

# Canada's top problem is filling labour shortage

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OTTAWA — When Prime Minister Stephen Harper gathered the country's premiers at 24 Sussex Drive last fall, he wanted them to focus on what he saw as the country's No. 1 economic problem: within a decade or two, there simply will not be enough workers in the country.

Although recent headlines about thousands of layoffs in Canada's struggling manufacturing sector may suggest otherwise, Harper and his cabinet are struggling to find ways to boost training programs and increase immigration to find more workers to avoid what some Conservative strategists say is an "economic time bomb."

That Canada is heading for a problem seems unavoidable. In the last 50 years, Canada's workforce grew by 200 per cent. That growth was responsible for raising standards of living and creating the public and private wealth the country now enjoys. But government forecasters say that, without some radical changes, the workforce will only grow by 11 per cent in the next 50 years — and that figure includes the effects of current levels of immigration.

"Our demographics are working against us," Human Resources Minister Monte Solberg said in a speech Monday to the Canadian Building and Construction Trades' Legislative Conference. "Baby boomers are set to retire and our low birth rate means demand for workers will soon outstrip supply."

Already, more than 80 per cent of working-age Canadians have a job — an all-time high.

Solberg marshalled the following data to back up his claim:

- British Columbia will be short 350,000 workers over the next 12 years.
- Alberta will require 100,000 workers over the next 10 years.
- Ontario will need 560,000 more workers by 2030.
- Quebec will have 1.3 million job openings by 2016.

“We have a significant shortfall of workers in every region across Canada,” said Solberg. “Even in areas of high unemployment, we have too few skilled workers.”

Canada’s labour market has consistently defied market forecasters for the last three years. Despite a high dollar, which makes Canadian workers relatively more expensive than workers in other countries, there were 325,000 new jobs created in Canada in the last 12 months. That job gain comes despite the loss of more than 113,000 jobs in manufacturing. In other words, the economy not only replaced those 113,000 lost manufacturing jobs, it also created an additional 325,000 jobs. The construction sector alone has grown by more than 103,000 workers.

And, as the Bank of Canada noted in its monetary policy report last week, year-over-year wage growth has been strong as well, suggesting that good-paying manufacturing jobs are being replaced with equally well-paying jobs elsewhere.

Statistics Canada will release the latest monthly job data Friday.

Finding more skilled workers is one of the goals behind Ottawa’s controversial proposal to change immigration rules to fast-track certain groups of immigrants although political opponents say that rationale has not been appropriately clarified.

“What we think is that the immigration policies of this country should be designed to help workers come here with their families, use their training and skills and help build the country,” said NDP Leader Jack Layton.

Layton also said that tax rules ought to be changed to help workers who have to travel to other provinces or regions.

“Right now it’s very expensive to travel to use your skills. It really should be considered part of your expenses under the tax law and the NDP has proposed measures to change the taxes to make it easier for workers to travel, particularly construction workers,” Layton said.

In his speech, Solberg said his government is spending more money on training programs than any federal government in history.

But political opponents say the Conservatives could be doing more.

“The government is not doing enough at all about that” said Liberal Leader Stephane Dion. “We need to increase our productivity. We need to adapt to an aging population. We need to do more to help the people that are over 65, if they want to, to stay in the workforce.”