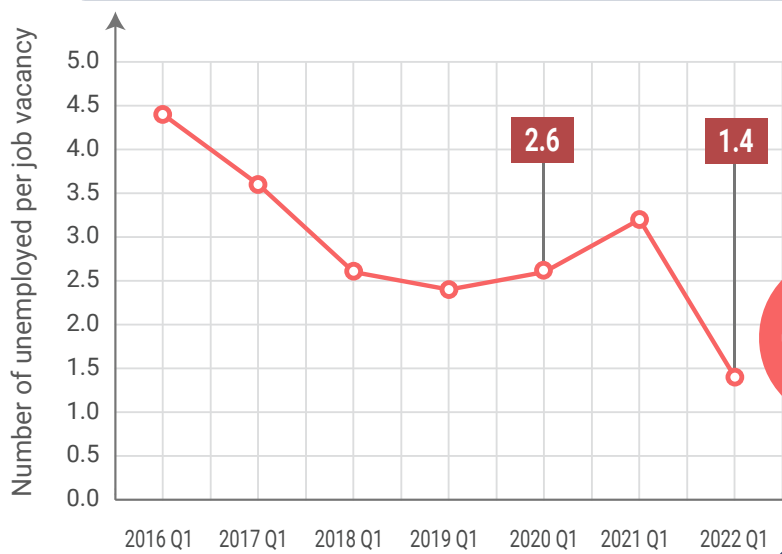


# LABOUR SHORTAGE TRENDS

IN CANADA

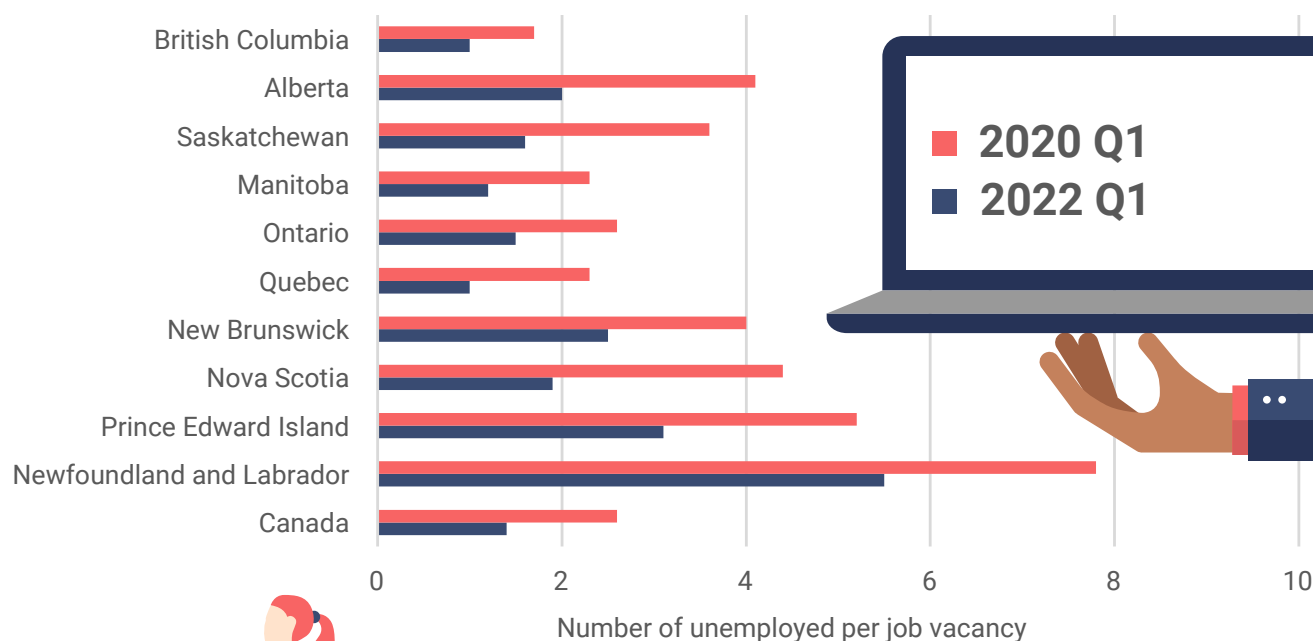
The unemployment-to-job vacancy ratio in Canada is at a historical low, amid a record tight labour market.

