



PROSPECTING THE FUTURE

Meeting Human Resources Challenges in the Canadian Minerals and Metals Industry

KEY FINDINGS

Prospecting the Future: Meeting Human Resources Challenges in Canada's Minerals and Metals Sector is a comprehensive sector study of the short- and long-term human resource issues and challenges facing the minerals and metals industry. Published in 2005, its assessment of current and emerging human resource needs and gaps served as a foundation for a series of recommendations designed to maintain the strength of the minerals and metals sector well into the future.

An aging workforce

- The age of the minerals and metals industry workforce is higher than that of the overall Canadian workforce.
- Over 50% of workers are aged 40 to 54, an age group that represents 39% of the total Canadian workforce.
- There is a markedly lower proportion of employees below age 30 in the sector, particularly in the skilled trades and semi-skilled mining occupations.

Significant retirements on the horizon

- Employers predict that 24.5% of current workers will retire within 10 years, while 40% of employees surveyed in the research indicated they plan to retire within that time period.
- The largest percentage of workers planning to retire is in the skilled trades occupational group (44.6%).

Human Resources demand growth

- The retirement projections signal a looming human resources gap in the minerals and metals industry, but other factors indicate the gap will widen beyond retirees.
- Since 2002, mining GDP growth has been about twice the rate of the Canadian economy and economic indicators point to continued growth and increased exploration activities in the sector for several more years.
- More than simply replacing retired workers, the industry will need to expand its labour force to meet this demand-driven growth.

Supply challenge – Education and training programs

- Student enrollment in mining-related post-secondary programs is expected to be well below the predicted demand for highly skilled employees.
- The industry currently faces a number of challenges in recruiting post-secondary-educated employees, including competition from a number of other sectors in Canada and from employers in other countries.
- There have been declining numbers of mining engineering graduates and a loss of some mining-specific programs in recent years.

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Key Findings (continued)

Supply challenge – Non-traditional groups

- The minerals and metals sector has historically faced challenges recruiting women, who currently account for 13% of all employees in the industry.
- Although the sector has had some success in recruiting Aboriginal employees, there are continuing challenges, including the fact that Aboriginal workers are under-represented in the more highly skilled positions.
- Less than 3% of employees in mining are members of visible minorities. In addition, the industry employs very few recent immigrants to Canada.

Supply challenge – Other factors

The minerals and metals industry faces other challenges as it seeks to meet its human resources demands:

- competition from such industries as oil and gas, electricity utilities and construction;
- limited awareness and inaccurate perceptions about today's mining jobs; and
- concerns about working in commuter mining operations.

Supply advantage – Attractive features of mining

- The mining industry also has a number of strengths which should boost attraction and recruitment—most notably, attractive wages and benefits packages.
- Although wages are higher in oil and gas, mining employees earn more than their counterparts working in utilities, forestry, manufacturing and construction.
- Job security is also an attractive feature of jobs in the minerals and metals sector.

Supply and demand gap

Researchers analyzed the potential supply-and-demand gap for mining human resources under three scenarios: no-growth, low-growth and high-growth. For each scenario, the study predicted the number of jobs that would need to be filled, and the numbers that could be filled by traditional supply sources, principally post-secondary educated graduates.

- Under the no-growth scenario, the industry will still face a potential labour supply gap of 27,560 workers over the next 10 years.
- The potential supply gap with a low-growth scenario will be 47,350 workers.
- Under the high-growth scenario, the labour supply gap will be 70,810 workers over the next decade.

For more information on this study;

Contact: Mr. Paul Hébert, Executive Director
Mining Industry Training and Adjustment Council - Canada (MITAC)
PH: 613-230-1413 ext. 25
E-MAIL: phebert@mitac.ca

Project Web site: <http://www.prospectingthefuture.ca>