



Mining Labour Market Insights – Looking ahead to 2017

November 8, 2016

2016

PRESENTATION OVERVIEW

1. What is Labour Market Information (LMI)?
2. Why do we need LMI?
3. Recent trends
4. HR challenges for mining
5. Diversity in the mining workforce



What is LMI and what is it used for?

Information on:

- 1) the demand for labour
- 2) the supply of workers

Used in decision-making

- Government – policy setting and spending
- Education – programs and curriculum
- Employers – hiring, retention, succession planning
- Career seekers – what jobs are available and where
- Students – what subjects and where to get the skills



Demand for labour in mining

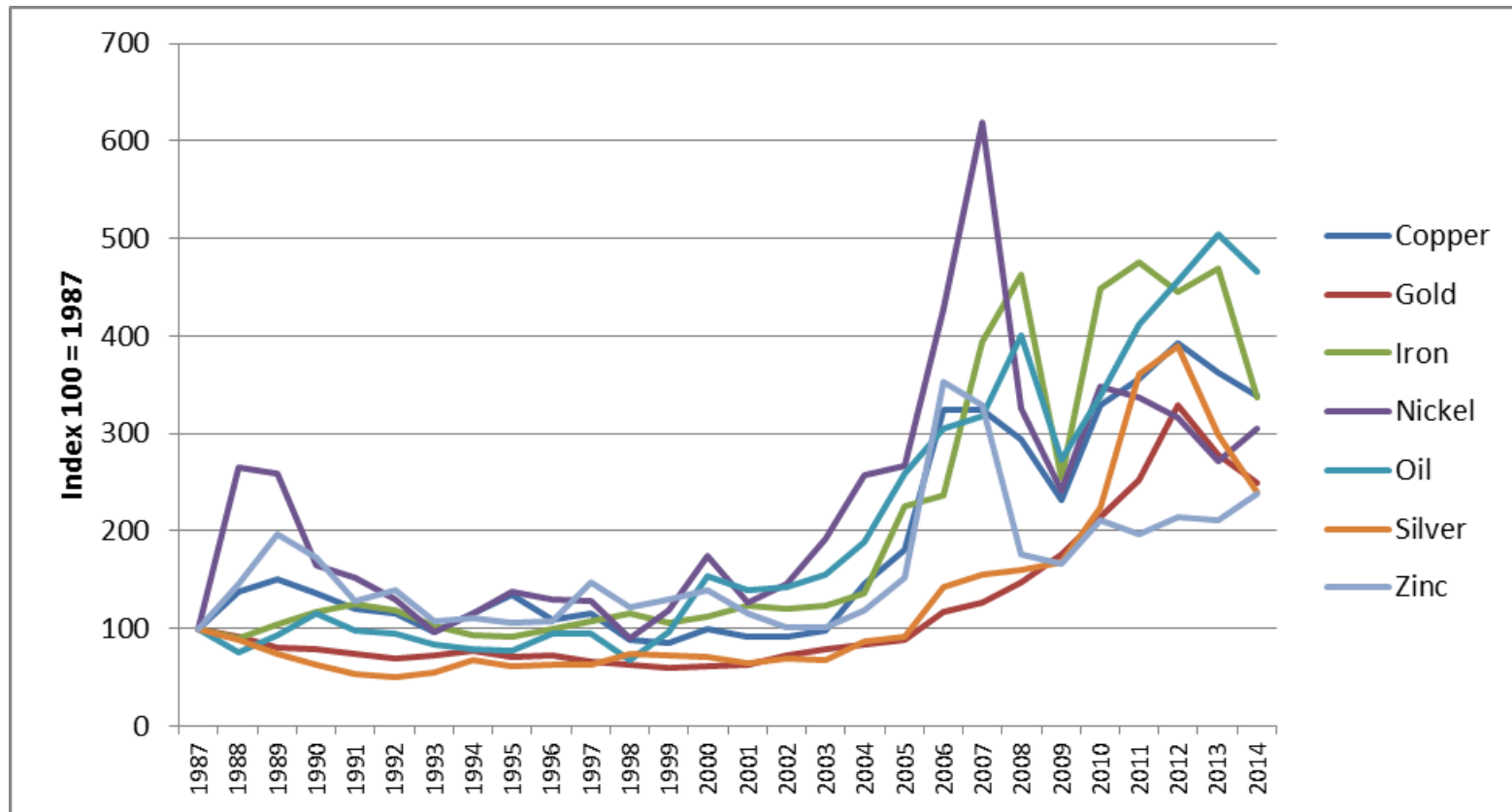
External influencers

- Price of commodities mined
- Interest rates
- Exchange rate

Internal considerations (output and inputs)

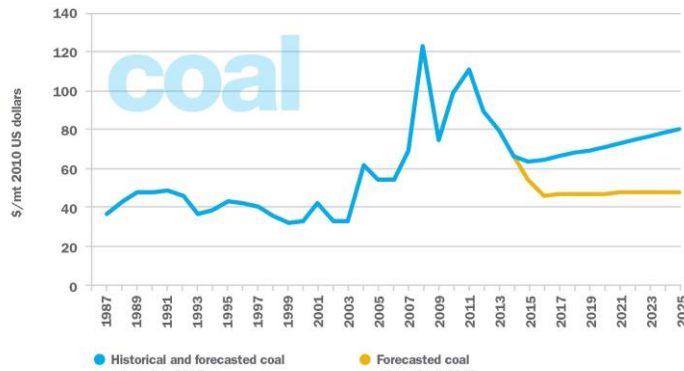
- Production levels
- Workers and machinery
- Productivity of labour and capital

Commodity price super cycle

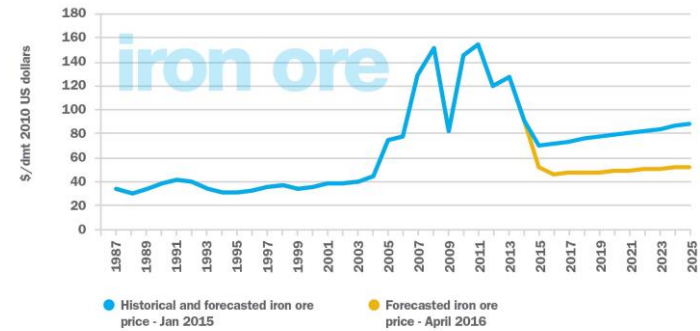


Adjustments in the outlook for prices

Historical and forecasted coal prices (1987-2025)

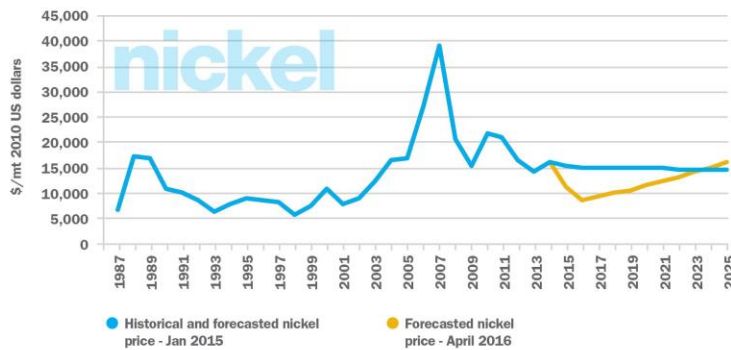


Historical and forecasted iron ore prices (1987-2025)



