Bennett Jones

Fall 2021 Economic Outlook

Companion Paper

The Labour Market

Recovery, Gaps And Strategies

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Highlights

There is positive news in this fall 2021 Outlook as employment has exceeded pre-pandemic levels. There remain pockets of the labour market that have not fully recovered, including older workers. Women, however, are now participating in the workforce at the highest rate recorded since comparable data became available in 1976, and 1% higher than in February 2020.

As a result of this recovery, the government has begun tapering its support programs for workers and employers, with remaining programs expiring in May 2022.

By November 2021, wages were growing at higher levels than prior to the pandemic but the pandemic has also widened income inequality. Higher income workers were more likely to be employed and receive wage increases during the pandemic than lower income workers. As well, many workers in "essential services" were not able to reap a risk premium as they were locked into collective agreements. With those collective agreements now set to expire, an increased demand for labour and higher rates of inflation, workers will seek higher wage increases in 2022 although it remains to be seen whether this will result in a reduction in income inequality.

One of the most significant outcomes of the pandemic on the labour market is that it has exacerbated pre-existing labour shortages. Prior to the pandemic, Canada experienced labour shortages, largely as a result of demographic trends affecting the size of the working age population, and a mismatch between the skills of the unemployed and the skills required for vacant jobs. Shortages in the technology and health care sectors became acute as a result of increased demand during the pandemic. As well, the Canadian labour force is now experiencing a shortage of lower skilled workers at wages that were sufficient to clear the market prior to the pandemic.

In order to redress labour shortages, investment by both the public and private sector in skills training remains a key strategy. As well, it will be important to enhance our immigration strategy to: reduce barriers for new immigrants to use their skills; expedite the immigration process; and increase the absolute numbers of immigrants. Finally, a strategy to encourage older workers to return to the workforce and retain them beyond age 65 would increase the supply of labour.

A further significant outcome of the pandemic is that it has exacerbated Canada's labour productivity challenge. Prior to the pandemic, Canada's labour productivity growth rate lagged compared to other OECD countries. Canada's productivity worsened during the pandemic, both absolutely and in relation to the United States.

Redress of Canada's level and growth of productivity requires a multi-pronged strategy with both public and private sector investment in human and physical capital, R&D and innovation. Trade expansion and diversification and the reduction of barriers to internal trade can make an important contribution. An institution such as exists in Australia and the UK that researches, monitors and advises on measures to improve productivity could be of value in Canada.

With a return to a high level of employment in Canada, there is now a need and unique opportunity to redress longstanding labour market fault lines, and deliver good jobs, good wages and economic prosperity.

Introduction

As the pandemic recedes and emergency measures taper, it is time to turn to growing the economy over the longer term. A variety of private and public sector actions are needed to achieve this goal, including strategies to green the economy, enhance digitalization, and promote trade and investment. These themes are explored elsewhere in the Fall 2021 Economic Outlook and companion papers.

In this paper, the focus is on the Canadian labour market. Specifically:

- the key attributes of the current labour market;
- the main gaps in the labour market and their root causes; and
- strategies that could be adopted by both business and governments to address these gaps.

The Labour Market Recovery

There is good news on the Canadian employment front as we emerge from the pandemic. The employment rate is now higher than pre-COVID levels, and the most recent job gains have been in full time work. The total hours of work has also returned to the pre-pandemic levels.

Not only has employment returned but unemployment fell in November 2021 for the sixth straight month - the largest decline since March 2021. It is also heartening that most recently, the decline in unemployment has included those experiencing long term unemployment of 27 or more weeks. The participation rate, at 65.5%, is also back to February 2020 levels. Although the overall economic outlook is tempered by concerns about new virus variants, inflation, supply chain shortages and other uncertainties and pressures, the labour market has shown resilience and has been steadily recovering since the pandemic struck in February 2020.[1]

The extent of the labour recovery, however, is not uniform across the country. There are significant regional variations, with the Maritimes and Quebec lagging other parts of the country in job growth. The B.C. labour market has more than fully recovered. Both Ontario and Alberta employment levels are hovering at pre-pandemic levels.[2]

As well, a sectoral analysis reveals clear winners and losers as the labour market emerges from the pandemic. By summer 2021, employment in accommodation and food services began recovering although it was still below pre-COVID levels. It then fell again and, in October, it incurred the largest decline of any industry. Other sectors where employment has not recovered include agriculture, goods-producing sectors, and utilities. Job growth continues to be greatest in natural resources, professional and financial services, and the public sector.

