An Exploration Of Skills And Labour Shortages In Atlantic Canada
Atlantic Canada’s labour force is shrinking. Between 2012 and 2018, the region saw a decline of 2.4% (31,000 people), while the rest of Canada enjoyed steady increases. Over the next 10 years, another 229,000 Atlantic Canadians are expected to retire from the labour force.

This is resulting in a critical shortage of labour and skills for Atlantic Canadian firms, which prevents them from both growing their businesses and meeting the demands of their clients.

Currently, the region is producing goods at the maximum possible level given the capacity of existing plants and available workers. To grow its economy, the region will require investments in plant infrastructure and skills development, along with an expanded workforce.

To better understand this current shortage, ACOA examined supply and demand issues in the labour market through existing research, by working with Statistics Canada, Employment and Social Development Canada, and the Bank of Canada, and by talking with agency clients and partners.

But there’s still more to do in order to understand the impact this shortage is having on Atlantic Canada, given marked differences within the region. This can help in the development of broad policy options, as well as targeted responses to some of the underlying issues.
The unemployment rate in Atlantic Canada remains higher than the national average, despite falling to its **lowest level since 1976**.

Between urban and rural communities, the unemployment rate shows considerable differences. In urban areas, the rate in **2018 was 7.5%** (only **1.7 percentage points higher than the national average**) with cities like Halifax and Moncton showing similar rates as Montreal and Toronto. When it comes to rural areas, the unemployment rate was **well over 10%** largely because of a handful of areas where the labour force is older and the jobs more likely to be temporary.

This is driven mainly by four of the top five regions in Canada with the **highest rate of temporary jobs** as a share of total jobs being in Atlantic Canada, suggesting employment seasonality influences the region’s overall rural unemployment rate.

Over half of vacancies in Atlantic Canada are in lower-skilled occupations requiring less than two years’ experience. However, **two-thirds of job openings in the next few years will require some post-secondary education**.

Atlantic Canada has a **higher unemployment rate** for both workers 55 years and older, and workers between the **ages of 15 and 25** compared to the national average. For workers between the ages of 25 and 55, the unemployment rate has been getting closer to the national average.

An important part of the solution to labour needs is removing barriers for under-represented groups. For example, only **58% of women participate** in the workforce, compared to **61% nationally**, and the unemployment rate for **indigenous peoples** (18.4%) is higher than the national average (15.2%).
Highlights

Although private sector wages grew by 2.5% between 2007 and 2017 (compared to 2.1% nationally), the average weekly wage in Atlantic Canada remains 10% below the national average.

The seafood processing industry saw wages grow by 3.3% in Newfoundland and Labrador, but only 0.1% in Nova Scotia and New Brunswick. Foreign workers only comprise 9% of the workforce in Atlantic Canada’s seafood industry, compared to 63% in the United States.

The increasingly digital economy will lead to disruptions in the labour market, especially in Atlantic Canada. Jobs occupied by vulnerable, remote, and less-educated workers are at the greatest risk of being automated. Atlantic Canada’s ability to adapt to these changes is particularly low in New Brunswick and Newfoundland and Labrador given low proficiency in core skills of workers while Prince Edward Island faces the greatest risk of technological unemployment due to a high percentage of jobs that are likely automatable.

Half of all businesses surveyed by the Business Development Bank of Canada in Atlantic Canada have reported difficulties recruiting employees—the highest rate in Canada. Similarly, according to the Canadian Manufacturers and Exporters, 48% of Atlantic manufacturing firms are facing an immediate shortage of labour and skills, and 62% expect to face a shortage over the next five years.

Many businesses and sector associations have voiced their concerns regarding lack of access to labour and skills in the region. The nature of the shortage is dependent on both the sector and the location of the companies.

Further research is needed to better identify specific shortages and needs within Atlantic firms and industries, in order to provide targeted support.
Businesses in Atlantic Canada have told the Atlantic Canada Opportunities Agency (ACOA) they are unable to meet their clients’ demands and grow their businesses due to a critical shortage of labour and skills. Getting to the bottom of this shortage will not only better serve agency clients, but also provide key information to the government departments that can directly influence this issue.

