

# Labour Market Trends

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# Introduction

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- As the global competition for talent heats up, immigration will form one component of Alberta's labour force equation.
- Labour force development and responding to labour shortages is a shared responsibility with industry, labour and other stakeholders.
- This presentation outlines the evolving domestic and international competitive environment.

# Current immigration landscape

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- Economy is in recovery
  - Labour shortages are already returning
- Aging demographics – smaller talent pool
- Increased international competition for talent
  - Skilled professionals and trades people that Alberta needs are in demand across the world
- Increased in-Canada competition
- Citizenship and Immigration Canada (CIC) will maintain current immigration levels at 250,000 – 265,000 per year
- Federal resource constraints are a major factor

# Alberta's immigration at a glance

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- Alberta remains a top destination province for immigrants.
- Federal Skilled Workers (FSW) and Provincial Nominees (PN) are main sources of economic class immigrants to Alberta.
- 11, 513 FSW immigrants came Alberta in 2010.
- Alberta's immigrants accounted for almost 20% of its working age population in 2010
- Use of the Temporary Foreign Worker (TFW) Program by Alberta employers expanded during economic boom.
- 24, 038 TFWs came to Alberta in 2010.

# Alberta's immigration at a glance

## (cont'd)

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- The Alberta Immigrant Nominee Program (AINP) is a major tool to meet provincial labour needs and build future workforce
- In 2010, the AINP nominated 5,000 persons
- CIC has capped Provincial Nominee levels; target for 2011 is fixed at 5,000
- Over 90 per cent of AINP Employer driven stream nominees in 2010 were Temporary Foreign Workers (TFWs) at the time of nomination.

# Increased Competition

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- Increased In-Canada competition
  - Ontario
  - British Columbia
  - Saskatchewan
  - Atlantic Provinces
- Increased international competition for talent
  - The skilled trades people and managers we will need are in demand across the world.

# Key International Competition

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- Australia
- UK and Europe
- USA

# Labour Market Forecasts

<http://employment.alberta.ca/BI/2656.html>

# What is STEF?

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- STEF is a new employment and labour market forecasting tool.
- The STEF tool is a list of occupations that will be in demand in the next 1-3 years in Alberta.
- This list will be useful for a variety of labour market related activities:
  - Identification of occupations under pressure in the short-term
  - labour force strategic planning
  - assisting clients in career and employment planning
  - designing short-term training programs
  - assisting employers with human resource planning
- STEF is a tool because it can assist and inform users based on their individual needs and objectives.



# Why we need STEF

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- To respond to multiple requests for short-term labour market trends and forecasting information.
- To produce an evidence-based short-term employment forecast and enable the Alberta Government to:
  - Identify occupations in demand in the short-term
  - Take measures to prevent potential labour shortages
  - Market employment opportunities to individuals
  - Inform industry partners' and stakeholders' labour force strategies.
- To ensure a consistent source for employment forecasting across the Government of Alberta, and consistent messaging to the public.

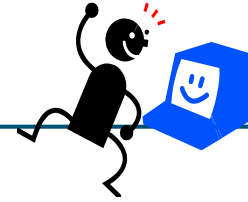
# What is in it for Industry?

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- Participate in shaping Alberta's labour force outlook to strengthen Alberta economic prospects.
- Ensure sufficient supply of workers in specific occupations their industry sector needs in the next few years.
- Influence federal government decisions on immigration and temporary foreign workers – which directly impacts the outlook of industry sectors' future labour force availability!
- To accomplish the above we encourage all industry sectors to provide us with labour forecasts information and data to enhance the STEF tool.

# Why STEF is unique?

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- All indicators in STEF's methodology are directly related to employment, and equally weighted.
- Two sets of indicators are used in the methodology: qualitative and quantitative. This is uncommon in economic and statistics practice but provides crucial industry perspective.
- One indicator in each qualitative and quantitative set looks at the future; other indicators show past trends.