One sector that has not recovered and continues to fall is the self-employed entrepreneurial sector. As of October 2021, it was at the same level as in 2007.[3] To the extent this statistic is picking up subsistence-level entrepreneurship and insecure gig work, it is not a particular concern for the health of the overall economy. However, this statistic also includes sectors with high rates of innovation, particularly in the technology field, and therefore should be monitored closely as we emerge from the pandemic.

A significant concern during the height of the pandemic was the loss of jobs and departure of women workers from the labour force. The good news is that women have returned at levels that exceed their pre-pandemic employment. By November 2021, amongst women between the ages of 25-54, employment was at the highest rate since comparable Statistics Canada data became available in 1976, and 1% above February 2020 levels. The percentage of female participation for women aged 55+, however, is still below pre-pandemic levels. Similarly, male older workers also have not recovered to the same extent as the 25-54 age group. This suggests that older workers are potentially a source of labour to meet skills shortages, as discussed below.

The Canadian labour market is not experiencing two features that have appeared in other OECD countries. To date, there is no evidence of a "great resignation" in Canada. In fact, older workers continue to work longer than in the past. Further, there has not been significant "churn" in the market as workers shift between jobs. In August 2021, core-aged "job leavers" (voluntary exits) were down 24.4% compared with August 2019. As well, "job changers" (workers who remain employed from one month to the next but who change jobs between months) represented 0.8% of workers in August 2021, only slightly higher than the average of 0.7% from 2016 to 2019. As there is not a clear explanation as to why Canada is an outlier compared to other jurisdictions, it is quite possible that the labour market will experience future increases in both churn and resignations.

The recovery in employment has been assisted by government and employer-driven measures to promote safe workplaces, including entry restrictions and screening as well as mandatory masks, testing and vaccinations. Mandatory COVID testing, quarantines and screening have all been legally challenged but courts have consistently applied the precautionary principle to uphold these policies as long as they include human rights accommodations. In the fall of 2021, private employers and governments began instituting mandatory vaccinations for public servants, health workers, federal transportation workers and travelers to and within Canada. Some of these new measures are currently being litigated based on Charter of Rights violations, and other measures will likely be challenged in 2022.

With the lifting of restrictions, the number of Canadians working from home is now at its lowest level since October 2020. As zoom-fatigue and a desire to engage in-person with colleagues continue to grow, it is anticipated that even more workers will return to the workplace. Nevertheless, the hybrid workplace with options to work from home will likely become a permanent fixture for many employers. As a result, organizations will have to alter their operations, including new on-boarding practices, different compensation practices, reconfigured office space and innovative ways to create a cohesive company culture. In 2022, there will be continuous experimentation with different hybrid work models.

In addition to demanding hybrid work, younger workers are placing more emphasis on the purpose, mission and values of the organization as well as flexibility in hours worked. While wages are still relevant, and indeed in some segments of the market are under pressure, they no longer dominate the conversation when attracting new talent. These new demands from workers have taken on particular importance as businesses compete for talent.[4]

The Wind Down of Government Supports for Workers and Employers

Consistent with our prior Outlook expectation, the government ended the wage subsidy and Canada recovery benefits program on October 23, 2021. Nevertheless, the government has extended some programs and announced new ones, with an anticipated cost of $7.4 billion for the period of October 21 to May 2022. For example, the subsidy to incent the hiring of new employees has been extended to May 2022. New measures include subsidies for tourism, hospitality and cultural sectors as well as hardest hit businesses.[5]