To get a solid understanding of the shortage, this research project will examine:

- **Demand issues**: such as the types of jobs that are vacant and the range of skills in demand.
- **Supply issues**: such as characteristics of unemployed or underemployed people.
The Labour Market In Atlantic Canada

The rate of economic growth in Atlantic Canada from 2019 to 2040 is projected to be approximately 0.8%. That’s a full percentage point lower than the national economic growth rate of 1.8%. The reason this growth rate stands lower than the national average is that the region’s aging population has affected its long-term economic prospects.

Currently, the region is producing goods at the maximum possible level given the capacity of existing plants and available workers. To grow its economy, the Atlantic region will require investments in plant infrastructure and skills development, along with an expanded workforce.

Atlantic Canada’s workforce has declined in recent years.

As Atlantic Canada’s population ages and baby boomers retire, the region’s labour force shrinks. Between 2012 and 2018, the Atlantic region’s labour force declined by 31,000 people (or 2.4%), while the rest of Canada saw steady increases. Over the next decade, it’s projected\(^2\) that another 229,000 people could retire.

Young workers are moving.

Another factor that’s contributing to Atlantic Canada’s aging and shrinking labour force is that younger workers are moving to other provinces.

In fact, the region has seen net losses to other provinces in almost every year of the last decade, with Newfoundland and Labrador experiencing the greatest losses since 2012\(^2\).
Despite the unemployment rate falling to its lowest level since 1976, the region still has higher rates than the national average. In 2018, the unemployment rate ranged from 7.5% in Nova Scotia to 13.8% in Newfoundland and Labrador, compared to 5.8% nationally. Part of this can be attributed to the large gap between unemployment rates in rural and urban areas.

The unemployment rate in metropolitan areas like Halifax, Moncton, and Saint John is comparable to other Eastern Canadian cities like Toronto and Montreal. In fact, St. John’s is the only metropolitan area where the unemployment rate is significantly higher (likely due to downturns in construction associated with the oil and gas sector).

In 2018, the unemployment rate in urban areas of Atlantic Canada averaged 7.5%, only 1.7 percentage points higher than the national average. Although the unemployment rate in rural areas was over 10%, this higher rate is the result of marked differences between rural regions, in particular a handful of communities with exceptionally high unemployment rates. This is driven mainly by four of the top five regions in Canada with the highest rate of temporary jobs as a share of total jobs being in Atlantic Canada.

A recent study found that, for workers between the ages of 25 and 54 (prime-aged workers), the difference in employment rates between all provinces is shrinking, with the exception of Newfoundland and Labrador.

The study also looked at the relationship between employment rate and population growth and found a strong correlation, indicating that people are moving for employment opportunities.

Looking at job vacancies can let us know our labour market needs. There is typically a discrepancy between the unemployment rate and the job vacancy rate: the higher the unemployment rate, the easier it is to fill jobs (provided the required skills are available), thereby lowering the job vacancy rate.

Compared to the rest of Canada, all Atlantic provinces have greater discrepancies between their job vacancy rates and their unemployment rates, with the discrepancy in Newfoundland and Labrador being the highest.

However, a recent analysis by APEC found that job vacancy rates have increased across Canada over the last two years, with particularly strong increases in the three Maritime provinces (when compared to Newfoundland and Labrador). Over half of vacancies require less than two years experience, nearly half of all vacancies are in sales and service, construction trades, or transportation, and the fastest growing vacancies are in health care-related jobs.

Taking a deeper look at the unemployment to job vacancy ratio can provide a better sense of labour supply and demand. A tighter labour market means there are fewer unemployed people available for each job vacancy, while a slack labour market means there are many unemployed people and too few job vacancies.

This ratio varies widely among regions within the Atlantic provinces. In regions that contain larger cities, the ratio is smaller, meaning a tighter market. One exception is the Avalon Peninsula, as it includes St. John’s, which is experiencing a softening economy and job losses.

