

# FAR NORTHEAST TRAINING BOARD

## Forestry Sector Hiring Forecast

# 2019-2029



**FAR NORTHEAST TRAINING BOARD (FNETB)**  
your **Local Employment Planning Council**

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**COMMISSION DE FORMATION DU NORD-EST (CFNE)**  
votre **Conseil Local de Planification de l'Emploi**

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Release Date: March 2020



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The mission of the Far Northeast Training Board (FNETB) is to “promote the effective planning of training and workforce development programs and services so that qualified workers are available to meet the needs of local employers”.

The FNETB’s service area includes the communities along the Highway 11 Corridor from Hearst to Latchford, East of Kirkland Lake it extends to the Quebec border, it also includes Timmins, Elk Lake, Chapleau, Gogama and the communities along the James Bay Coast.



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The information presented in this report is current at the time of publication.

## **INTRODUCTION**

The Far Northeast Training Board (FNETB) is pleased to present this report in an effort to help local stakeholders to better understand the future workforce needs of the forestry industry.

The purpose of this report is to quantify (number of workers) and to qualify (type of occupations) that will be needed over the next decade. The goal is to better plan for those occupations so that our region is better positioned to support the recruitment and training of the workers required by local forestry industry.

The Forestry Sector Hiring Forecast 2019-2029 was designed to forecast the occupations that will be in highest demand so that local employment and training service providers can adapt and develop their programs and services accordingly. We are confident that it fairly represents some of the upcoming employment opportunities in this industry.

## **METHODOLOGY**

The FNETB developed a data collection tool to quantify (number of workers required to accommodate anticipated upsizing or downsizing, and retirements), and qualify (occupations that will be in highest demand) between 2019 and 2029.

From November 11<sup>th</sup>, 2019 to January 29<sup>th</sup>, 2020, a total of 50 forestry and logging companies within the FNETB's catchment area were invited via email and by telephone to provide data on their anticipated workforce needs. Several reminders were sent during that period to increase the number of responses.

The main component of the data collection involved details on the number of workers required by occupation to accommodate potential upsizing or downsizing (based on respondents' best estimates at the time of the data collection), and anticipated workers needed to fill in for retirements between 2019 and 2029.

## **SURVEY CONFIDENTIALITY**

This report contains aggregate data only and does not include individual company data in order to respect our commitment to survey respondents in regards to the confidentiality of their information.

## **LIMITATIONS**

The information collected is important for local labour market planning because it is current local labour market information. It does however have limitations in that it is relevant at the time of its collection. Furthermore, the report contains the input of a limited number of employers and as such, the results are influenced by the relevance of the questions to the responding employers.



## EXECUTIVE SUMMARY

Many industries across our region are facing major challenges finding qualified workers that they need and the forestry sector industries are no exception. Several factors are causing significant impacts on the local supply of workers. The out-migration of local youth, the aging workforce that will become eligible to retire in the next decade, technological advancements, and the competition for talent among industries and communities are all contributing to the shortages in several key occupations that are critical to the growth and sustainability of the forest industry.

For forestry companies that are located in small rural and remote communities those challenges are exacerbated by the difficulties associated with attracting people to re locate to those communities. The availability of housing in those smaller communities poses another recruitment challenge for the forestry sector.

Other factors that have significant impacts on day-to-day operations of the forestry industry include: the seasonal and cyclical nature of the industry, environmental obligations and regulations, high cost of energy (electricity and gas), and the volatility of the lumber market.

This report contains locally collected data to support the development of programs and services to address human resources needs of the industry. It further allows us to confirm what we observe when we look at some of the other sources of data such as Statistics Canada Census.

The data that was collected locally, mirror some elements of what other statistics and data reveal. For example, it highlights a mostly male dominated industry, and it also reveals that labourers, logging machinery and heavy equipment operators and truck drivers are some of the occupations that are forecasted to be in high demand.

- According to Statistics Canada's June 2019 Canadian Business Counts data, there is a total of 416 establishments in the forestry and logging and wood product manufacturing industries in the region serviced by the FNETB. That represents 5.1% of the total number of establishments in the region. A total of 133 (32.0%) of those industries have employees.
- Statistics Canada's 2016 Census survey revealed that:
  - A total of 2,555 are employed in forestry and logging and wood product manufacturing industries, which represents 4.6% of total employment in the region.
  - Men make up 87.9% of the total workforce in this industry.
- Based on the FNETB's most recent Local Labour Market Forecast report, some of the forestry and logging occupations that will experience high numbers of retirements between 2016-2036 are:
  - Labourers in wood, pulp and paper processing (225)
  - Logging machinery operators (155)
  - Sawmill machine operators (150)
  - Supervisors, forest product processing (110)

Although only 12 companies (24%) of those contacted completed the survey, collectively, they represent a total of 1,542 employees. We are therefore confident that it fairly represents some of the upcoming employment opportunities in this industry.