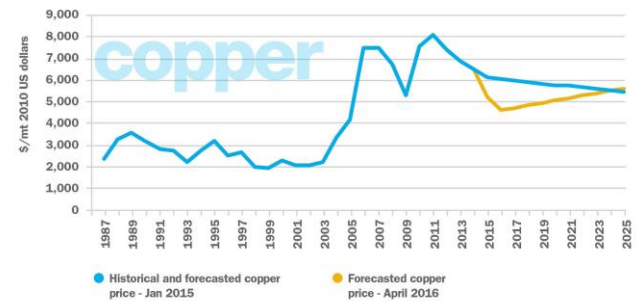
Source: Mining Industry Human Resources Council, World Bank, 2016

Historical and forecasted nickel prices (1987-2025)



Source: Mining Industry Human Resources Council, World Bank, 2016

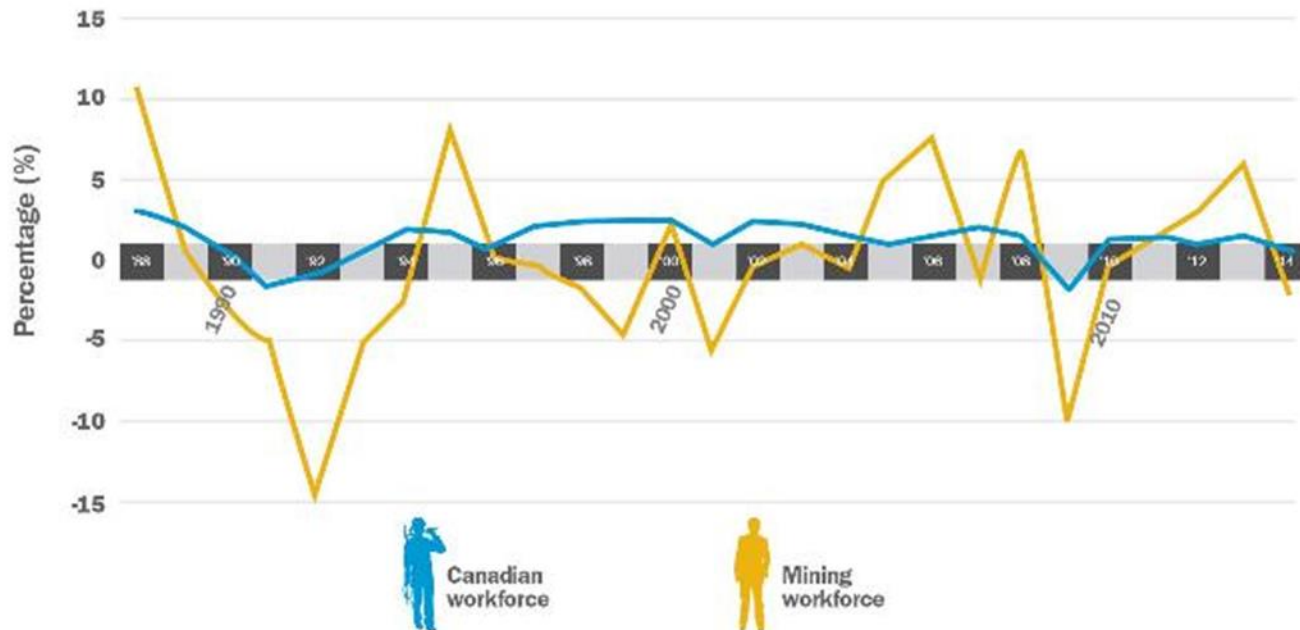
Historical and forecasted copper prices (1987-2025)



Source: Mining Industry Human Resources Council, World Bank, 2016

Mining employment is more volatile

Annual percentage changes in employment, mining workforce and Canadian workforce (1988-2014)



Source: Mining Industry Human Resources Council, Statistics Canada, 2015



Supply of workers

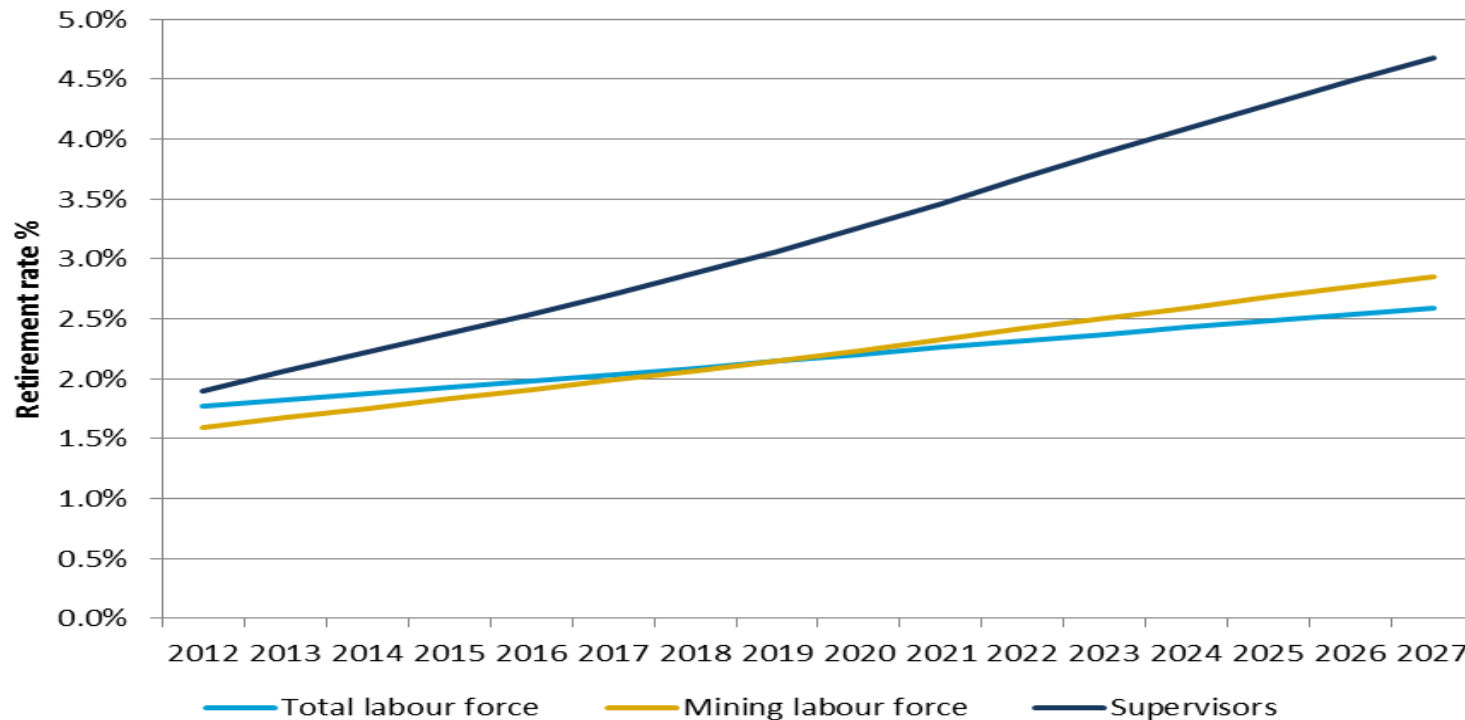
Entries: new graduates, immigration, transition from other industries