The regions with the highest ratios (meaning the slackest markets) are among the oldest populations in Atlantic Canada, with a significant portion of their population over 55 years old. Additionally, in regions with the highest unemployment, jobs are more likely to be temporary. In fact, most of the regions with the slackest markets also have the highest rate of temporary/seasonal jobs in Canada.

These ratios also vary by occupation. For example, the ratio is very low in health occupations and sales and service occupations, while remaining high in certain goods-producing occupations.
What skills are needed?

According to recent projections covering 2018-2020, 92% of jobs becoming available will be tied to retirements and death, while 8% will be the result of employment growth. These numbers vary from province to province.

Between 2018-2020, a total of 84,725 workers will be needed in Atlantic Canada in the following five categories:

- **Professional workers** (requiring university): 18,180 (21.5%)
- **Labouring workers**: 7,400 (8.7%)
- **Technical/paraprofessional workers** (requiring college): 28,070 (33.1%)
- **Intermediate workers** (requiring high school): 23,105 (27.3%)
- **Management workers**: 7,970 (9.4%)

4 These occupational forecasts are published by ESDC/Service Canada and are based on a projection model—referred to as the Regional Occupational Outlook for Canada (ROOC) model—that takes into account factors such as attrition and projected industry activity.
Technical workers are in the highest demand, driven both by attrition and growth in construction and repair/maintenance-related activities. These jobs include industrial electricians, electrical mechanics, contractors and supervisors, heavy equipment operators, and mechanics.

Though fewer management workers are needed, this category will be the most affected by retirements. Many of these positions will be filled by workers in technical and professional categories, including supervisors and team leads, increasing the need in those categories beyond the numbers projected in these forecasts.

Management occupations have the highest projected rate of job opportunities, due to their older age profile and impending retirements. Also ranking high across the Atlantic provinces are administrative, office support, and logistics roles.

Lower-skilled occupations in sales and service consistently rank low for projected opportunities. This is influenced by labour-saving technologies (such as self-checkout) and changing consumer habits (such as online shopping). That said, turnover tends to generate a steady flow of opportunities in many lower-skilled positions. Also ranking low are occupations in art, culture, recreation, and sport.

Nurses’ aides, orderlies, and patient service associates, along with registered nurses and psychiatric nurses, represent some of the greatest needs in all four provinces. This is associated with the increased health needs of an aging population. Several other health occupations, as well as psychologists and social workers, are also rated as having good employment opportunities in at least three of the four Atlantic provinces.

Transport truck drivers will be needed in the Maritime provinces, with 1,655 projected opportunities.

Professional IT occupations are expected to see growth, including software engineers, programmers, and web designers.
In addition to these broad trends, some opportunities vary by province:

**Prince Edward Island**  
(8,070 job openings)

The highest number of job openings on PEI are expected in technical (2,640 openings) and intermediate (2,305 openings) occupations. The construction and retail sectors will drive much of this need.

For example, investment in construction projects is expected to remain strong over the forecast period, supporting job creation in the industry (particularly for truck drivers, heavy equipment operators, and carpenters).

Job growth is also expected in food service occupations and retail, due to high turnover and attrition. A healthy economic outlook, along with continued population growth, is expected to add more jobs for retail salespersons and supervisors, cooks, and food counter attendants.

**Nova Scotia**  
(34,615 openings)

The highest number of job openings in Nova Scotia are expected in technical (11,660 openings) and professional (8,990 openings) occupations.

Technical occupations with good employment outlooks include retail sales supervisors, cooks, early childhood educators and assistants, accounting technicians, licensed practical nurses, and user support technicians.

Professional occupations with good employment outlooks include registered nurses, physicians, financial auditors, and computer programmers.

Managers will be needed in the areas of health and finance, computers and information systems, and engineering.

Some smaller occupation categories—such as those related to oceans and ICT—will see some of the strongest employment growth.
**New Brunswick**  
(28,795 openings)

In New Brunswick, a growing number of job openings require a higher skill set, with 9,615 opportunities in technical occupations and 5,310 opportunities in professional occupations.

Approximately 1,125 opportunities are expected for registered nurses, psychiatric nurses, nurses’ aides, orderlies, and patient service associates.

