



For more information on the 292 occupational grouping used in COPS, please visit: <u>http://occupations.esdc.gc.ca/sppc-cops/l.3bd.2t.1ilshtml@-eng.jsp?lid=59&fid=1&lang=en</u>



Job seekers are individuals who enter the labour market from the school system, the immigration and other sources:

- *School leavers* are people leaving their <u>full-time</u> education programs (either as dropouts or graduates) to participate in the labour force. They are considered at their highest level of education. For example, a post-secondary drop-out is considered as a high-school graduate.
- *New immigrants* are immigrants who enter Canada each year (under any immigration class) as permanent residents and participate in the labour market.
- Other job seekers include:
  - Occupational movers: those who change occupations without leaving the labour market. Although movements are observed across occupations (inflow and outflow of workers), occupational mobility at the aggregate level is 0 (an inflow of one worker in one occupation is an outflow for another).
  - Net re-entrants: those who had previously left the labour force and return to participate in the labour market.
  - Working students: individuals who look for work while going to school.
    - \* The last two components (i.e. net re-entrants and student workers) are negligible and are left out of this report as their inclusion has little impact on the results. In particular, student workers are left out because the annual number of students working remain relatively stable (the number of students starting to work is similar to the number of working students graduating and therefore becoming school leavers).





Over the projection period (2015-2024), it is expected that the number of school leavers entering the labour market will increase.

On average, there were 465,000 school leavers per year over the period 2005 to 2014. This is expected to increase to an annual average of 503,000 school leavers over the projection period. Over the same period, the number of school leavers with :

- a high school education, college or a university education is projected to increase at annual average growth rates of 0.7%, 1.2% and 0.8% respectively;
- less than a high school education is projected to continue to trend down at an average rate of 1.9% per year.



Over the 2015-2024 projection period, the impact of population aging on the labour market will start to be felt more strongly. In fact, the share of the older youth group (aged 20-29) in the total working age population (15-64) is expected to decline from 20.1% in 2014 to 18.9% in 2024.

Yet, the annual average population of this youth group (aged 20-29) is still expected to be 5.1% higher over the projection period than during the previous ten years (2005-2014). As this is the source population for school leavers with post-secondary education (PSE), the number of job seekers leaving the PSE system is also expected to be higher over the projection period.

On the other side, the 10-year average population of younger youth (aged 15-19) is expected to slightly decline from 2.16 (2005-2014) to 2.0 million (2015-2024). Hence the number of school leavers with less than PSE will be slightly lower than in the past.



For each educational level, the enrolment rate is defined as total enrolment divided by source population. The source population by education level is defined as:

- *PhD: 25-34 years old;*
- Master's: 25-29 years old;
- Bachelor and first professional degree: 18-24 years old. (*First Professional programs are those to prepare for specific occupations such as general physicians and lawyers*);
- College: 18-24 years old; and
- High school: 13-14 years old.

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In addition to a larger source population for PSE, the increase in PSE school leavers also results from an upward trend in PSE enrolment rates. Indeed, the enrolment rate in post-secondary programs increased over the past 15 years and that upward trend is expected to continue over the coming decade.

Several factors are expected to contribute to higher enrolment rates in post-secondary education over the next decade, including:

- generally more favourable job and income outlooks for more educated workers;
- higher educational attainment for parents, which has been found to have a positive influence on young people's decisions to pursue post-secondary education.



Due to a larger older youth population (20-29) and higher enrolment rates, the level of enrolments in all PSE programs is projected to increase by 8.5% over the period 2015 to 2024 (from about 1.38 million in 2014 to about 1.50 million in 2024). More specifically, the number of enrolments in:

- college programs is projected to increase by 14.7%, from 498 thousand in the base year (2014) to 571 thousand in 2024;
- bachelor and first professional programs is projected to rise by 2.5%, from 736 thousand in 2014 to 755 thousand at the of the projection period (2024);
- post-graduate level programs (master and PhD) is projected to rise by 17.8%, from 144 thousand in 2014 to 170 thousand in 2024.



Despite a marked decrease in the source population aged 18 to 24, the number of school leavers with <u>college</u> education is expected to increase by 12.5%, from 162 thousand in 2014 to 183 thousand in 2024. This can be explained by the increased number of college enrolments and the good labour market conditions for individuals with this level of education.