Exits: retirement and other reasons

Exits

90,000 people will leave the industry by 2020

- Almost 60 percent are retiring



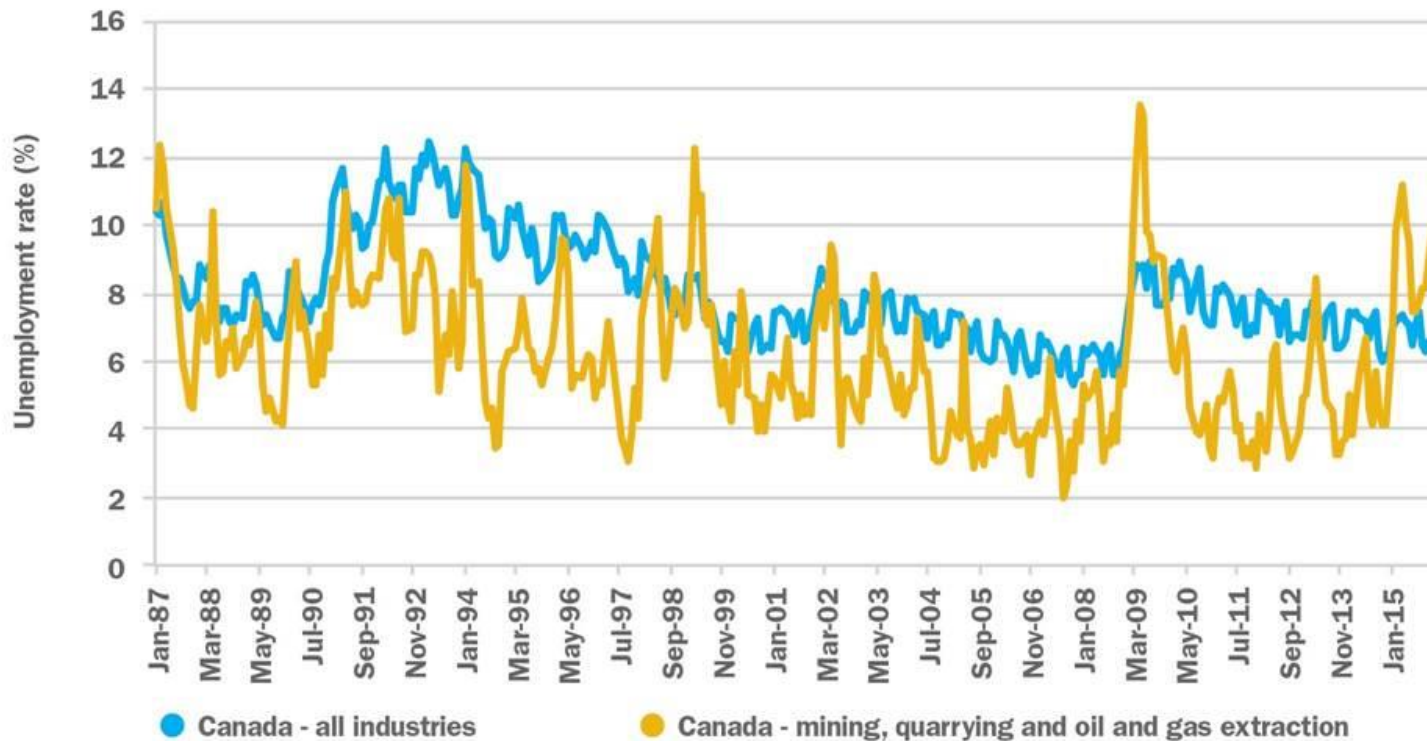


Supply of workers

...is the result of the collective actions of a group of diverse individuals, each making personal and career choices

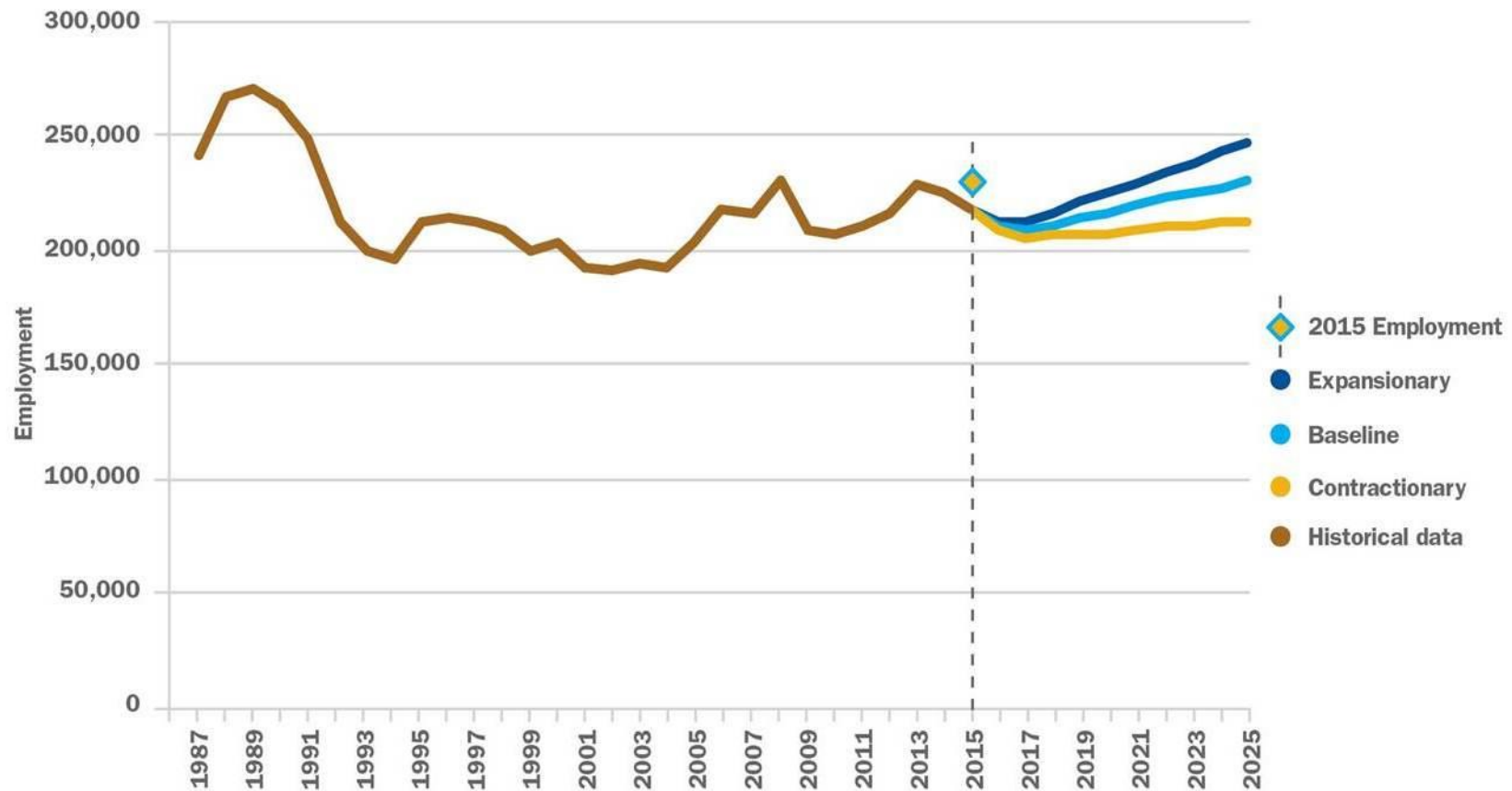
Bigger swings in unemployment

Unemployment rate in Canada, all industries and in the mining industry (January 1987-December 2015)