Attrition will be the primary driver behind the 5,000 projected opportunities in management occupations including financial managers, human resources managers, and purchasing managers.

Employment growth will drive close to a third of the 1,720 projected openings in the natural and applied sciences fields, including jobs in civil and mechanical engineering, web design, and IT analysis.

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**Newfoundland and Labrador**  
(13,245 openings)

Overall, Newfoundland and Labrador is projecting an employment decline of 1.2% during the forecast period.

The highest number of job openings will be in technical occupations (4,155 openings), followed by a combined 8,150 openings in management, intermediate, and professional occupations.

These opportunities are being driven by needs in the areas of health care, social services, and counselling, as well as projected improvements in the oil and gas sector and increases in mining activities.

Although construction activity is projected to slow down, jobs related to transportation or repair and maintenance have better prospects.

In the long term, several large aquaculture developments in the province will be associated with a significant number of job opportunities.
Immigrants can play a key role in meeting labour needs, and also contribute to the economy in a number of ways, such as advancing knowledge and growing innovation. Immigrants are credited with increasing the diversity of ideas and partnerships with international firms, particularly in ICT and other technology-oriented sectors.

Ontario, Canada’s highest-performing province in the ICT sector, has a labour force comprised of 57% immigrants, compared to 37% nationally.

Atlantic Canada, however, has an ICT labour force with less than 1% represented by immigrants. ICT-related skills are needed to bolster the region’s technology industries, such as cyber security, ocean technology, and aerospace and defence. In addition, these skills are needed for more traditional sectors as they shift to compete in an increasingly digital world.

An additional benefit of introducing immigrants to the labour force is improved trade relations with their countries of origin. A 1% increase in the number of immigrants to Canada would increase the value of imports by 0.21% and the value of exports by 0.11%.

Programs like the Global Talent Stream and the Atlantic Growth Strategy (AGS) Atlantic Immigration Pilot Program (AIPP) are working to help address skilled labour needs in the region. The AGS is also piloting a program aimed at matching international graduates with employers and job opportunities in the region.

Immigrants as Innovators (Conference Board of Canada, 2010).
How can unemployment and job vacancies co-exist?

A recent CBC article cautioned that focusing on overall, national numbers can hide differences in the labour market that are prevailing either by geography or age.

The article pointed out that:

- Sometimes people seeking work do not have the required skills or physical capabilities.
- Some geographic regions have fewer opportunities and not everyone can easily move to a better job market.
- Vacant jobs in cyclical, commodity-based industries might be affected by workers looking for more stable employment.
- Vacant jobs may not offer the salary, stability, or benefits workers need. For some, it might be better to wait for the right fit.

Why are some people not looking for work?

The top two reasons identified in the Maritime provinces were:

- Own illness or disability (23%)
- Going to school (19%)

In Newfoundland and Labrador, however, the top answer was:

- Believes no work available (in area or suited to skills) (21%)
- Going to school (19%)

These individuals are not part of the regional labour force and do not contribute to Atlantic Canada’s unemployment rate.

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7 Statistics Canada. Reason for not looking for work by province and economic region, 2018
Unemployment in seasonal industries

Employment seasonality refers to the degree to which employment rises or falls throughout the year because of seasonal influences like climate or other institutional factors.

Over the past 20 years, seasonal fluctuations in the economy have decreased nationally. This is due to a number of factors, including the economy becoming more service-based (creating more year-round job opportunities) and technological advances that make it possible to do work year-round that was once seasonal (such as construction in the winter).

Despite a downward trend leading to significant declines, seasonal rates in Atlantic Canada remain well above average. Recent data also suggests the downward trend may have come to an end with slight increases in seasonality in each province between 2012 and 2015.

Prince Edward Island stands as the province with the highest rate of seasonality in Canada, followed by Newfoundland and Labrador, New Brunswick, and Nova Scotia.

Wages

There can be a relationship between wage growth and the labour market. In a tight labour market, employers can have difficulties finding workers to fill positions, leading to higher wage increases.