Subject to new waves of COVID or other unforeseen events that impact business activity, ending these programs next spring should remain the goal. Federal support programs could be more precisely tuned as labour market gaps can now be pinpointed on a sectoral, regional and demographic basis. As well, businesses cannot rely indefinitely on government wage support to remain viable. Bankruptcies are at historically low levels due, in part, to these COVID-related government supports, and the number of bankruptcies declined again in the fall of 2021. Accordingly, we anticipate that some adjustment will take place in 2022.

In the last Outlook, the newly proposed federal childcare support program was highlighted. Since then, the federal government has reached childcare agreements with British Columbia, Nova Scotia, the Yukon, Prince Edward Island, Alberta, Newfoundland and Labrador and Quebec, and discussions are ongoing with other provinces and territories.[7] Although many details in the new agreements are left to the discretion of the provinces and territories, all signatories have agreed to: (i) lower parent fees by 50% by the end of 2022 and to $10 a day by 2025-26 or sooner; (ii) improve the wages and working conditions of early childhood educators, and (iii) fund the expansion of non-profit and public childcare. These agreements will, no doubt, assist in promoting labour force participation on condition that the supply of childcare rises to meet demand.

The Labour Market Gaps

There are two key, interconnected shortcomings in the current Canadian labour market that must be addressed for the economy to grow sustainably over the longer term and for workers to reap the benefits: low labour productivity growth and labour shortages.

Labour Productivity

Since the mid 1970s, the Canadian labour productivity growth rate has fallen. From 1961-2019, long-run labour productivity growth in Canada (defined as the annual percentage change in real GDP at market prices per hour worked) was 1.65%. It ranged from a high in the period 1961-1973 of 3.11% to a low in the period 2000-2008 of 0.92%. The more recent period of 2008-2019 has seen labour productivity growth at 0.99%.[8]

There is a lively debate amongst economists about whether the decline in the rate of growth of labour productivity is inevitable as the economy continues to transition from predominantly goods-producing to services sectors. In the first half of the 1900s, productivity growth was attributed to numerous factors including the mechanization of production, movement of workers into the cities, and higher levels of education. The application of recent technological innovations such as networks, digitalization and artificial intelligence has not yet translated into robust productivity growth.

Even if productivity growth rates have also fallen worldwide, Canada's rate is falling faster than in other OECD countries and especially the United States.[9] The level of Canadian labour productivity is currently approximately 20% below American labour productivity.[10]

There are numerous hypotheses for the Canada-U.S. productivity gap. The rate of capital investment, including in machinery and equipment, is considerably lower in Canada, providing for lower "capital intensity." In the first half of 2019, Canadian businesses spent about $13,000 per worker on capital, while their U.S. counterparts spent $20,500. The gap is especially notable in spending on information and communications technology where Canadian businesses spend 50% less than their American counterparts.

There are a number of other related factors that explain Canada's lower labour productivity. There is a higher percentage of the Canadian GDP attributable to small businesses which are typically less capital intensive and less productive than large businesses. Lesser intensity of competition, diminishing the incentive to spend on innovation and R&D, has also been noted as a key factor. Some added factors will have played out during the pandemic. Historically low interest rates and the availability of government supports have allowed businesses that are not as productive as their peers to survive longer than would have been the case without the pandemic. Overall, jobs in Canada have recovered faster than output by the fall of 2021, while the opposite is true in the United States. Thus, the level of productivity has fallen in Canada through the pandemic, both in absolute terms and relative to the United States.

The simple fact is that, historically, labour productivity tracks well to wages in Canada.[12] Thus, if workers wish to increase wages and their standard of living, a key factor will be Canada's labour productivity growth.