Based on the information provided by the responding industries, between 2019 and 2029, there is a total possible shortfall of 547 workers, of which 123 (8.4% of the current workforce) are attributable to expansion, and 424 (29.0% of the current workforce) to imminent retirements. In other words, 37.5% of current positions within the sample will require a replacement worker.

Respondents were asked to forecast their workforce need by occupations for 2021, 2025 and 2029 based on upsizing/downsizing and on retirements. trades, production and manufacturing occupations will experience the highest workforce deficit by 2029 with 452 employees, followed by management and supervisors' positions (73), support occupations (14) and professional, scientific and technical positions (8).

Specific occupations with the largest anticipated shortfalls are:

- Labourers in wood, pulp and paper processing (175)
- Logging machinery operators (49)
- Heavy equipment operators (48)

In regards to retirements specifically, the occupations with the highest numbers are labourers in wood, pulp and paper processing (104 by 2029) and logging machinery operators (47 by 2029).

<b>1,460</b>	<b>1,583</b>	<b>123</b>	<b>424</b>	<b>(547)</b>
<b>Current Workforce 2019</b>	<b>Required Workforce 2029</b>	<b>Net change 2019-2029</b>	<b>Retirements 2019-2029</b>	<b>Workforce (deficit) Surplus 2029</b>



*\*The information collected from survey respondents reveals that the average age of retirement is 65 years old.*

## **DETAILED OCCUPATIONAL DEMAND**

As demonstrated in the previous section, the number of anticipated retirements (424) is the primary reason for the projected shortfall of 547 workers by 2029.

Trades, production and manufacturing occupations will experience the highest workforce deficit by 2029 with 452 employees, followed by managers and supervisors' positions (73), support occupations (14), and professional, scientific and technical positions (8).

Specific occupations with the largest anticipated shortfalls are:

- Labourers in wood, pulp and paper processing (175)
- Logging machinery operators (49)
- Heavy equipment operators (48)
- Transport truck drivers (42)
- Construction millwrights and industrial mechanics (36)
- Supervisors, logging and forestry (30)
- Heavy-duty equipment mechanics (27)
- Sawmill machine operators (27)

The impact of retirement will be more strongly felt for labourers in wood, pulp and paper processing (104 by 2029). Anticipated growth is expected to create additional opportunities for 71 labourers in wood, pulp and paper on top of the 104 that will be needed to replace the 104 anticipated retirements just mentioned above.

Table 1 provides details on the anticipated net change (number of workers required to accommodate anticipated upsizing and/or downsizing) and anticipated retirements by occupation.

**Table 1: Occupational Demand Based on Upsizing and Downsizing and Retirements, 2019 to 2029**

		Current Workforce 2019	Required Workforce 2029	Anticipated Net Change <sup>1</sup> 2019 to 2029	Anticipated Retirements 2019-2029	Workforce (Deficit) Surplus 2029
<b>TRADES, PRODUCTION AND MANUFACTURING OCCUPATIONS</b>						
7237	Welders and related machine operators	2	2	0	1	(1)
7242	Industrial electricians	59	61	2	10	(12)
7311	Construction millwrights and industrial mechanics	158	161	3	33	(36)
7312	Heavy-duty equipment mechanics	23	30	7	20	(27)
7384	Saw filers	18	18	0	3	(3)
7511	Transport truck drivers	22	33	11	31	(42)
7521	Heavy equipment operators	66	71	5	43	(48)
8241	Logging machinery operators	55	57	2	47	(49)
8421	Chain saw and skidder operators	19	19	0	10	(10)
8616	Logging and forestry labourers	37	42	5	10	(15)
9431	Sawmill machine operators	119	119	0	27	(27)
9432	Pulp mill machine operators	8	8	0	4	(4)
9436	Wood measurer	5	5	0	3	(3)
9614	Labourers in wood, pulp and paper processing	585	656	71	104	(175)
<b>TRADES, PRODUCTION AND MANUFACTURING TOTAL POSITIONS</b>		<b>1,176</b>	<b>1,282</b>	<b>106</b>	<b>346</b>	<b>(452)</b>
<b>PROFESSIONAL, SCIENTIFIC AND TECHNICAL OCCUPATIONS</b>						
2122	Forestry professionals	27	28	1	6	(7)
2223	Forestry technicians and technologists	14	13	(1)	1	0
2255	Geographic information systems (GIS) technician	1	1	0	1	(1)
<b>PROFESSIONAL, SCIENTIFIC AND TECHNICAL OCCUPATIONS TOTAL POSITIONS</b>		<b>42</b>	<b>42</b>	<b>0</b>	<b>8</b>	<b>(8)</b>