A contractionary scenario, reflective of recent industry performance

Historical and forecasted mining industry employment (1987-2025)



Hiring requirements persist in all economic scenarios

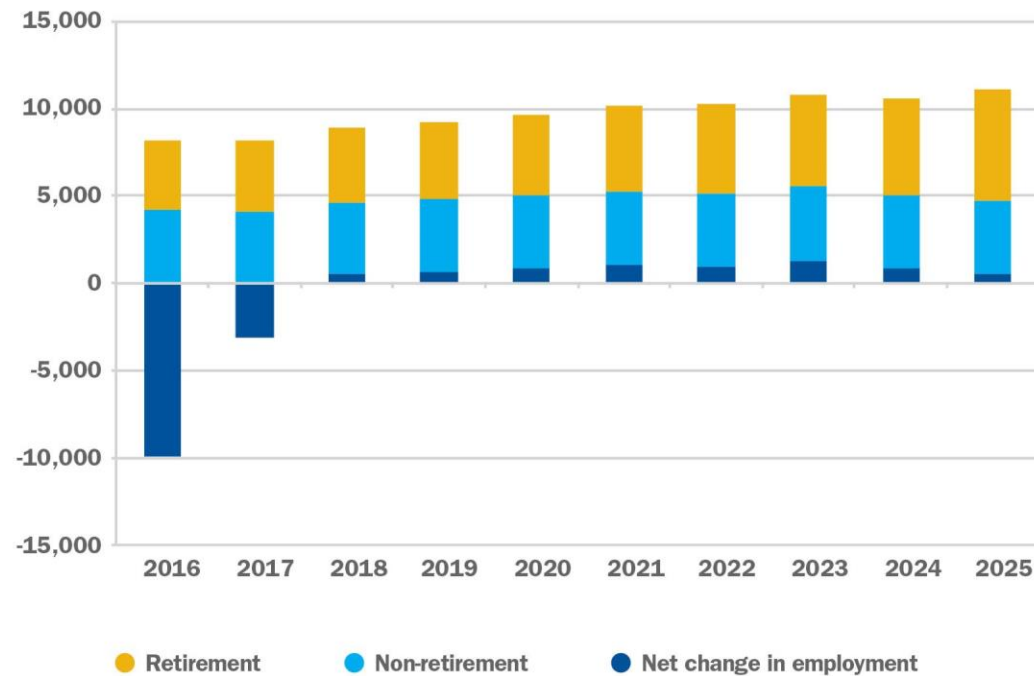
Cumulative hiring requirements forecasts by scenario (2016-2025)

	Net Change in Employment	Replacement Requirements		Cumulative Hiring Requirements
		Retirement	Non-Retirement	
Contractionary	-6,330	48,600	41,830	84,110
Baseline	11,640	51,030	43,800	106,490
Expansionary	27,740	53,260	45,600	126,590

Source: Mining Industry Human Resources Council, 2015

Replacement-requirements are the main driver of new hires

Annual hiring requirements forecast, contractionary scenario (2016-2025)



Source: Mining Industry Human Resources Council, 2016



Assessing the talent gap – new entrants to mining

Comparing the hiring requirements to new entrants

- 70 occupations
- Graduates or school leavers
- Immigration
- Others

Occupational gaps illustrated



Gaps emerge as the economy recovers

Occupational gaps, broad categories by scenarios (2016-2025)

Occupational Grouping	Contractionary	Baseline	Expansionary
Trades and Production Occupations	11,430	4,560	-1,615
Professional and Physical Science Occupations	21,560	980	-76
Human Resources and Financial Occupations	190	-390	-900
Support Workers	900	230	-380
Technical Occupations	2,660	1,820	1,070
Supervisors, Coordinators, and Foremen	1,260	40	-1,050
Total	18,604	7,244	-2,956

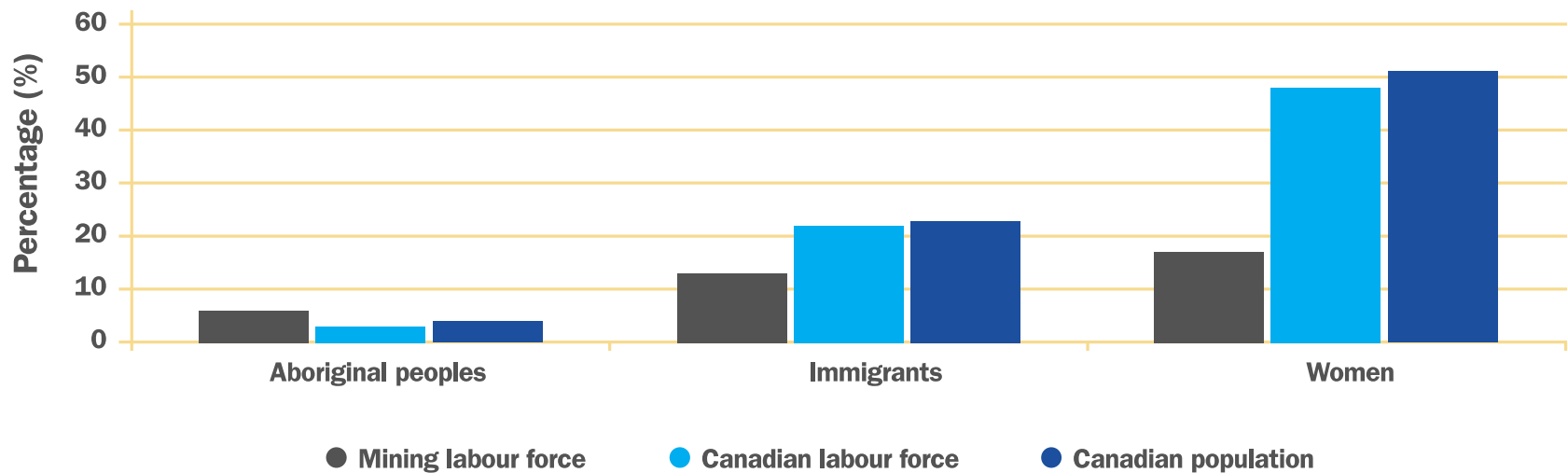
Source: Mining Industry Human Resources Council, 2015



