

# Automotive Labour Market Analysis Project

April 5<sup>th</sup> 2018





# Canadian Skills Training and Employment Coalition

- ▶ Mission: CSTECC is an enabler of innovative, multi-stakeholder solutions to training related problems faced by employers and unions within the broader manufacturing, mining and forestry sectors.
  - ▶ CSTECC was founded 30 years ago as a joint venture between the Canadian Steel Industry and the Steelworkers Union.
  - ▶ Operates government funded projects related to: support for innovative training initiatives; labour market information; youth employment; development of occupational standards; and labour adjustment services.
  - ▶ Promotes joint consultation and understanding between industry and labour



# Background

- ▶ Federal Budget
  - ▶ Identified desire to build strong middle class through innovation and skills development
  - ▶ Advanced manufacturing, digital industries, and clean technology identified as priority sectors
- ▶ ESDC's Sector Initiative Program:
  - ▶ Funding for sector based labour market analysis
- ▶ Partners
  - ▶ CSTEC
  - ▶ APRC
  - ▶ Industry Support
- ▶ Currently negotiating details
  - ▶ "objectives aligns well with program objectives and priorities"



# Project Objectives



- ▶ Examine auto sector broadly defined
  - ▶ Assembly and Parts Suppliers
  - ▶ Also firms working on electrification, alternative propulsion, vehicle connectivity, new manufacturing technology, etc
- ▶ Develop labour market models
  - ▶ Eight regions (i.e. Windsor, London, Golden Horseshoe, etc.)
  - ▶ Ontario, Quebec and National
- ▶ Forecast Supply and Demand for various occupations and skills
  - ▶ Assemblers, skilled trades, engineers, software developers, material scientists
- ▶ Examine factors that will impact supply and demand
  - ▶ Current workforce, demographics, historical rates of retirement, historical rates of career choice
  - ▶ Economic trends, consumer tastes, new production techniques, regulatory environment
  - ▶ Other issues such as opportunities for indigenous peoples, compensation trends, evolutions in skilled trades and other occupations



# Project Objectives (cont'd)

- ▶ Engage industry
    - ▶ Ensure research is relevant
    - ▶ Validate results
  - ▶ Prepare detailed forecasts of supply and demand for various occupations
    - ▶ Eight regions (i.e. Windsor, London, Golden Horseshoe, etc.)
    - ▶ Ontario, Quebec and National
  - ▶ Knowledge dissemination and final reports
    - ▶ Disseminate through engagement & through traditional forms of communication (website etc.)
    - ▶ Partner with firms that disseminate information to educational institutions, job seekers and employers
    - ▶ Final reports in early 2021
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# Prior Manufacturing Project

- ▶ Funded by ESDC's Sectoral Initiatives Program
  - ▶ Industry led and validated
  - ▶ Tailored to meet needs of regional stakeholders (including training consortia)
  - ▶ Includes occupational forecasts and gap analysis
  - ▶ Explore relationship between recruitment and wages
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# Prior Manufacturing Project

- Analysis and forecasts of manufacturing labour supply and demand in 15 regions
- Developed networks of employers and stakeholders in each region (RICS)
- Engaged over 2100 stakeholders
- Research and Forecasts are useful for operating training programs (including consortia)





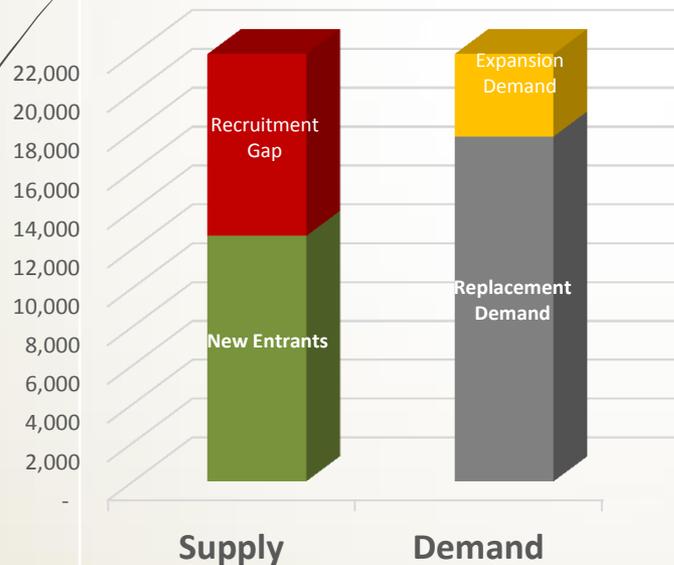
# Prior Manufacturing Findings

- ▶ 14 of 15 regions face a recruitment gap
  - ▶ Manufacturing workers are older on average
  - ▶ Wages vary across sectors
  - ▶ Inter-sector competition for skilled labour
  - ▶ Output growth exceeds employment growth because of productivity gains
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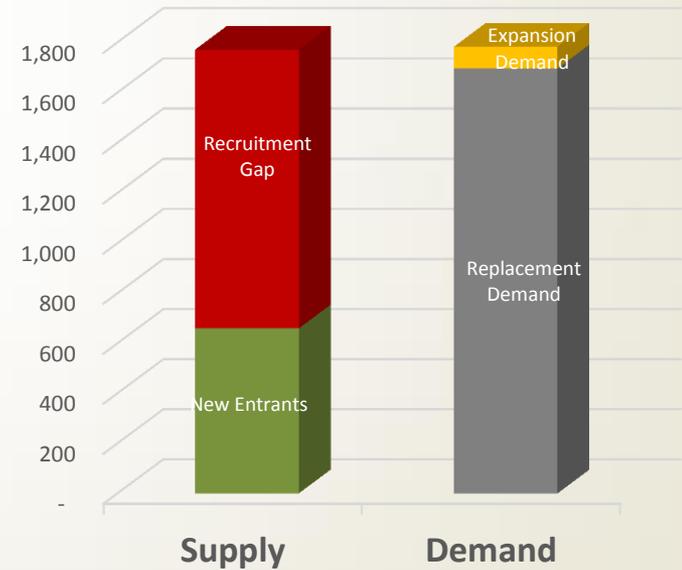
# Manufacturing LMI Findings

- Ontario's regional labour markets vary greatly based on economics and demographics:

**Kitchener-Waterloo: Growth driving demand**  
2016 – 2025 hiring requirement (21,800)



**Sault Ste. Marie: Old workforce limits supply**  
2016 – 2025 hiring requirement (1,750)





# New Labour Market Dynamics



- ▶ Several structural changes in the labour market are dramatically changing the world of work:
  - ▶ Shifting Demographics, new census
  - ▶ New workforce dynamics (self-employment, workshare, part-time, “gig” work)
  - ▶ Disruptive tech change
  - ▶ Outsourcing, automation and up-skilling
- ▶ Labour Market Information needs to evolve too
  - ▶ NAICs and NOCs not enough (Traditional sector/occupation approach not capturing changes)
  - ▶ more responsive to new workforce dynamics
  - ▶ Do we understand the career pathways of self employed and “gig” segments of labour markets?
- ▶ Need for more dynamic LMI



# Final Remarks

- ▶ APRC heard from stakeholders there is a desire to continue it work
- ▶ There is a need for better LMI
- ▶ Good partnership opportunity with CSTEAC
- ▶ Auto LMI seems like a good project for APRC