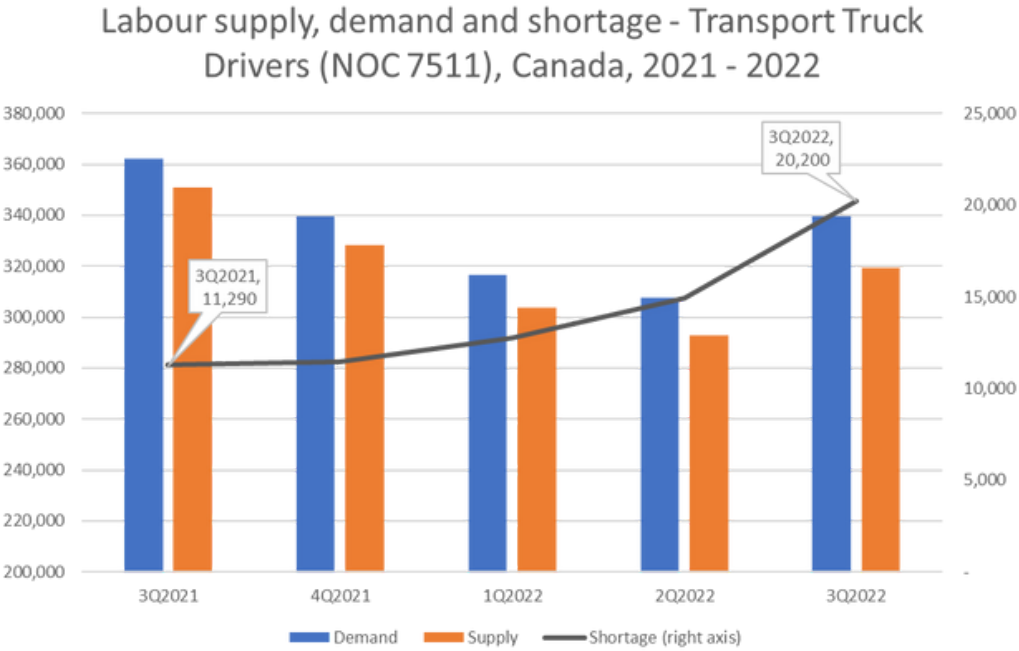
When looking at demand, one constraint is that access to Statistics Canada's vacancy data lags by 3 months, with the final quarter's vacancy data due to be published in March 2023. However, data from the first three quarters of 2022 indicate that the demand for some of the most critical occupations in the trucking and logistics sector has been growing. For example, even though employment of Transport Truck Drivers (NOC 7511) declined by 2.4% or 25,500 workers from 2021 to 2022, the number of vacancies increased, peaking at 28,210 in the second quarter and

[1] Source: <https://www.trucknews.com/transportation/canada-u-s-border-saw-35b-in-october-truck-shipments/1003171648/>

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remaining high at 26,900 vacant driver jobs between July and September 2022. The calculated vacancy rate for drivers in the third quarter remains high at 7.9%, down slightly from the second quarter.

With total demand for drivers up by 31,695 driver jobs to 339,500 in Q3 2022, the labour supply in the occupation also increased, albeit by a slower rate. Estimated total supply of truck drivers in Q3 of 2022 was 319,300, up 26,400 workers from the second quarter. As a result, the driver shortage² increased sharply in third quarter of 2022 to a gap between demand and supply of some 20,200 workers, up 79% over the same quarter in 2021.



Among other key occupations, Trucking HR Canada estimates labour shortages as reflected in the following table. The number of vacancies for Shippers and Receivers and for Delivery and Courier Service Drivers rose between Q2 and Q3 of 2022 by 660 vacancies and 1,110 vacancies respectively, while the number of vacant dispatcher jobs fell by 195 positions in Q3. As a result, the shortages seen earlier in 2022 have persisted through the third quarter.

[2] The driver “shortage” is based on the difference between the demand for workers (measured as all jobs in the occupation, both filled and vacant) and the supply of workers (measured by the total labour force, both employed and those who are actively seeking work). This “shortage” is a best-case scenario because it assumes that all workers who are actively seeking work are suitable candidates for the available jobs. It is likely that the shortage reported here underestimates the actual shortage of drivers.

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Estimated labour shortages, selected key occupations, trucking and logistics sector, Q3 2022

Occupation	Demand	Supply	Shortage
Shippers and Receivers	100,898	99,200	1,698
Dispatchers	20,206	19,900	306
Delivery and Courier Service Drivers	115,345	112,300	3,045

Canada’s challenges around the supply chain and its implications for inflation and the economy in general have continued throughout 2022. The tight labour market and persistent shortages in many occupations, especially transport truck drivers, continues to plague our industry, our economy, and policy makers. Despite efforts to cool inflationary pressures by raising the central bank rate, the temperature in the labour market is still high, especially in the trucking and logistics industry as the need to move goods to market is counter-balanced by the efforts to stave off rising prices. As 2023 begins, Trucking HR Canada is moving forward with a number of programs that aim to help alleviate labour market challenges in our industry.

1) Through our LMI initiative, we will continue updating our forecasting models and analytical tools, providing accurate and timely labour market information to all of our stakeholders. Quarterly LMI Snapshots will continue to feature on our website as well as special reports on new findings and resources.

2) Career ExpressWay continues to grow, offering more financial incentives to those looking to work as drivers in our industry, and supporting employers with onboarding and other wage incentives. Reach out to us today to learn more about how we can support you (<https://truckinghr.com/hr-training-resources/career-expressway-thrc/>).


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3) Canada Labour Code and other regulatory requirements are important. And, we know that they continue to plague employers with increasingly time consuming compliance requirements. From workplace harassment and violence, pay equity, paid sick days and more – we are here with practical solutions to help you manage your workforce, compliance and ultimately your bottom line.

events

Consider also joining us for an upcoming webinar, visit the Events section of our website (<https://truckinghr.com/events/>) to register today:

- Pay Equity Act: Establishing the Foundation and Creating a Plan – Part 1 (January 12th)
- Welcoming People with a Disability into your Company (January 18th)
- Pay Equity Act: Creating a Plan – Part 2 (January 19th)
- Pay Equity Act: Demonstration of the Pay Equity Toolkit – Part 3 (January 26th)



Trucking HR Canada's labour market information initiative has the following reports available:

1. [Labour Market Snapshot November 2022](#)
2. [Special Report: Canada's supply chain woes continue- Trucking and Logistics sector faced with escalating labour shortages- September 2022](#)
3. [Special Report: Treats to the supply chain and economic recovery- June 2022](#)
4. [Special Report: Driving Economic Recovery- May 2022](#)
5. [Labour Market Snapshot April 2022](#)

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