Job Vacancies

In addition to low productivity growth, there is currently a high rate of job vacancies in Canada and in other OCED economies. The labour market is characterized by job vacancies where there are no workers available to meet the skills needed, and workers who are unemployed have different and often more limited skills. This so-called "labour imbalance" feature of the Canadian labour market pre-dates the pandemic.

Although the "war for talent" in higher-skilled jobs is not a new concept, after a period where attention has been focused on pandemic-related job losses, it is now back on centre-stage as a concern of the business community. What is new is that employers are reporting difficulty meeting demand across a wide swath of both skilled and unskilled jobs.

Job vacancies are now higher than prior to the pandemic. Vacancies in all industries climbed to 4.6% of payroll employment in the second quarter of 2021, up from 3.0% in the fourth quarter of 2019. The highest level of job vacancies was reported in accommodation, food services, arts, entertainment and recreation. More generally, jobs vacancies were highest in jobs that have the lowest education requirements.[13]

The shortage of labour can be explained by numerous factors including:

- pandemic-related restrictions which continue to impede labour from participating in the workforce;
- the rapid increase in the demand for labour in a period of strong recovery;
- wages not rising fast enough to clear the market rate for the supply of labour;
- the ageing of the population and its impact on the labour force;
- the skills mismatch especially in fields where there is a shortage of knowledge workers, including IT, health care and the green economy; and
- interrupted patterns of migration.

The first two factors will likely resolve themselves over time without policy intervention. With continued reopening of business activity, schools and childcare centers, as well as the decline of government wage supports, some of those not currently looking for work due to the pandemic will re-enter the workforce. Moderation of the pace of GDP growth in 2022 and 2023, as described in our Economic Outlook, will slow down demand growth for labour and help re-establish more normal market conditions.

The third factor, wage rates, may also adjust over time. By November 2021, average hourly wages had increased 5.2% over two years, controlling for changes in the workforce over that period. This is generally in line with the increase in the Consumer Price Index. Interestingly, wages increased ;more for recent hires than pre-existing employees, reflecting higher job vacancies.

This rate is similar to the rate of increase in salaries pre-pandemic. It may be expected that over the next year, workers, in particular unionized workers, will seek wage increases to offset both labour shortages and the temporarily higher rates of inflation which

now exceeds 4% in Canada. Indeed, in 2022, it is likely that average wages will rise more than 3%, with some sectors where there are shortages rising by over 5%.

The question remains whether increases to lower end wages will be sufficient to offset not only a higher cost of living, but also the widening of income inequality observed during the pandemic. In the recent period, non-unionized essential services workers (e.g., taxi and truck drivers) experienced wage reductions while unionized essential services sectors were often locked into collective agreements. Thus, the so-called "risk premium" was not available to many essential workers. With collective bargaining agreements now expiring, it is anticipated that the wages of unionized workers, and in particular essential services workers, will rise significantly.[15] For non-unionized workers, the move by Ontario to a $15 hourly minimum wage will help with labour shortages. Equally, with average wages for new employees being 8.5% higher than two years earlier in the accommodation and food services industry, labour shortages may well decline over time.

The impacts of an ageing population on the supply of labour will not be resolved without pro-active labour market measures. It is estimated that by 2030, nearly one-quarter of Canadians will be 65 or older. In 2019, 17.6% of the Canadian population was over 65 years old, slightly higher than the OECD average of 17.1%. There is at the same time relative ageing within the population of normal working age (15-64). As discussed below, government policies and private sector practices to retain older workers beyond age 65 will help alleviate shortages.

Labour shortages are also attributable to a mismatch between the skills of those who are unemployed and the skills sought in sectors where there is a need for additional labour. Although the number of jobs rendered redundant due to automation is lower than early predictions may have suggested, the fact remains that many current job vacancies require IT-related skills, and the need for IT-skills will continue to grow over time. In 2018, McKinsey estimated that through to 2030, the time spent on the job using advanced technological skills will increase by 50%.[17] The IT skills shortage has been exacerbated by the pandemic as reliance on IT has grown significantly with hybrid work.[18]

Similarly, the health care sector experienced the largest increase in job vacancies of any one sector during the pandemic, and "burnout" in the nursing sector continues to dominate news headlines.[19] One in seven job vacancies reported in September 2021 was tied to the health care and social services sectors.