## UNEMPLOYMENT-TO-JOB VACANCY RATIO



Source: Statistics Canada, Labour Force Survey and Job Vacancy and Wage Survey.  
Note: Data are not seasonally adjusted.

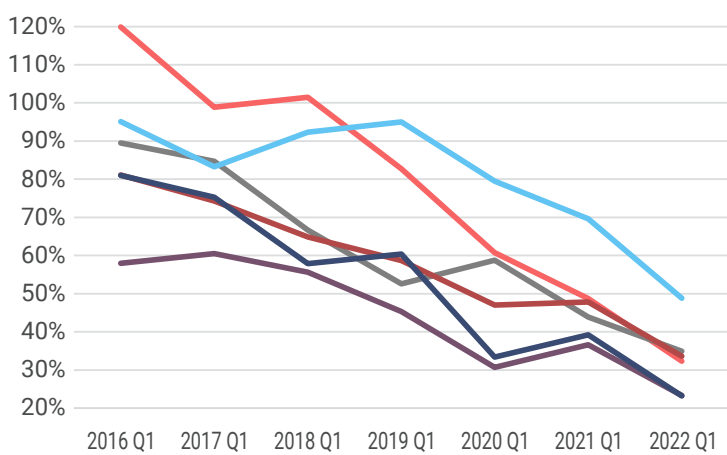
## THE UNEMPLOYMENT-TO-JOB VACANCY RATIO HAS DECREASED IN EVERY PROVINCE AND IS LOWEST IN QUEBEC AND BRITISH COLUMBIA



Source: Statistics Canada, Labour Force Survey and Job Vacancy and Wage Survey.  
Note: Data are not seasonally adjusted.

Employers are having difficulty filling vacant positions.

## ACROSS THE FIVE PRIMARY SECTORS DRIVING TOTAL JOB VACANCIES, THE RATIO OF NEW HIRES TO VACANCIES HAS BEEN TRENDING DOWNWARD



Source: Statistics Canada, Labour Force Survey and Job Vacancy and Wage Survey.  
Notes: Data are not seasonally adjusted. The ratio of new hires to vacancies is the number of new hires as a proportion of vacant positions.

Labour challenges are impacting Canadian employers

Recruiting skilled employees was expected to be an obstacle over the next three months for nearly two-fifths (36.9%) of all businesses, led by those in construction (49.5%), manufacturing (47.4%), and accommodation and food services (46.3%)<sup>1</sup>.



36.9%  
All businesses



49.5%  
Construction



47.4%  
Manufacturing



46.3%  
Accommodation and food services

Source: Statistics Canada, Canadian Survey on Business Conditions.

In addition, shortage of labour force was expected to be an obstacle for over one-third (35.0%) of businesses, while retaining skilled employees was expected to be an obstacle for over one-quarter (27.6%).

Mismatches between the offered wage associated with vacancies and the reservation wage—the minimum hourly wage at which job seekers are willing to accept a position—may be contributing to the elevated level of job vacancies in certain sectors, particularly in retail trade and accommodation and food services. In sectors where the offered wage is above the reservation wage, such as in health care and social assistance, other factors may be at play to explain the labour shortage (e.g., population aging).

## AVERAGE RESERVATION WAGE AND AVERAGE OFFERED HOURLY WAGE, FIRST QUARTER 2022



Source: Statistics Canada, Labour Force Survey and Job Vacancy and Wage Survey.  
Note: Data are not seasonally adjusted.