KEY SOURCES OF LABOUR SUPPLY: DIVERSITY IN THE WORKFORCE

Diversity in the Mining Labour Force

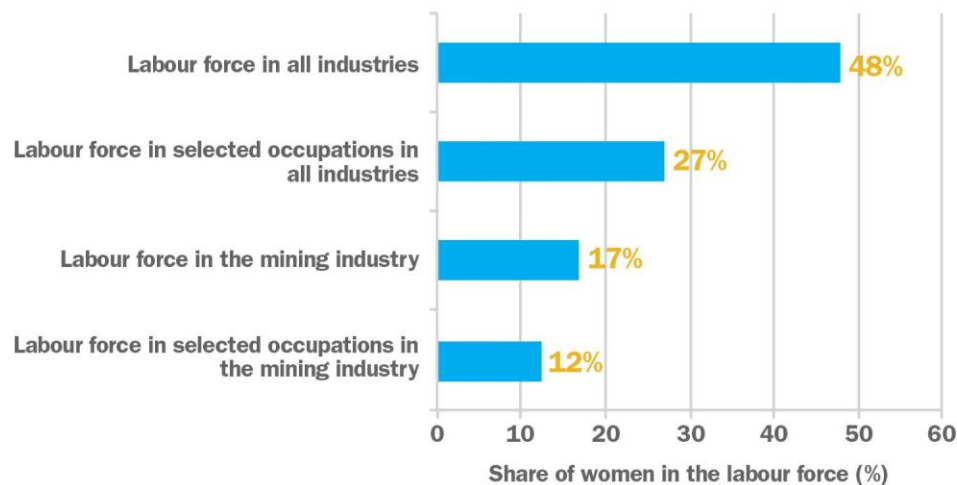
Diversity in Canada's mining labour force (2011)



Source: Mining Industry Human Resources Council, Statistics Canada, 2015

Women underrepresented in the mining industry and mining-related occupations

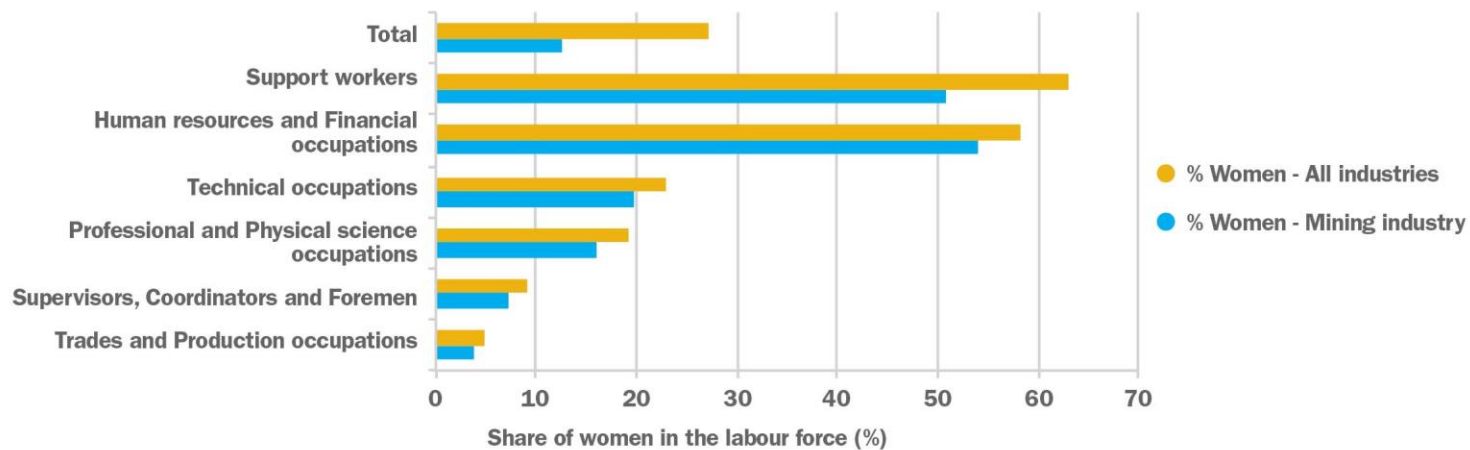
Representation of women in the labour force (2011)



Source: Mining Industry Human Resources Council, Statistics Canada, 2016

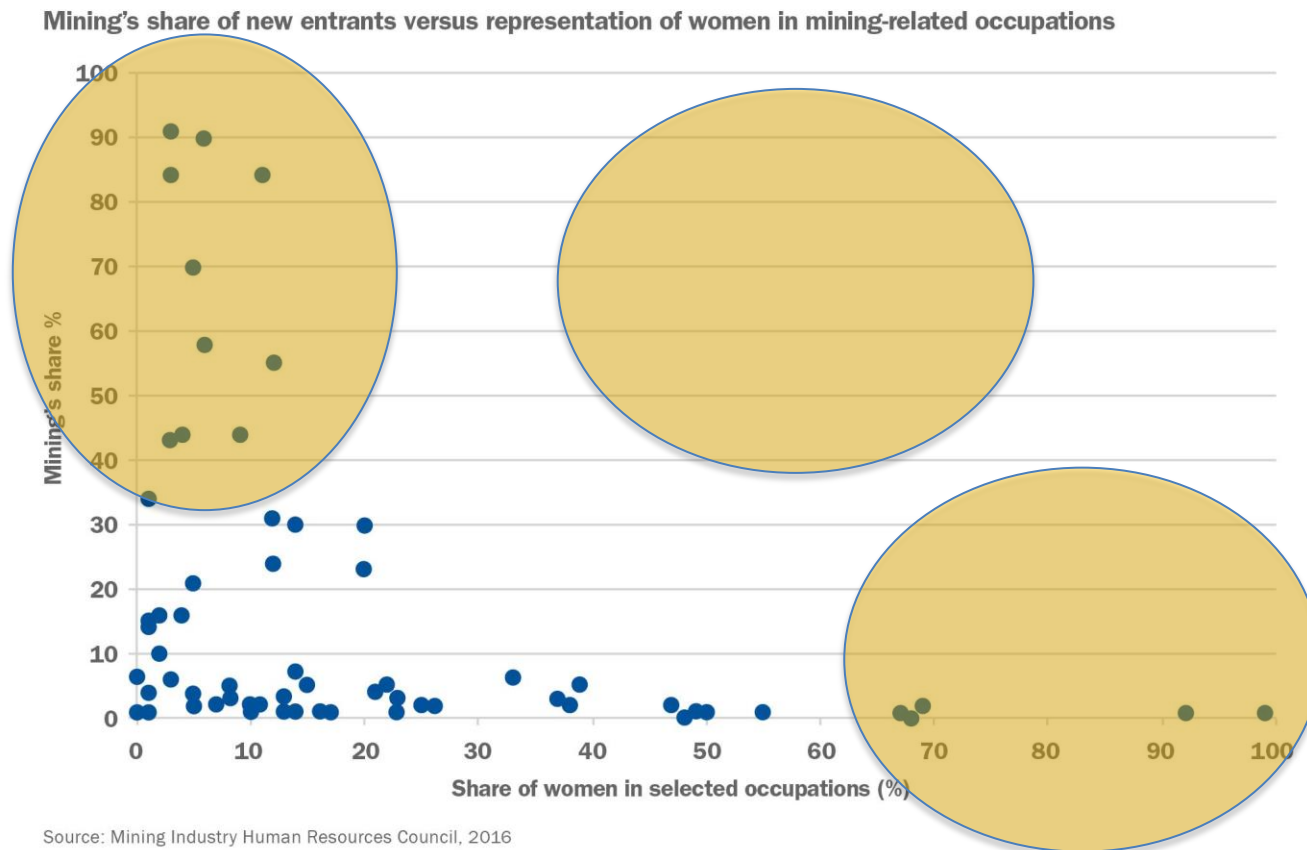
There are fewer women in the occupations that mining needs most

Representation of women in all industries and in mining, by broad occupational category (2011)