The shift to a greener economy will also entail labour market adjustment and some dislocation. Although employment levels in Alberta are recovering broadly post pandemic, there is longer-term job vulnerability in the oil and gas industry. In Canada, 600,000 Canadians are either directly or indirectly employed in this industry. TD Bank estimated in April 2021 that between 312,000-450,000 of these jobs could be lost by 2050.[20] Skills mismatches may arise through this period as the market adjusts to a new economic structure.

Finally, during the pandemic migration to Canada came to a virtual halt. In order to make up for this shortfall, Canada increased its immigration target to over 400,000 immigrants per year starting in 2021. Although the government has announced it is on track to meet this target, many are skeptical this is the case. Even if the target is met, it will probably be achieved by providing those already in Canada, and in some cases already in the workforce, with pathways to permanent residency. Specifically, the government has made it easier for foreign students who may already have part time work and temporary foreign workers to transition to permanent residency.

Strategies to Grow the Economy

Although there are many strategies that could be implemented to enhance labour productivity and to reduce labour vacancies, in this paper we focus on four areas.

Skills Training

First and foremost, governments and the private sector should continue their focus on enhancing the skills of the existing labour force and redressing the skills mismatch.

In prior Outlooks, we highlighted the importance of skills training, and this focus remains critical today. Skills training ought to be targeted at those groups that have experienced higher rates of unemployment such as Indigenous workers or those not employed nor in education or vocational training (the so-called NEET category of worker). Increasingly, there is a demand for both upskilling and re-skilling that is open to all age groups across a broad spectrum of jobs. In addition, algorithms used to vet candidate applications ought to be reviewed by suppliers and employers to reduce bias and promote access for diverse candidates.

For those whose jobs are being automated and who need to be re-skilled, best practice suggests offering a full suite of services rather than simply access to general skills training. Integrated assistance from employers includes social supports such as mental health and wellbeing assistance, financial assistance to aid the move to where a new job is located, enhanced notice and severance, interview preparation training and specific skills training needed for a new job.

As well, supplying labour market information and ensuring post-secondary vocational and university institutions encourage students to take up studies in areas where there are skills shortages may not yield an immediate return but will, over the longer term, assist with job shortages. Relaxation of the employment insurance schedule to allow for work is now regarded as a best practice. In a similar vein, Quebec recently announced a new program that will provide $485 a month to those who are unemployed to return to school to study in an area where there is a skills shortage.

As lifelong learning is becoming increasingly necessary, consideration should be given to shorter, modular packages that are integrated into work schedules. These modules can be provided by community colleges, universities or employers, and should be kept affordable. It was observed in the spring 2021 Outlook that private sector employers in Canada lag global competitors in terms of total expenditures on skills training, and training is focused mostly on higher income employees. Recent surveys have indicated that employers are planning on enhancing their skills training budget as part of their workforce retention strategy.[21]

Measures Aimed at Ensuring the Return to Work and Retention of Seniors

As noted above, both male and female older (55+) workers are not yet working at pre-pandemic levels. During the pandemic, the government focused on income support for seniors through enhancements to Guaranteed Income Supplement and Old Age Security. Going forward, the focus should be on assisting seniors return to and remain in the labour force. This is particularly important since there is evidence that some seniors who were contemplating retirement in three to five years prior to the pandemic have now decided to retire earlier.

Components of a new senior's labour market strategy could include: training for older workers; flexibility as older workers seek less than full time hours; availability of health care benefits; and enhanced mentoring and knowledge transfer to other workers. Although a contentious issue, it is also worth considering the pros and cons of an increase in the retirement age from 65 to 67, in recognition of the increased longevity of seniors.