Average weekly wages in Atlantic Canada remain below the national level. However, between 2007 and 2017, the average weekly wages in the private sector increased at a faster pace (2.5%) in Atlantic Canada compared to the national average (2.1%), decreasing the gap to 90% of the national average weekly wage.

But overall average wages by province can mask important differences within geographic areas. For example, the growth between 2007 and 2017 was largely driven by strong increases in Newfoundland and Labrador (particularly in the construction sector and seafood processing). In comparison, the three Maritime provinces had weekly wage growth on par with the national average.

Bringing workers to work and work to workers.

Over the last 20 years, more young people have been moving to seek out economic opportunities and prefer to move to opportunities within their home province, or commute or telework.

In some cases, companies are bringing the work to the workforce. For example, a financial centre in Dieppe, New Brunswick announced 440 high-skilled jobs in accounting, finance, and more, with an average annual salary of $65,000, in addition to 575 full-time call centre jobs.

Similarly, some Atlantic Canadian firms need to establish satellite offices in other locations to access skilled labour.
How Can The Economy Grow?
Preparing for an increasingly digital economy

Technology—such as automation—can have a massive effect on the labour market, making early policy action necessary to help those who are negatively affected.

The industry sectors with the most likelihood of automation include:

- Agriculture, forestry and fishing
- Accommodation and food services
- Transportation and warehousing
- Retail trade
- Manufacturing
- Mining, quarrying, and oil and gas extraction

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By 2040,
Atlantic Canadian jobs will only increase in the manufacturing, utilities, and health and social services sectors. In comparison, the rest of Canada will see increases in all industries except agriculture.

The proportion of jobs in the manufacturing sector will increase slightly in all provinces by 2040, but will require higher skills because of advances in technology.

Readiness to adapt to the technological changes is measured based on core skills (literacy, numeracy, and problem solving) and advanced education, which allow workers to redeploy their skills with relatively minor retraining in the event that their job is automated.

The adult populations of New Brunswick and Newfoundland and Labrador score lowest on all core skills and have a smaller proportion of higher education than other Canadian provinces.

Nova Scotians score above average in terms of skills and risk of automation is similar to the Canadian average. Meanwhile, Prince Edward Island faces the highest risk of technological unemployment.

The risk of automation is higher for vulnerable, remote, and less educated workers. Vulnerable groups, including indigenous peoples and recent immigrants, are at a greater risk of losing their jobs to technology over the next 10-20 years. This also reflects the impact of lower levels of education, as less educated workers are more likely to have jobs with a high risk of automation.

With less-educated workforces and less-diversified local economies, rural areas and small towns may find it increasingly hard to adapt and seize the economic opportunities presented by new technologies.

As these transformative technologies impact Atlantic Canada, businesses need to adapt by assisting those displaced and by having the right combination of aptitudes, competencies, knowledge and experience to drive this modern economy.

For employers, this means reviewing how their employment strategies are structured and organized, as well as the importance of early recruitment, upskilling, and recruiting from within, and the benefits of diversity and inclusion.

The scale and pace of the impact on the labour force could be amplified by new and emerging technologies, especially if there are barriers to workforce retraining or if education systems are too slow to adapt to changing employer needs.

To meet the demand for these high-skilled jobs, talent and skills development must be continuous and happen alongside technological changes. Unless there is a concerted effort between government, academic institutions, and companies seeking talent, the region’s current shortages will only be accentuated.
How Is This Impacting Businesses?

According to the Canadian Manufacturers and Exporters 2018 Management Issues Survey, the availability of skilled labour is one of the most critical issues facing Atlantic Canadian businesses, with 48% of firms facing an immediate shortage and 62% expected to face a shortage over the next five years.

In a 2018 labour shortage study by the Business Development Bank of Canada, 50% of Atlantic Canadian businesses report difficulty in hiring employees during the last year (highest in the country). Similarly, 40% of respondents in the CM&E Survey identified this issue as the most pressing challenge facing their company today. It was also identified by the greatest number of respondents in Atlantic Canada (49%) as the most important factor in deciding where to build new plants and facilities.