Source: Mining Industry Human Resources Council, Statistics Canada, 2016

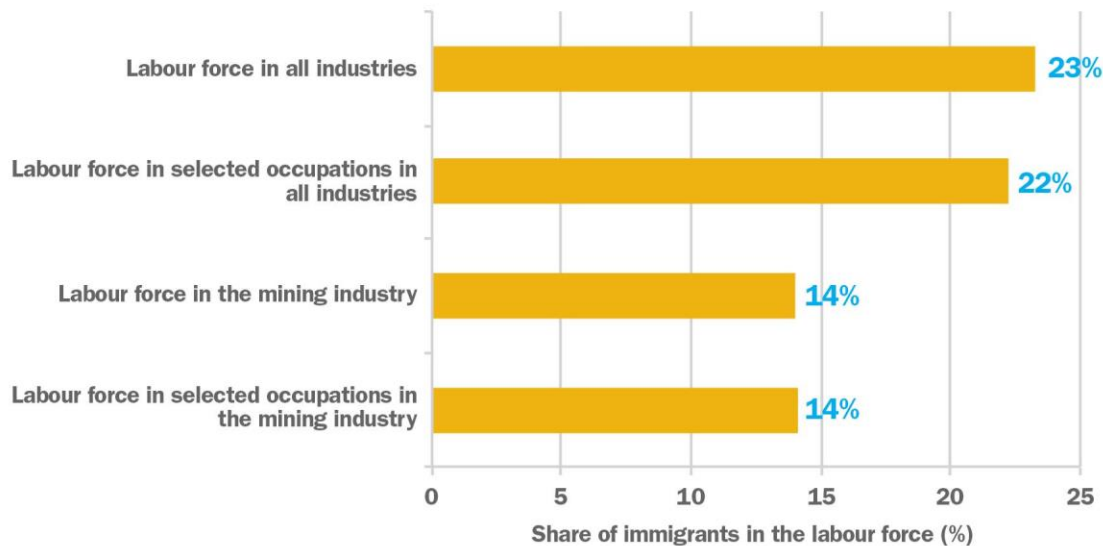
Fewer women as occupations become more mining specific



Source: Mining Industry Human Resources Council, 2016

Mining industry not getting its share of immigrants

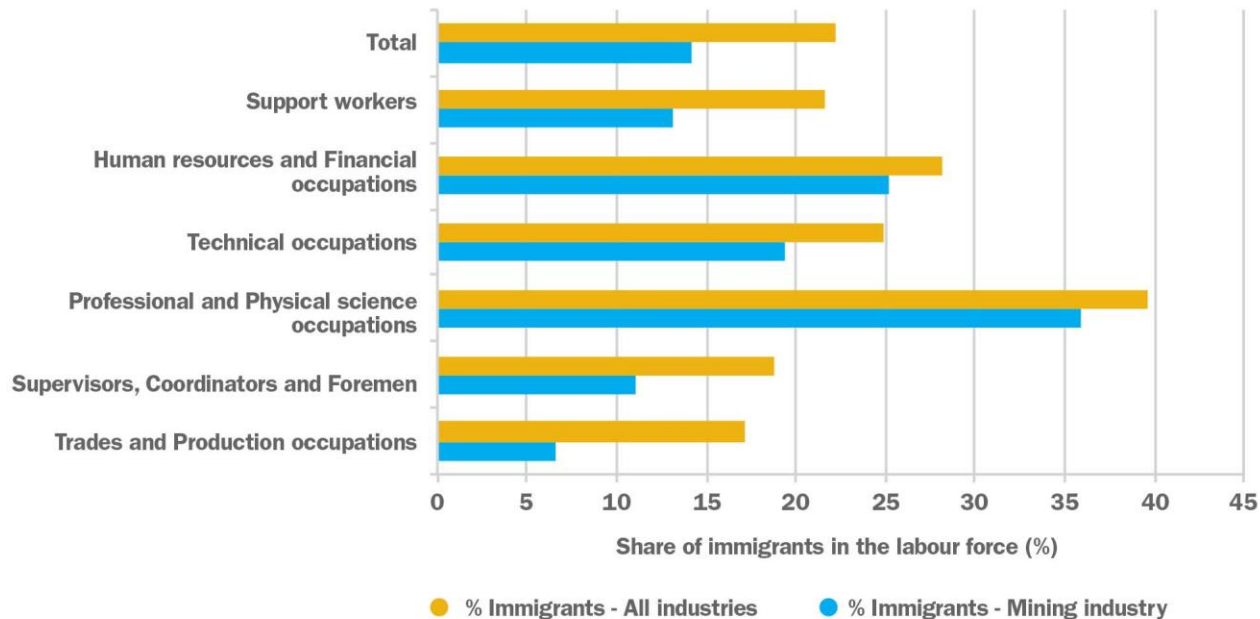
Representation of immigrants in the labour force (2011)



Source: Mining Industry Human Resources Council, Statistics Canada, 2016

Engagement of immigrant workers could be improved

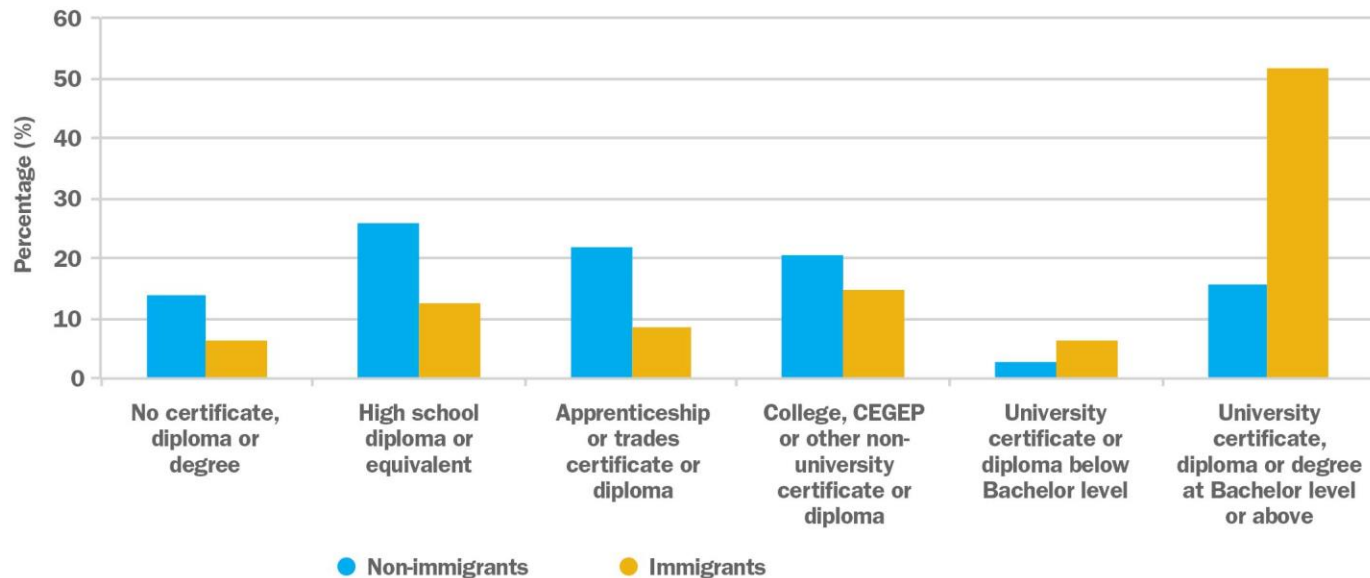
Representation of immigrants in all industries and in mining, by broad occupational category (2011)