Immigration

A third strategy to redress the high levels of job vacancies and lower levels of productivity is to enhance our approach to immigration. The following measures could be considered as part of an immigration strategy.

- **Ensuring immigrants use their skills in the labour market.** . Many immigrants to Canada work in jobs that do not utilize their skills, or are underemployed.[22] A 2016 study estimated that in Ontario, only one-quarter of foreign-trained immigrants in regulated professions were working in jobs that matched their qualification levels.[23] Examples of government measures that could be considered include support for organizations that provide loans to immigrants to help pay for domestic certification and removing barriers to recognition of foreign credentials.[24] Ontario has recently taken steps by no longer requiring domestic work experience for certain trades and professions (except health care), and other provinces and territories could follow this lead.[25]
- **Streamlining the process for immigration.** At present, the process is cumbersome and backlogged. IT-enabled tools could make it easier and faster. As well, although Canada does well in world-rankings of desirable places to immigrate, targeted efforts to highlight the benefits of Canadian immigration in domains where Canada has shortages might assist.
- **Increasing the annual number of immigrants entering Canada.** Although the new targets will not be easy to meet, Canada could, over time, increase the target number of immigrants, especially for those immigrants with healthcare and IT-related skills. For example, it could lower the requirements for economic class applicants, add new classes for temporary entry such as exist in the United Kingdom for young workers from the Commonwealth, and/or hold more entry draws for high-skilled workers.

Enhancing Labour Productivity

Historical trends and international comparisons make clear that labour market and wider economic policy in Canada must have as a core objective to improve the rate of growth and the level of productivity.

The fall 2021 Economic Outlook underscores the need to grow public and private (non-residential) investment as a driver of productivity growth. This includes investment not only in non-residential structures, and machinery and equipment, but also R&D and intellectual property.[26]

Some potential drivers of productivity are noted above and include **investing in human capital** (e.g., skills training) and **attracting high-skilled talent** (e.g., bolstering immigration). As labour productivity typically grows with the size of firms and with competition, **improving access to markets** through trade policy and **supporting exporters** can also be impactful. In the Canadian context, **removing barriers to internal trade** has been a frustrating and slow process. **Public and private Investment in innovation**, stimulating a process of **"creative destruction"** is also a known, proven driver of productivity growth. The level and structure of taxation can also have a significant impact on productivity.

Both Australia and the United Kingdom have created institutions to research causes of low productivity and implement measures to reduce barriers to productivity. There would be value in such an institution in Canada, to better inform the public debate and ultimately decision making in Canada.

Conclusion

There is positive news in this fall 2021 review of the labour market. Employment has rebounded faster than had been predicted, and women, in particular, who originally suffered disproportionate job losses, have returned to the workforce and have higher participation rates than prior to the pandemic. As a result, it is appropriate that government supports are winding down. Pockets of concern, however, remain in the food and hospitality industry, in some regions (e.g., the Maritimes) and amongst older workers. Also of concern is the widening of income inequality during the pandemic.

It is now time to return to fundamentals and focus on longer term economic growth. **Prior to the pandemic, Canada faced labour shortages and low productivity growth rates, and the pandemic has exacerbated these shortcomings.** During the recovery, jobs have recovered faster than output and thus productivity has fallen. Meanwhile, the range of jobs for which there is a shortage of workers has expanded to include not just IT and health care jobs but also less skilled occupations.

There is no easy fix to these labour market shortcomings but selected areas of policy and market responses have been highlighted in this paper. Skills training should remain a priority. In addition, measures aimed at attracting and keeping seniors in the market and enhancing our approach to immigration would both provide talent and redress, in part, labour shortages. These measures, together with efforts to raise productivity through investment in physical and human capital and innovation, will be key to a labour market that delivers good jobs, good wages, and prosperity for Canada.