In spite of a slight decrease in the source population aged 18 to 34, the number of school leavers with <u>university</u> education is expected to increase by 8.7%, from 183 thousand in 2014 to 199 thousand in 2024. This can be explained by the increased number of university enrolments and the good labour market conditions for individuals with this level of education.

It is important to note that the 2008-2009 recession had a short-run (upward) impact on enrolment in university programs leading to a short-term increase in the number of university graduates and school leavers during the period 2012 to 2015.



The total cumulative number of school leavers with <u>less than PSE</u> is expected to be 1.34 million over the projection period, which is 9.5% lower than in the previous ten years (1.48M for the period 2005 to 2014). This results from a smaller increase in the number of those who complete only high school and a larger decrease in the number of those who drop out of high school.

The number of people who completed <u>high school</u> is expected to increase over the projection period. However, as more high school graduates are expected to enroll in PSE, the number of school leavers with only high school education is expected to increase only slightly by 6.7% over the projection period, from 104 thousand in 2014 to 111 thousand in 2024.

The number of school leavers with <u>less than high school</u> education is expected to decrease by 20.0%, from 35 thousand in 2014 to about 28 thousand in 2024. This is explained by the shrinking source population of youth aged 15-19 and lower high school drop out rates. High-school dropout rates are expected to continue declining, due to the poor employment and earning prospects for occupations requiring less than high school education.



The already high share of Canadian school leavers with PSE is expected to grow further over the projection period.

School leavers with college and university education accounted for 68.1% of the total number of school leavers over the period 2005 to 2014 (3.17 million compared to 1.48 million with lower education attainment). This share is projected to increase to 73.3% (3.69 million compared to 1.34 million for non-PSE) over the coming decade.

The number of school leavers with high school or some post-secondary education is expected to remain essentially flat at around 1.06 million over the projection period. However, those with less than high school are projected to decline by about 34.4%, from 424 thousand over the period 2005 to 2014 to 278 thousand over the period 2015 to 2024.



Therefore, the educational attainment of Canada's labour force is expected to continue rising. In fact, the share of the labour force with a postsecondary education is projected to increase to 64.9% in 2024, from 62.3% in 2014. However, with the diminishing difference in the educational attainment between the older cohorts and the younger cohorts, the rise in the share of people with PSE is projected to be smaller than the one registered during the previous ten years, when it grew by 8.1 percentage points, from 55.7% in 2005 to 62.3% in 2014.

More specifically, the projected labour force growth will be highest among university graduates (1.3% average annual growth rate over the period 2015 to 2024) and college graduates (average annual growth rate of 0.9%).

With regards to the labour force participants without PSE, not only will their projected labour force growth be lower than for university or college graduates, but their overall number of labour force participants will also be lower. This is due to the fact that those entering the labour market without a high school degree will decrease sharply over the projection period, offsetting the increase in the number of labour force participants with a high school diploma or some PSE.

The size of the labour force represented by those with less than high school is projected to decline over the coming decade at a rate of 0.4% average annual growth rate. Finally, labour force growth among those with high school is projected to see minimal changes.



Although Canadian school leavers are projected to be more educated (73.3% with PSE), only 56.9% are expected to work in management occupations or occupations that usually require PSE. This implies a relatively high incidence of education-occupation mismatch among recent PSE graduates.

Part of this mismatch may be transitory as new school leavers need time to completely integrate into the labour force and into a matching occupation. They may land in low skill occupations when they first enter the labour market. Yet, later, these school leavers might seek and move to occupations that better match their qualifications (this is taken into account in the projections).

Top 10	Occupations Where the Largest Number of Scho	ool Leavers are E	xpected to Look for W	ork, 2015-2024
NOC	Occupations	Share in Total School Leavers	Average Annual School Leavers as % of 2014 Employment	Employment Size (% of Total 2014 Employment)
6421	Retail Salespersons	4.9%	4.4%	3.1%
6611	Cashiers	3.3%	4.6%	2.1%
6711	Food counter attendants, kitchen helpers and related support occupations	3.3%	4.7%	2.0%
6513	Food and beverage servers	2.3%	5.5%	1.2%
3012	Registered nurses and registered psychiatric nurses	2.2%	3.8%	1.7%
4032	Elementary school and kindergarten teachers	2.0%	3.6%	1.6%
6622	Store shelf stockers, clerks and order fillers	1.7%	4.3%	1.1%
5250*	Athletes, Coaches, Referees And Related Occupations	1.6%	6.0%	0.8%
6322	Cooks	1.6%	4.2%	1.1%
7610*	Trades helpers and labourers	1.5%	5.5%	0.8%

Occupations where the largest number of school leavers are expected to seek work are usually occupations with larger employment size. Out of the 10 occupations with the largest number of school leavers over the projection period, 6 are in the service industry. This can be explained in part by the lower skill requirements of entry level occupations, and also because of the relatively larger employment size of these occupations.