Source: Mining Industry Human Resources Council, Statistics Canada, 2016

Immigrants more likely to hold a university degree

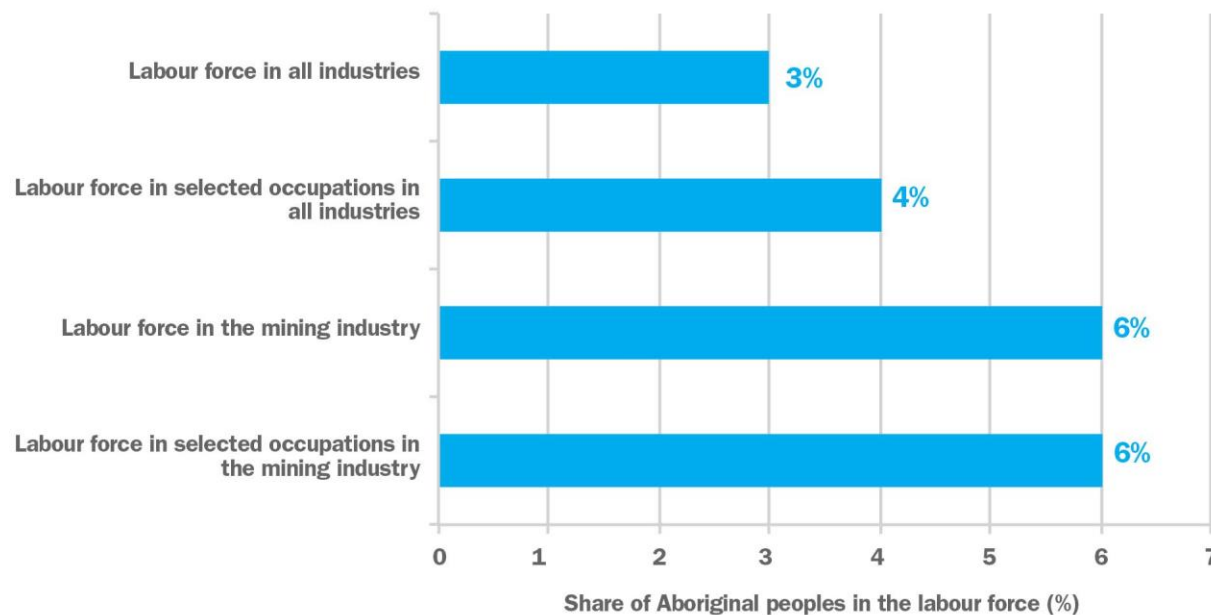
Educational attainment among immigrants and non-immigrants in the mining industry (2011)



Source: Mining Industry Human Resources Council, Statistics Canada, 2015

The mining industry is relatively successful in engaging Aboriginal peoples

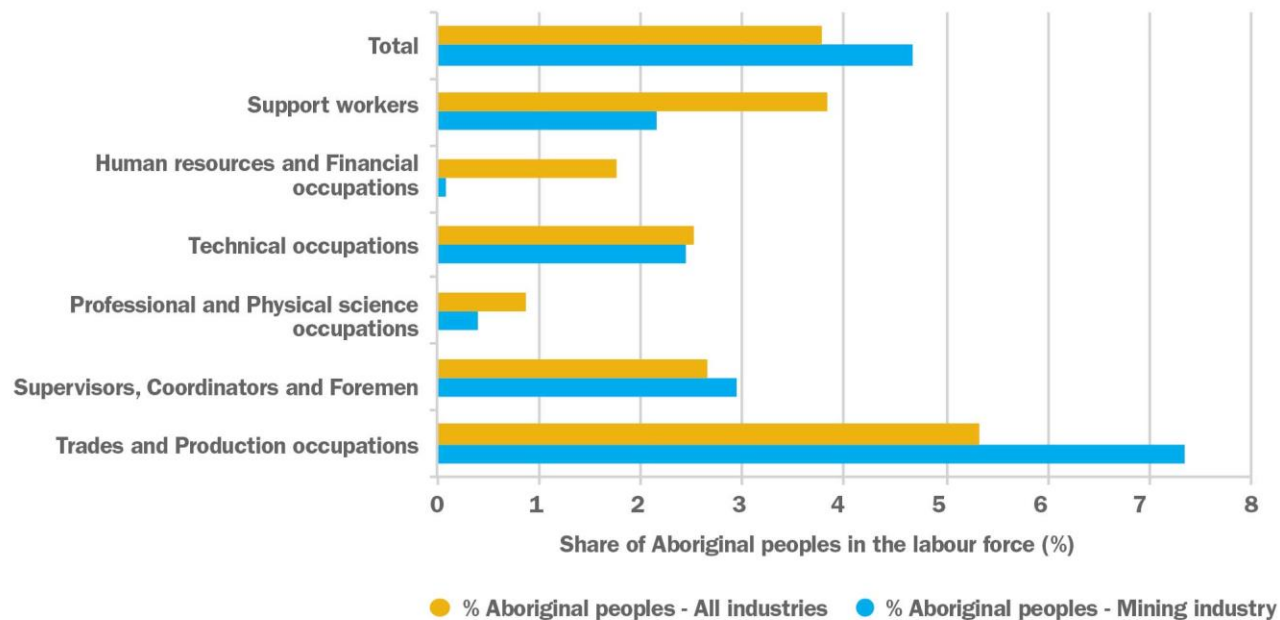
Representation of Aboriginal peoples in the labour force (2011)



Source: Mining Industry Human Resources Council, Statistics Canada, 2016

But lagging in the attracting Aboriginal people to some roles

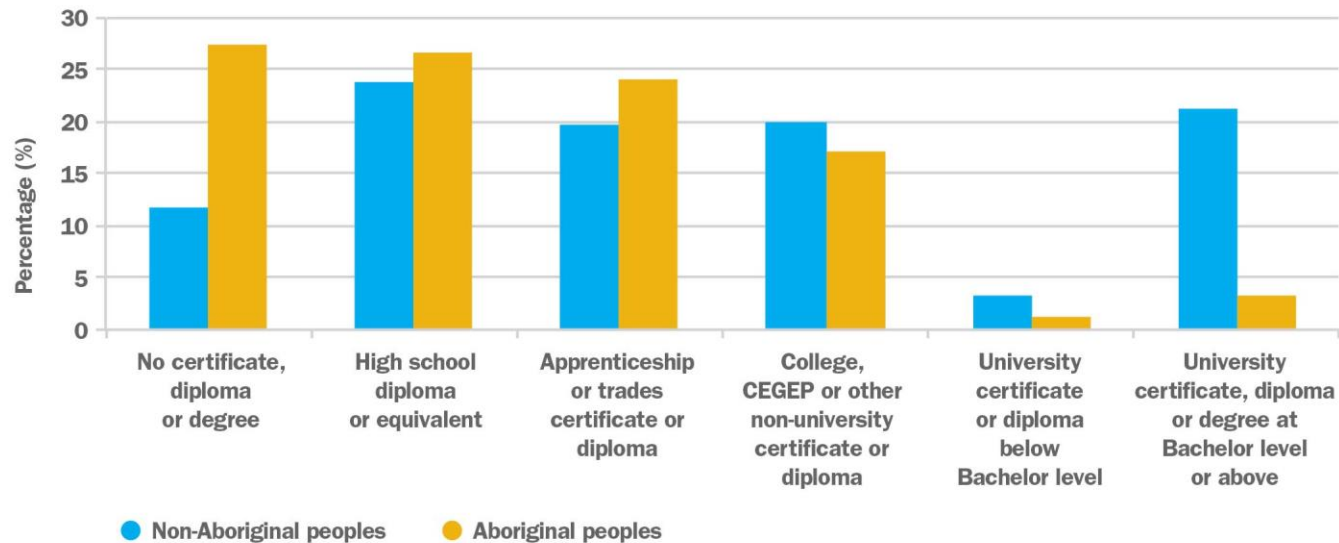
Representation of Aboriginal peoples in all industries and in mining, by broad occupational category (2011)