<sup>1</sup> Anticipated net-change is based on upsizing or downsizing



		Current Workforce 2019	Required Workforce 2029	Anticipated Net Change <sup>1</sup> 2019 to 2029	Anticipated Retirements 2019-2029	Workforce (Deficit) Surplus 2029
<b>MANAGERS AND SUPERVISORS OCCUPATIONS</b>						
0016	General managers	2	2	0	1	(1)
0111	Financial managers	7	7	0	1	(1)
0112	Human Resources managers	7	7	0	1	(1)
0911	Production managers	18	18	0	5	(5)
0911	Manufacturing managers	13	14	1	3	(4)
2263	Supervisors, occupational health and safety	12	13	1	10	(11)
8211	Supervisors, logging and forestry	30	32	2	28	(30)
9215	Supervisors, forest products processing	20	29	9	7	(16)
9533	Quality controllers	6	7	1	3	(4)
<b>MANAGERS AND SUPERVISORS OCCUPATIONS TOTAL POSITIONS</b>		<b>115</b>	<b>129</b>	<b>14</b>	<b>59</b>	<b>(73)</b>
<b>SUPPORT OCCUPATIONS</b>						
1241	Administrative assistants	3	3	0	1	(1)
1432	Payroll clerks	8	9	1	6	(7)
1522	Storekeepers and partspersons	8	8	0	2	(2)
	Information technology department	2	4	2	0	(2)
	Administration department	11	11	0	2	(2)
<b>SUPPORT OCCUPATIONS TOTAL POSITIONS</b>		<b>32</b>	<b>35</b>	<b>3</b>	<b>11</b>	<b>(14)</b>

## CONCLUSION

As was mentioned earlier in the report, the results of this survey provide insight on some of the future workforce opportunities in the local forestry and logging industry. We emphasize again the limitations of the information which represents ‘a picture in time’, the view of 12 responding employers (representing 1,542 employees) from across the region based on their knowledge of what their future needs will be, and on the economic situation at the time of the data collection.

The results do however represent an additional source of data to help us better understand areas where we need to focus some efforts in order to ensure that employers’ requirements are well known and communicated to job seekers, and to those whose mandate it is to train and prepare workers for the current and future employment opportunities.

We hope that the information contained in this report will help inform local stakeholders as they plan and tailor employment and training services, and ultimately help to better align the local labour market supply with the demand.



**Table 2: Occupational Projections, 2121, 2025 and 2029**

		Current Workforce 2019	Estimated Workforce		
			2021	2025	2029
<b>TRADES, PRODUCTION AND MANUFACTURING OCCUPATIONS</b>					
7237	Welders and related machine operators	2	2	2	2
	Retirements		1	0	0
7242	Industrial technicians	59	61	61	61
	Retirements		4	3	3
7311	Construction millwrights and industrial millwrights	158	157	161	161
	Retirements		11	16	6
7312	Heavy duty equipment mechanics	23	28	29	30
	Retirements		5	7	8
7384	Saw filers	18	18	18	18
	Retirements		1	1	1
7511	Transport truck drivers	22	31	31	33
	Retirements		9	10	12
7521	Heavy equipment operators	66	71	71	71
	Retirements		11	15	17
8241	Logging machinery operators	55	57	57	57
	Retirements		17	12	18
8421	Chain saw and skidder operators	19	19	19	19
	Retirements		4	4	2
8616	Logging and forestry labourers	37	42	42	42
	Retirements		5	3	2
9431	Sawmill machine operators	119	119	119	119
	Retirements		8	9	10
9432	Pulp mill machine operators	8	8	8	8
	Retirements		4	0	0
9436	Wood measurers	5	5	5	5
	Retirements		1	1	1
9614	Labourers in wood, pulp and paper processing	585	597	622	656
	Retirements		16	43	45
<b>TRADES, PRODUCTION AND MANUFACTURING OCCUPATIONS</b>					
<b>TOTAL POSITIONS</b>		<b>1,176</b>	<b>1,215</b>	<b>1,245</b>	<b>1,282</b>
<b>TRADES, PRODUCTION AND MANUFACTURING OCCUPATIONS</b>					
<b>TOTAL RETIREMENTS</b>			<b>97</b>	<b>124</b>	<b>125</b>