Over the period 2005 to 2014, new immigrants (those who enter Canada from July to June each year) represented, on average, an annual addition of slightly more than 0.75% of the Canadian population, representing about 255,000 new immigrants each year. However, only a fraction of this total entered the labour market as this number includes children and adults who did not join the labour force once in Canada. Indeed, new immigrants represented, on average, an annual addition of approximately 111,000 new labour market entrants over the period 2005 to 2014.

A growth rate based on historical trend of the immigration proportion is used to project the total number of new immigrants arriving in Canada each year.

As a result, new immigrants are expected to increase the Canadian population by close to 2.8 million over the 10-year projection period.



This chart shows the annual population growth as a result of natural increase (births minus deaths, in blue), and net immigration (immigration minus emigration, in red), measured in thousands of people.

Over the projection period, annual population growth averages about 344 thousand per year, compared with 342 thousand over the previous 10-year period.

The share of population growth stemming from net immigration is expected to increase slightly to 63% over the period 2015 to 2024. As a comparison, this share was about 62% for the period 2005 to 2014 and about 56% for the period 1995 to 2004.



In this chart, the contribution of new immigrants to labour force growth is shown in red. The contribution of the domestic supply is in blue.

The projections show a <u>significant</u> slowdown in the growth of the labour force over the projection period. This is a consequence of the workers in the baby-boom generation entering their retirement years.

Without immigration, there would be little growth in the Canadian labour force over the next decade. Because of the slowdown in the domestic sources of growth, new immigrants are anticipated to represent about 93% of the annual net growth of the labour force over the projection period, up from 57% during the previous 10 years.

Although immigration is becoming the primary source of <u>net growth</u> in the labour force, it is not expected to be the main source of new labour market entrants in Canada. School leavers will remain the main source of new job seekers.

Top 10 O	ccupations Where the Largest Number of New Immigrants are Exp	pected to Seek Worl	k, 2015-2024
NOC	Occupations	New Immigrants	% of 2014 Employment
6421	Retail salespersons	46,000	8.2%
6711	Food counter attendants, kitchen helpers and related support occupations	39,000	11.2%
6731	Light duty cleaners	36,000	15.7%
3413*	Nurse aides, orderlies and patient service associates & Other assisting occupations in support of health services	30,000	11.0%
6611	Cashiers	28,000	7.6%
6322	Cooks	26,000	13.7%
4214	Early childhood educators and assistants	23,000	9.6%
4411	Home child care providers	21,000	41.8%
3012	Registered nurses and registered psychiatric nurses	21,000	6.9%
0621	Retail and wholesale trade managers	19,000	6.4%

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In the projection, annual immigration is distributed among occupations based on the distribution of recent immigrants (those landed between 2006 and 2010) in the 2011 National household survey and the change in the share of immigrants in each occupation in the Labour Force Survey for the period 2006 to 2014. Recent changes to immigration policies, such as the "expression of interest" approach for the skilled immigrants program, are not considered in the projections because no historical data have been collected yet. Moreover, immigrants from this program represent a relatively small share of total.

Occupations where the largest number of new immigrants will seek work are expected to be mainly in the services industries because their skill requirements are lower in these entry level occupations.

Top 10	Top 10 Occupations Where the Largest Share of New Immigrants are Expected to Seek Work, 2015-2024			
NOC	Occupations	New Immigrants	% of 2014 Employment	
4411	Home child care providers	21,000	41.8%	
8611*	Harvesting labourers; Aquaculture and marine harvest labourers & Logging and forestry labourers	3,000	28.4%	
9616*	Labourers in textile processing & Other labourers in processing, manu. and utilities	10,000	24.7%	
2147	Computer engineers (except software engineers and designers)	5,000	21.0%	
9617*	Labourers in food, beverage and related prod. processing & Labourers in fish and seafood processing	10,000	20.4%	
2141*	Industrial and manu. engineers & Metallurgical and materials engineers	3,000	18.7%	
6332	Bakers	8,000	18.1%	
6321	Chefs	11,000	17.9%	
2133	Electrical and electronics engineers	6,000	17.3%	
5125	Translators, terminologists and interpreters	3,000	16.9%	

Six out of the ten occupations projected to have the highest share of new immigrants relative to their 2014 employment over the period 2015 to 2024 are in occupations requiring post-secondary education. Three of those occupations are engineering occupations.

