

# Vanishing workforce

**VIEWPOINT:** The problem isn't jobs, it's finding people to fill them

BY RICHARD FOOT  
CANWEST NEWS SERVICE

At Okanagan College in Kelowna, more than 200 students from Jamaica are training as chefs, carpenters and collision-repair specialists, to fill jobs in the B.C. economy.

In Nova Scotia, a major aerospace company, IMP Group, is turning down international contracts because it can't find enough technicians and mechanics to carry out the work.

In Toronto, a provider of home care for the elderly is wary of taking on more clients — in spite of demand for its services — because of the chronic shortage of nurses.

"We're curbing our growth," says Lisa Wiseman, president of Elder Care Home Health Inc.

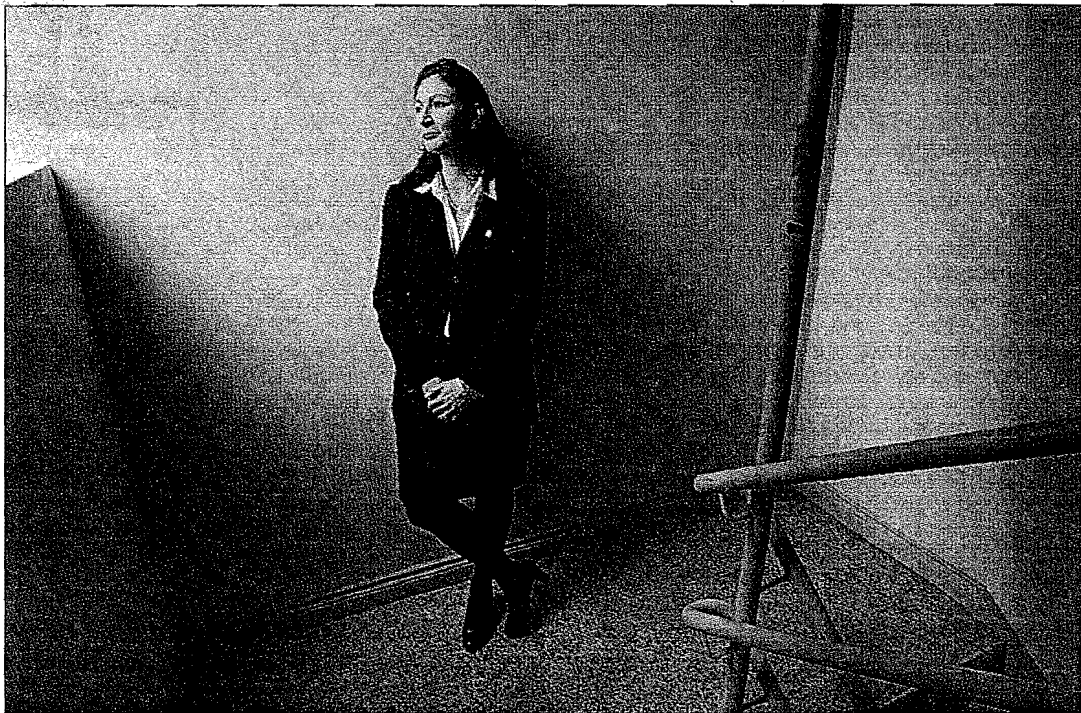
"We're not doing as much marketing of our business as we would if there were more nurses around to hire."

These are not the stories of a job-killing recession, but of a looming labour shortage, already hitting many sectors of the economy and expected to engulf the entire country by 2016 — the date economists predict there will be more people leaving Canada's workforce than entering it.

Experts have warned for several years that a nationwide labour shortage — the result of a low birthrate coupled with the impending retirement of millions of baby boomers — is a major threat to the country's economic growth and future prosperity.

Economist Brian Crowley of the Atlantic Institute for Market Studies has said it will be Canada's most serious economic challenge over the next 50 years.

While the sudden recession, with its massive layoffs and corporate cutbacks, has diverted attention from the problem, some industry leaders and economists say the



**Lisa Wiseman, president of Elder Care Home Health Inc., says her group is wary of taking on more clients because of the chronic nurses shortage.** — NATIONAL POST

current downturn is merely masking, or delaying the inevitable.

Canadians should be worried not about creating jobs, they say, but creating workers.

"Every day we open a newspaper and read about downsizing, or companies shutting their doors. But I believe when we come out of this recession the same skills shortage that existed before is still very much going to exist," says David Gossen, vice-president of IMP's aerospace wing.

"The problem will be even more acute than it was prior to the recession."

While economic forecasts are often built on theory, the demographic truths of the coming labour crunch can't be denied. There aren't enough Canadians born in the past 15 years to

replace those workers who will reach retirement age in the coming two decades.

While the number of people age 65 and over increased by 11.5 per cent between 2001 and 2006, the under-15 population declined by 2.5 per cent over the same period, according to Statistics Canada.

These facts mean that by about 2016 Canada's workforce will be in steady decline, says James McNiven, a retired business professor at Dalhousie University and former deputy minister of economic development in Nova Scotia, who released a detailed study on the problem last month for the AIMS think-tank.

"The [effective] unemployment rate will go to zero," he says, "and as the labour force starts to

decline, the number of people retiring and living off pensions is going to increase."

While everyone who wants a job will have one, says McNiven, and wages will rise as competition for workers heats up, actual per capita incomes will fall as the economy produces less wealth, and there is less money to pay for health care, pensions and other government services.

"This requires us to change the whole way we think about the economy," says McNiven.

"It's stunning. I spent my whole professional life in the economic development branch of government, finding jobs for people. Now all of a sudden, it's about finding people for jobs."

# Shortages hurt wide range of businesses

From Page A37

In Ontario, the nursing shortage isn't just affecting home care for seniors, but also hospital surgeries.

"There is a labour crisis, it has already begun," says Elder Care Home Health's Lisa Wiseman.

"I have colleagues who are hospital surgeons who have said, 'Gee, are you coming across any nurses with surgical experience? I've had to cut back on some of my surgical dates because we can't find staff for the operating room.'"

Community colleges across the country are scrambling to train workers for shortages in various industries. When Okanagan College couldn't find enough young people to train for all the job vacancies in B.C., it began recruiting students from Jamaica, where there is a surplus of young labour.

Although the recession has now dampened the job market in the Okanagan Valley, the training of Jamaicans will continue, says college president Jim Hamilton, because when the recession ends in two or three

years, the local labour crunch will return with a vengeance.

"We'll come out of the downturn at some point and when we do, the skills gap will reassert itself," he says. "There aren't going to be a lot of babies born and entering the workforce in time for when the economy recovers."

With its birthrate in decline, Canada could try other ways of solving its labour shortage, but McNiven says neither boosting immigration nor increasing productivity can fully fix the problem.