		Current Workforce 2019	Estimated Workforce		
			2021	2025	2029
<b>PROFESSIONAL, SCIENTIFIC AND TECHNICAL OCCUPATIONS</b>					
2122	Forestry professionals	27	27	28	28
	Retirements		1	3	2
2223	Forestry technicians and technologists	14	12	12	13
	Retirements		0	0	1
2255	Geographic information systems (GIS) technicians	1	1	1	1
	Retirements		0	1	0
<b>PROFESSIONAL, SCIENTIFIC AND TECHNICAL OCCUPATIONS TOTAL POSITIONS</b>		<b>42</b>	<b>40</b>	<b>41</b>	<b>42</b>
<b>PROFESSIONAL, SCIENTIFIC AND TECHNICAL OCCUPATIONS TOTAL RETIREMENTS</b>			<b>1</b>	<b>4</b>	<b>3</b>
<b>MANAGERS AND SUPERVISORS OCCUPATIONS</b>					
0016	General managers	2	2	2	2
	Retirements		0	1	0
0111	Financial managers	7	7	7	7
	Retirements		0	1	0
0112	Human resources managers	7	7	7	7
	Retirements		0	1	0
0911	Production managers	18	18	18	18
	Retirements		4	0	1
0911	Manufacturing managers	13	14	14	14
	Retirements		1	1	1
2263	Supervisors, occupational health and safety	12	12	13	13
	Retirements		2	5	3
8211	Supervisors, logging and forestry	30	30	31	32
	Retirements		6	11	11
9215	Supervisors, forest products processing	20	23	27	29
	Retirements		1	4	2
9533	Quality controllers	6	6	7	7
	Retirements		0	1	2
<b>MANAGERS AND SUPERVISORS OCCUPATIONS TOTAL POSITIONS</b>		<b>115</b>	<b>119</b>	<b>126</b>	<b>129</b>
<b>MANAGERS AND SUPERVISORS OCCUPATIONS TOTAL RETIREMENTS</b>			<b>14</b>	<b>25</b>	<b>20</b>

		Current Workforce 2019	Estimated Workforce		
			2021	2025	2029
<b>SUPPORT OCCUPATIONS</b>					
1241	Administrative assistants	3	3	3	3
	Retirements		1	0	0
1432	Payroll clerks	8	8	8	9
	Retirements		1	2	3
1522	Storekeepers and partspersons	8	8	8	8
	Retirements		0	1	1
	Information technology department	2	2	2	4
	Retirements		0	0	0
	Administration department	11	11	11	11
	Retirements		1	1	0
	<b>SUPPORT OCCUPATIONS TOTAL POSITIONS</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>35</b>
	<b>SUPPORT OCCUPATIONS TOTAL RETIREMENTS</b>		<b>3</b>	<b>4</b>	<b>4</b>



## **APPENDIX B**

### **PROFILE OF SURVEY RESPONDENTS**

A total of 50 forestry and logging companies from the Far Northeast Training Board (FNETB) catchment area were invited to complete the survey. After several contacts and follow-up requests, 12 companies (24%) responded. In regards to the composition of the responding industries:

- Collectively, the respondents employ a total of 1,542 employees.
- 66.7% of the responding companies were mills, while 33.3% were companies that supported forestry activities.
- The majority of respondents (50.0%) had 100 and more employees.
- 96.8% of employment within the responding companies is full-time.
- A large majority (88.2%) of the forestry and logging employees within the sample are males, while only 11.8% are females.
- The information collected from survey respondents reveals that the average age of retirement in this industry is 65 years old.

**Table 3: Number and percent distribution of respondents by main location**

	<b>#</b>	<b>%</b>
Hearst	4	33.3
Kapuskasing	2	16.7
Constance Lake	1	8.3
Elk Lake	1	8.3
Gogama	1	8.3
Kenogami	1	8.3
Moonbeam	1	8.3
Timmins	1	8.3
<b>TOTAL</b>	<b>12</b>	<b>100.0%</b>

Table 4 provides a breakdown of the respondents by business size range as well as how many employees are in those categories. As the table indicates, the majority of respondents (50.0%) had 100 and more employees.

**Table 4: Number of Employers by Business Size Range**

	#	%	Total # of Employees
1 to 9 employees	1	8.3	2
10 to 49 employees	3	25.0	77
50 to 99 employees	2	16.7	118
100 + employees	6	50.0	1,345
<b>TOTAL</b>	<b>12</b>	<b>100.0%</b>	<b>1,542</b>

Table 5 shows that 96.8% of the total employment within the sample is full-time.

**Table 5: Number of Employees by Type of Employment**

	TOTAL	
	#	%
Full-time	1,413	96.8
Part-time	26	1.8
Casual	0	0.0
Contract	21	1.4
<b>TOTAL</b>	<b>1460<sup>2</sup></b>	<b>100.0%</b>

Table 6 shows that a large majority (88.2%) of the forestry and logging employees within the sample are males, while only 11.8% are females.

**Table 6: Number of Employees by Gender**

	TOTAL	
	#	%
Male	1,287	88.2
Female	173	11.8
<b>TOTAL</b>	<b>1,460</b>	<b>100.0%</b>

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<sup>2</sup> The reason there is a difference of 82 workers between the total employees of Table 1 (1,542) and the total in Table 3 (1,460) is that some workers did not fit in the occupation categories listed in the survey. They are in the Corporation and technically employed but they do not fit in those categories.