According to companies surveyed, the availability of skilled workers impacts their ability to introduce new products and services, as well as being a primary obstacle to investing in advanced manufacturing technologies.
What Businesses Are Saying?

A number of businesses and sector associations in Atlantic Canada have voiced their concerns about the lack of labour and skills in the Atlantic region to ACOA staff as part of their regular engagement with the Agency.

These groups and companies have identified a number of shortages in the region, although this does not include input from sectors that are not eligible under ACOA programming, such as banking, retail, and some service sectors.

Primarily, these businesses and associations have noted the need for more:

- Workers with digital skills like computer programming for technology sectors, such as ICT, aerospace and defence, cyber security, and ocean technology. These skills can also support more advanced manufacturing technologies and the digitization of operations.

- Labour workers across all manufacturing sectors, including seafood processing.

- Workers across the tourism sector, such as food service and accommodations workers and chefs. This is most important for Prince Edward Island and Cape Breton, where tourism is vital to the regional economy.

- Qualified engineers and technical specialists who have practical, hands-on problem-solving skills and experience. In some cases, these skills are needed to support the integration of technology into manufacturing firms.
Although many seasonal firms in the Atlantic region have increasingly been integrating technology and automating operations to maintain their competitiveness and address labour shortages, a number of companies still express a need for lower skilled labour. In fact, many rural food processing companies limit their production activities and growth due to a lack of available workers.

A recent report by Food Processing Skills Canada\(^9\) found that 62% of survey respondents would not apply to seafood processing jobs. This is likely due to factors like geographic location, physical requirements of the work, low wages, limiting hours of work to meet EI requirements, and rising education levels.

The report also found that foreign workers only comprise 8.7% of the workforce in Atlantic Canada’s seafood processing industry, compared to 62.8% in the United States.

Despite these challenges, this sector remains vital for the region, representing 15,670 employees (or 55% of employment in food manufacturing), 550 companies, and an export market valued at over $3.9 billion.

Some of the impacts reported by businesses operating in this sector include:

- Lobster companies in Nova Scotia sometimes restrict their products to live lobster, which doesn’t require processing.

- A Nova Scotia-based seafood firm continues to use the Temporary Foreign Worker Program (TFWP) to supplement their regular workforce but has struggled to meet labour needs. As a result, the company halted product development and diversification.

- A Nova Scotia-based lobster firm also makes use of the TFWP with a robust recruitment and retention program, including support services such as bussing employees to work and appointments, building apartments, on-site language training, and using immigrant programs.

- Two large food processors in rural New Brunswick have faced challenges when recruiting additional workers, and are constrained by housing issues.

- A New Brunswick-based firm has targeted Romanian workers through the TFWP and modified their production runs to respond to labour shortages. This company is also undertaking efforts to increase automation and is exploring permanent immigration solutions through the Provincial Nominee Program and the Atlantic Immigration Pilot Program (AIPP).

- One emerging problem has been a lack of skilled workers available to run advanced technological processes (many of which were made possible by ACOA projects). One Prince Edward Island-based firm is seeking an engineer through the AIPP.

- Prince Edward Island is experiencing a shortage of workers skilled in Quality Assurance (QA). Holland College is currently looking at the feasibility of a food safety/quality assurance program.

- A mussel-farming and processing business located on Prince Edward Island has been experiencing labour and skills shortages for at least a decade as workers retire. The company has held job fairs and offers competitive salaries and health benefits, but automation and immigration will still be critical for meeting their production needs.

- Seafood processing companies in Newfoundland and Labrador are currently meeting their labour needs with the local workforce and some usage of the TFWP. In part, this is due to a steady reduction in seafood quotas over time, a reduction in the number of plants and an increase in work automation. However, retirements are expected to challenge companies in the near future.

Aquaculture

As a result of recent and planned investments, significant growth is expected in the aquaculture industry in Newfoundland and Labrador over the next three to five years.