# Understanding the STEF Tool

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- The STEF list is a forecasting **tool**
- It provides an **indication** of demand for specific occupations in the next 1 – 3 years
- It is unique in the way that it shows the **demand in the short-term**
- It is tested every year for its **predictive power**
- It can be used to **complement** and inform other forecasting models
- It should always be used and interpreted at the **user's discretion**
- It can be used to **attract required labour supply** to available jobs within Alberta



# Occupational Demand and Supply Outlook

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- Identifies long-term labour shortages
- Predicting a cumulative shortage of 77,000 workers by 2019, with overall demand outpacing supply by 2015.
- New 10-year plan (2011-2021) will be released this fall.
- [http://employment.alberta.ca/documents/LMI/LMI-LMF\\_occ\\_demand\\_supply.pdf](http://employment.alberta.ca/documents/LMI/LMI-LMF_occ_demand_supply.pdf)

# Predicted Occupational Short Term Shortages

# Short-Term Occupations Framework

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- There are 64 occupations that meet the criteria to be deemed in shortage in Alberta between 2011 and 2013, according to the E&I Short-Term Employment Forecast (STEF) tool
  - These occupations were considered in this analysis (STEF 2011–2013 is the benchmark)

# Petroleum Human Resources Council of Canada

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- PHRCC generates and analyzes labour market projections for the Canadian petroleum industry.
  - Over 30% of the industry's core workforce is expected to retire within the next decade.
  - Widespread shortages are set to occur in all core occupations as early as 2013, as a result of increased hiring requirements and a shrinking labour supply.
  - Depending on the growth level in the oil and gas industry, net positions in Alberta could be between 33,000 and 102,000.

# Occupations forecasted by PHRCC to have shortages

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- Alberta's oil and gas industry is already reporting skills shortages for some experienced, industry-specific occupations including:
  - Experienced engineers (exploitation, completions, production, mining);
  - Plant operators, steam engineers and power engineers;
  - Maintenance trades;
  - Production accountants;
  - Field operators/specialists (slick line, snubbing, completions, class 1 drivers);
  - Rig crews; and
  - Environmental and regulatory specialists.

# Construction Sector Council

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- The Construction Sector Council labour market forecast for 2011–2019:
  - New construction projects will increase the labour force needs by 30,000 workers.
  - Labour force leaving due to retirement etc are estimated at 35,000.
  - New entrants to the labour force are expected to reach 26,000.
  - The gap of almost 39,000 workers will have to be met with attracting workers from outside Alberta's construction market.
  - By 2013, 26 occupations are forecasted to have shortages.

# Occupations forecasted by CSC to have shortages

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- The following 26 occupations are forecast to have shortages by 2013:
  - Boilermakers
  - Bricklayers
  - Construction Estimators
  - Construction Managers
  - Construction Millwrights and Industrial Mechanics
  - Contractors and Supervisors
  - Electricians (incl. industrial and power system)
  - Elevator Constructors and Mechanics
  - Floor Covering Installers
  - Gasfitters
  - Glaziers

# How do we compete?

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- Work smarter
  - Cooperate to influence
  - Maximize capacity in the immigration system
  - Focus on retaining and developing
- Do your homework
  - Plan ahead – gather data: who, what, when
  - Understand the issues: markets, qualifications
  - What help is available?

# Before you recruit internationally...

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- Think ahead when recruiting
  - Take advantage of Alberta Works offices and resources
  - Take into account eligibility criteria of different programs
- Foreign Qualifications Recognition
  - 65 accreditation guides for regulated occupations:  
[www.albertacanada.com/immigration/working/occupations.aspx](http://www.albertacanada.com/immigration/working/occupations.aspx)
  - *How to work in your Occupation in Alberta* brochure:  
[www.employment.alberta.ca/Immigration/6427.html](http://www.employment.alberta.ca/Immigration/6427.html)
  - Developing best practices guides and fact sheets for trades and engineering occupations

# Questions?



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