Four of these ten occupations had a large proportion of female workers, as more than 50% of their employment were women in 2014.

Top 10 Occupations Where the Smallest Share of New Immigrants are Expected to Seek Work, 2015-2024			
NOC	Occupations	New Immigrants	% of 2014 Employment
7201	Contractors and supervisors, machining, metal forming, shaping and erecting trades and related occupations	200	1.2%
6511	Maîtres d'hôtel and hosts/hostesses	600	1.1%
7301*	Contractors and supervisors, mechanic trades & Supervisors, printing and related occs.	800	1.1%
1243	Medical administrative assistants	400	0.1%
8410*	Mine service workers and operators in oil and gas drilling	200	0.9%
7203	Contractors and supervisors, pipefitting trades	100	0.8%
8241	Logging machinary operators	100	0.7%
7304*	Supervisors, railway transport operations & Supervisors, motor transport and other ground transit operators	200	0.5%
8211	Supervisors, logging and forestry	0	0.0%
8440*	Other workers in fishing and trapping and hunting occupations	0	0.0%

Occupations where the smallest share of new immigrants are projected to seek work are mostly related to the trades sector and primary industries. This might be explained by the fact that primary activity is mostly in rural areas and immigrants tend to settle mostly in large urban centres and by the fact that some of these occupations are small in terms of employment size.





The labour market is in constant flux and new inflows of workers do not capture the extent to which certain occupations are actually staffed. For many occupations, workers from other occupations are an important source of job seekers (in addition to school leavers and immigrants). In the projections, inter-occupational mobility is based on past mobility patterns as well as actual and expected future labour demand and supply. This is used to determine possible pools of workers, natural career progression paths and to anticipate future labour market needs.



Many workers in lower-skill occupations seek jobs in higher-skill ones, usually better paid occupations. In the coming decade, over 514,000 workers are expected to move up the skill ladder away from lower-skill occupations (in skill levels C and D). Several of them are workers with a college or university education who start working in a lower-skill level occupation, before seeking work in a new position that better reflects their qualifications.

Conversely, for those working in skill level B (usually requiring college education), net mobility is expected to represent over 130,000 workers over the coming decade. More specifically, although many workers from skill levels C and D are expected to move into an occupation of skill level B, part of this inflow of workers will be offset by those leaving this skill level for an occupation of a higher skill level (skill level A or management level). Similarly, for skill level A, net mobility is expected to be low, representing just over 21,000 workers over the period 2015 to 2024, as the number of workers coming from lower skilled level occupations is expected to be offset by workers getting promoted into management occupations.

Management occupations are the largest recipients of net mobility flows, as experienced workers from other skill levels seek to fill vacant management positions. In fact, mobility will represent the greatest source of job seekers for management occupations. Around 55% of the supply for management occupations, representing more than 359,000 new managers, is expected to come from occupations in lower skill levels over the coming decade.





Even though new immigrants are expected to account for the majority of the <u>net</u> growth in the labour force over the next decade, they will continue to represent a relatively small share of the total number of people who enter the Canadian labour market each year.

In fact, the number of young people coming out of Canada's education system (whether with an incomplete high school certificate or a post-secondary education), the so-called school leavers, is much larger than the number of new immigrants.

- Over the period 2005 to 2014, approximately 111,000 new immigrants and 465,000 school leavers were estimated to have entered the labour market yearly.
- Over the projection period, an average of approximately 124,000 new immigrants are expected to enter the labour market every year, compared with approximately 503,000 new seekers coming from the education system.
- In the last decade, the ratio of the number of school leavers to that of new immigrants was about 4.18, compared to 4.07 for the projection period.

Hence, as the Canadian education system is expected to remain the primary source of new job seekers for the labour market, it will still be a key place for addressing problems of mismatch between job openings and job seekers.

Note: In the chart, the category "Other" includes a series of small components capturing labour inflows and outflows such as those returning to school, labour market returns, and students that seek work while being registered in education programs. This category was negligible in the past, but started to gain importance in recent years, and will continue over the projection period.