Notes

1. For labour force data up until November 2021, see: https://www150.statcan.gc.ca/n1/daily-quotidien/211203/dq211203a-eng.htm

2. Ibid.

3. Ibid.

4. McKinsey, "Help your employees find purpose –or watch them leave," https://www.mckinsey.com/business-functions/people-and-organizational-performance/our-insights/help-your-employees-find-purpose-or-watch-them-leave

5. For a complete list of pandemic programs for both individuals and businesses, see: https://www.canada.ca/en/department-finance/economic-response-plan.html. For information on costs, which to date have only been announced, see: https://www.cbc.ca/news/politics/pandemic-supports-liberals-freeland-1.6219620

6. For bankruptcy rates in Canada, see: https://www.ic.gc.ca/eic/site/bsf-osb.nsf/eng/h_br01011.html

7. For current status of agreements, see https://www.ctvnews.ca/politics/what-s-the-status-of-ottawa-s-child-care-deal-with-the-provinces-and-territories-1.5658879.

8. D. Williams, "Pay and Productivity in Canada: Growing Together, Only Slower than Ever," https://bcbc.com/reports-and-research/pay-and-productivity-in-canada-growing-together-only-slower-than-ever

9. For data on OECD labour productivity, see: https://www.oecd.org/sdd/productivity-stats/

10. S. Rao, "What Explains the Canada US Labour Productivity Gap," https://www.researchgate.net/publication/4835980_What_Explains_the_Canada-US_Labour_Productivity_Gap. Also see M. Almon, at https://www.ic.gc.ca/eic/site/eas-aes.nsf/eng/h_ra02287.html

11. The Alberta Business Council has done a three-part study of labour productivity. For general information, see: R. Asselin, supra, https://thebusinesscouncil.ca/publication/why-productivity-matters/

12. D. Williams, supra, footnote vii

13. For job vacancy rates in Canada, see: https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410032501

14. Rafael Gomez, "Unions and Hazard Pay for COVID-19: Evidence from the Canadian Labour Force Survey," https://www.researchgate.net/publication/355833123_Unions_and_hazard_pay_for_COVID-19

15. For a discussion of increased union sector wage demands, see: https://www.bnnbloomberg.ca/soaring-inflation-means-tougher-wage-talks-canadian-unions-warn-1.1680930.

16. For a discussion on data about demographics and recommended strategies from the Senate Prosperity Action Group, see https://peterharder.sencanada.ca/media/49965/pag-report-english.pdf

17. See: https://www.mckinsey.com/featured-insights/future-of-work/skill-shift-automation-and-the-future-of-the-workforce

18. For a discussion on the impact of the pandemic on demand for technology at work, see: https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/how-COVID-19-has-pushed-companies-over-the-technology-tipping-point-and-transformed-business-forever

19. See Stat Can report on health care and social assistance category job vacancies: https://www150.statcan.gc.ca/n1/daily-quotidien/210921/dq210921a-eng.htm

20. TD Bank Report, https://economics.td.com/domains/economics.td.com/documents/reports/ff/ A_Just_Transition_for_Energy_Workers.pdf

21. See for example of a survey: HSBC Navigator 2121, https://www.business.hsbc.com/en-gb/campaigns/navigator2021

22. For information on credentials of immigrants, see: https://triec.ca/about-us/focus-on-immigrant-employment/

23. For statistics on use of skills and information new Ontario measures, see: https://news.ontario.ca/en/release/1001014/ontario-helping-newcomers-start-their-careers

24. Windmill Microlending is an example of a charitable organization that successfully provides micro-loans to immigrants and refugees to re-qualify domestically in areas where they are already skilled

25. For information on underutilization of skills, see: https://ppforum.ca/publications/underemployment-for-racialized-groups-and-immigrants-in-canada/. Also see: https://ir.lib.uwo.ca/pclc_rpb/vol1/iss5/2/

26. Not only has the investment level in R&D fallen in the last 20 years, but as of 2017, Canada ranked 20th out of 37 OECD countries in R&D investment.

Fall 2021 Economic Outlook, Labour Force Report: Key Contacts

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