Access to skilled labour is expected to pose a challenge for this industry, particularly in the Burin and South Coast regions:

• An aquaculture development will require workers for a combination of boat handlers/operators, cage development workers, and welding pipe workers, plus more workers in the hatchery and salmon processing.
• One company plans to double its workforce to build barges.
• The construction of aquaculture operations will also require other professional services workers, such as engineers.
• A shipyard that plans become an aquaculture service centre may need several hundred additional workers.
• The additional salmon being processed means an increased demand for workers in processing plants along the south shore.

Elsewhere in Atlantic Canada, a company has experienced difficulty recruiting both skilled and unskilled labour. The company currently uses the TFWP and builds housing for its workers but had to move some of its production to the United States due to a lack of workers.

Over the next three years, the firm will invest significantly to create over 200 new positions. In terms of recruitment, the company is offering above minimum wage for vacant positions and has hired a talent consultant to help access the AIPP.

Aerospace & Defence

One company based in Newfoundland and Labrador has expressed difficulty accessing skilled avionics engineers as well as aircraft maintenance and structural workers.

Meanwhile, another Newfoundland and Labrador-based company is currently training students within the community in hopes of improving recruitment.
Digital Skills

A large technology firm based in Newfoundland and Labrador has hired an entire class of graduating Computer Science students from Memorial University, but still faces a shortage of workers.

The company plans to hire over 100 people this year by leveraging higher salaries to attract workers from other companies, recruiting from other universities in the region, opening a Toronto office, and targeting immigrants with already-established communities in St. John’s. Additionally, the company is advocating universities and colleges to increase their number of computer science graduates.

Another Newfoundland and Labrador-based company that focuses on creating devices for vehicles has been faced with too few computer programmers to meet its needs, while a start-up developing wireless power solutions has experienced challenges recruiting and financing specialized ICT skills. In response, the company employs tele-workers and established a satellite office in another province.

The problem is not limited to Newfoundland and Labrador. In several provinces, older companies and start-up firms are both struggling to find talent. Some smaller firms struggle to compete on salary, with many graduates moving away for better paying jobs.

Tourism

Labour shortage in the tourism sector is a challenge being examined by both national and provincial parties. Some of the problems include seasonality, salary bands, and the dynamics of career choice.

Programs like the TFWP and the use of students do not always work in the tourism sector, especially as the industry experiences growth in shoulder seasons (the period between peak and off-peak seasons). This is because the TFWP limits the duration of work and restricts workers to a single company.

In Nova Scotia, one establishment has staff that work only during the peak season and then work elsewhere for the rest of the year. In fact, many tourism staff travel the world working at different businesses and do not want to stay year-round or during shoulder seasons. Because tourism is so important to the Nova Scotia economy, many businesses are trying to meet their needs with students or temporary foreign workers.

In rural areas of Nova Scotia, high-end restaurants are struggling to find chefs, while tourism operators continue to need seasonal staff.

In New Brunswick, a pilot wage subsidy program has just finished with the intention of incentivizing older workers to work in tourism.

On Prince Edward Island, a rural café is planning a Charlottetown location for the purpose of training staff. Across the island, the industry faces challenges in finding housekeepers, line cooks and maintenance workers, which are not eligible under the TFWP.
Nine manufacturing companies in the Nova Scotia Annapolis region (employing 2,492) were surveyed. These firms anticipate challenges filling 604 full-time positions (valued at $29 million). For over half of the companies, these positions are just to maintain their current production level.

A company located in rural New Brunswick has also struggled to recruit labour workers. The company recently participated in a pilot project that recruited EI recipients in the seafood processing sector, in order to fulfill temporary needs. In addition to helping the company meet production requirements, the workers reported enjoying the pilot and appreciating the availability of additional work.

In New Brunswick, companies in the metal fabrication sector are experiencing challenges filling technical positions, such as welders and machinists. Additionally, a forestry company has been unable to find workers and recruited approximately 50 foreign workers (both permanent immigrants and others). Although they were looking to recruit an additional 50 workers, they were constrained by a lack of housing.

Firms that support advanced manufacturing in Atlantic Canada are finding it challenging to recruit design engineers.

In Newfoundland and Labrador, a large rural manufacturing company currently meets its labour requirements but finds it difficult to recruit the more advanced or specialized skills it requires.