A total of 5.8 million job seekers (from the school system, immigration and other sources) are expected to enter the labour market over the projection period.

Two-thirds (65.4% - around 3.8 million individuals) of these entries are anticipated to be in occupations that usually require postsecondary education (college, university or vocational) or in management occupations. At a more detailed level,

- more than half of new immigrants (55.6%) are expected to pursue work in occupations generally requiring postsecondary education or in management positions;
- although 73.3% of school leavers would have postsecondary education (university or college education), only 78% of them are expected to actually find work in these occupations. Therefore, about 22% of all school leavers with postsecondary education are expected to be in a situation of education-occupation mismatch;
- upward occupational mobility is also expected to add job seekers for high-skill occupations. This upward
  mobility is mainly the result of skilled workers finding occupations that better match their qualifications as
  well as promotion into management ranks.

With regards to job seekers in lower-skill occupations, one-third of them (around 2 million) are expected to look for work in occupations requiring high school education or on-the-job training.

Top 10 Occupations With the Largest Proportion of New Job Seekers , 2015-2024				
NOC	Occupations	Employment 2014	New Job Seekers as a % of 2014 Employment	
0311	Managers in health care	29,000	65%	
0423	Managers in social, community and correctional services	33,000	58%	
2261*	Non-destructive testers and inspection technician; Engineering inspectors and regulatory officers & Inspectors in public and environmental health and occupational health and safety	49,000	57%	
0422	School principals and administrators of elementary and secondary education	28,000	55%	
0213	Computer and information systems managers	56,000	54%	
0010*	Legislators and senior management	57,000	54%	
0211*	Engineering managers & Architecture and science managers	37,000	52%	
2147	Computer engineers (except software engineers and designers)	23,000	50%	
1121	Human resources professionals	80,000	48%	
0112	Human resources managers	36,000	48%	

Among the top 10 occupations projected to have the largest proportion of new job seekers (projected number of job seekers as a proportion employment in 2014 in the occupation), seven occupations are in the Management area, where mobility plays a large role.

Two occupations are related to the information and technology sector (Computer and information systems managers and Computer engineers, except software engineers and designers). These jobs are usually well paid and workers face less barriers to move among industries and jobs.

Top 10 Occupations With the Largest Number of New Job Seekers , 2015-2024				
NOC	Occupations	Employment 2014	New Job Seeker	
3413*	Nurse aides, orderlies and patient service associates & Other assisting occupations in support of health services	276,000	126,200	
3012	Registered nurses and registered psychiatric nurses	298,000	114,400	
7511	Transport truck drivers	317,000	108,900	
6421	Retail salespersons	554,000	105,900	
1221	Administrative officers	242,000	100,700	
4032	Elementary school and kindergarten teachers	285,000	98,200	
6711	Food counter attendants, kitchen helpers and related support occupations	351,000	88,200	
6411	Sales and account representatives - wholesale trade (non-technical)	252,000	85,800	
4214	Early childhood educators and assistants	236,000	85,700	
6731	Light duty cleaners	231,000	85,100	

The occupations with the largest number of new job seekers are large occupations in terms of employment size. In fact, employment in those 10 occupations (out of 292 occupations) accounted for about 17.1% of total employment in 2014. Among the 10 occupations projected with the largest number of new job seekers, four are in education and health occupations.

	Top 10 Occupations With the Smallest Proportion of New Job Seekers, 2015-2024				
NOC	Occupations	Employment 2014	New Job Seekers as a % of 2014 Employment		
6513	Food and beverage servers	210,000	16%		
5243*	Theatre, fashion, exhibit and other creative designers & Artisans and craftspersons; Patternmakers - textile, leather and fur products	22,000	15%		
6522	Pursers and flight attendants	11,000	15%		
8432	Nursery and greenhouse workers	17,000	15%		
8611*	Harvesting labourers; Aquaculture and marine harvest labourers & Logging and forestry labourers	12,000	14%		
6521	Travel counsellors	21,000	11%		
1241	Administrative assistants	113,000	9%		
6623	Other sales related occupations	36,000	8%		
6512	Bartenders	35,000	5%		
6621	Service station attendants	16,000	1%		

Among the 10 occupations projected to have the smallest proportion of new job seekers (projected number of job seekers as a proportion of employment in 2014 in the occupation), six are related to the service sector. This is largely due to reduced job prospects in the related industries. Also, eight of these ten are classified as usually requiring only high-school education or on the job-training. The other two typically require college education.