Source: Mining Industry Human Resources Council, Statistics Canada, 2016

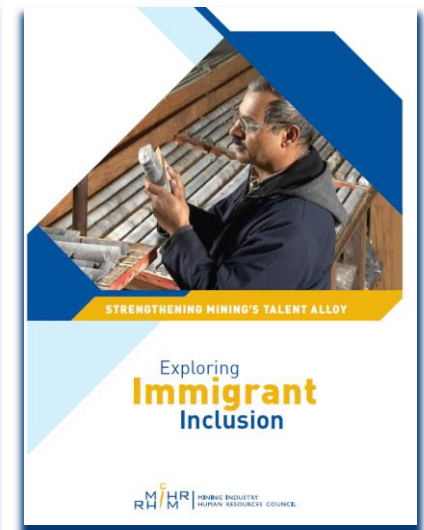
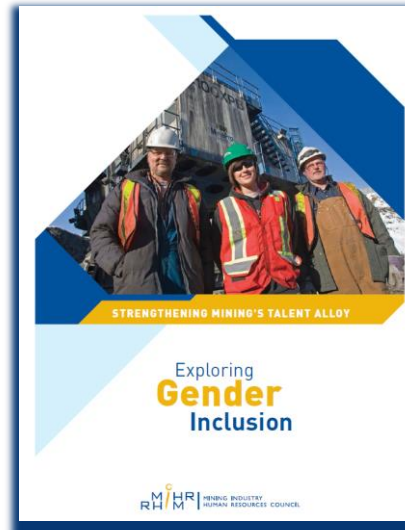
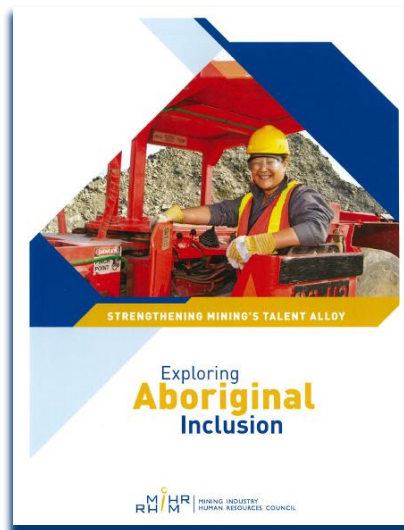
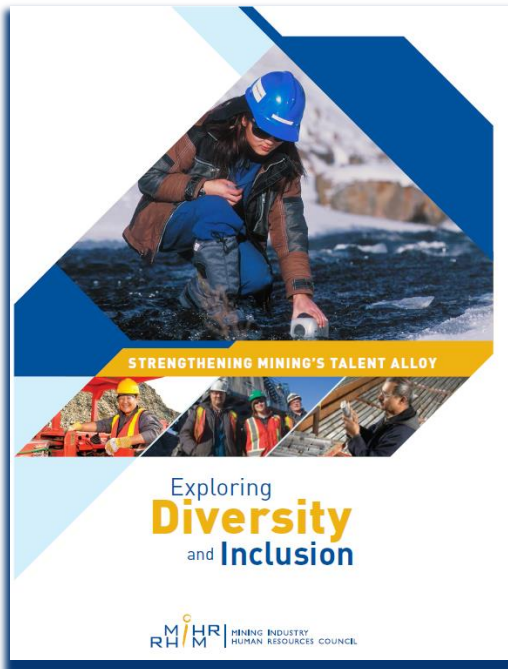
Imbalance in educational attainment limits career opportunities

Highest level of educational attainment in Canada's mining labour force, Aboriginal peoples and non-Aboriginal peoples (2011)



Source: Mining Industry Human Resources Council, Statistics Canada, 2015

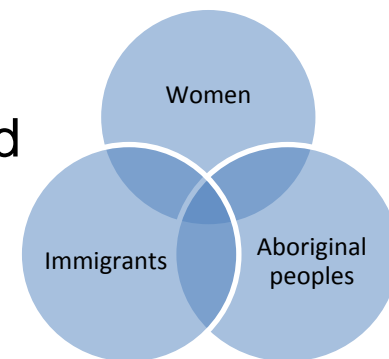
Strengthening Mining's Talent Alloy: Exploring Diversity and Inclusion



Published April 2016

Background: What are the Employment Barriers?

- Lack of career awareness or negative perceptions
- Lack of diverse senior leaders, role models and mentors
- Inflexible workplace practices
- Problematic workplace culture
- Inequitable opportunities for career advancement
- Lack of Industry network



Summary Findings

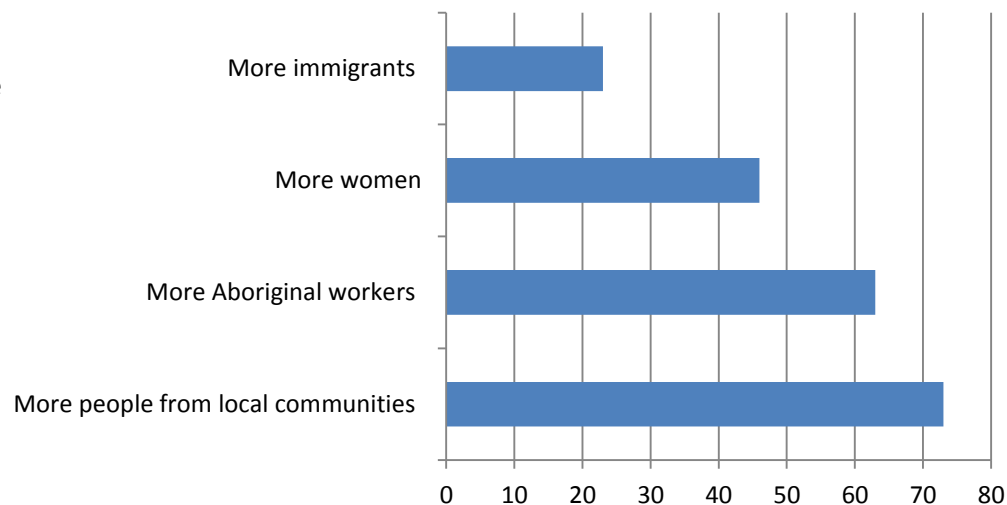
There is some good news and room for improvement.

- Employers are trying to create inclusivity.
- Diverse talent pools are enthusiastic about their experience in mining.

There are issues of equity.

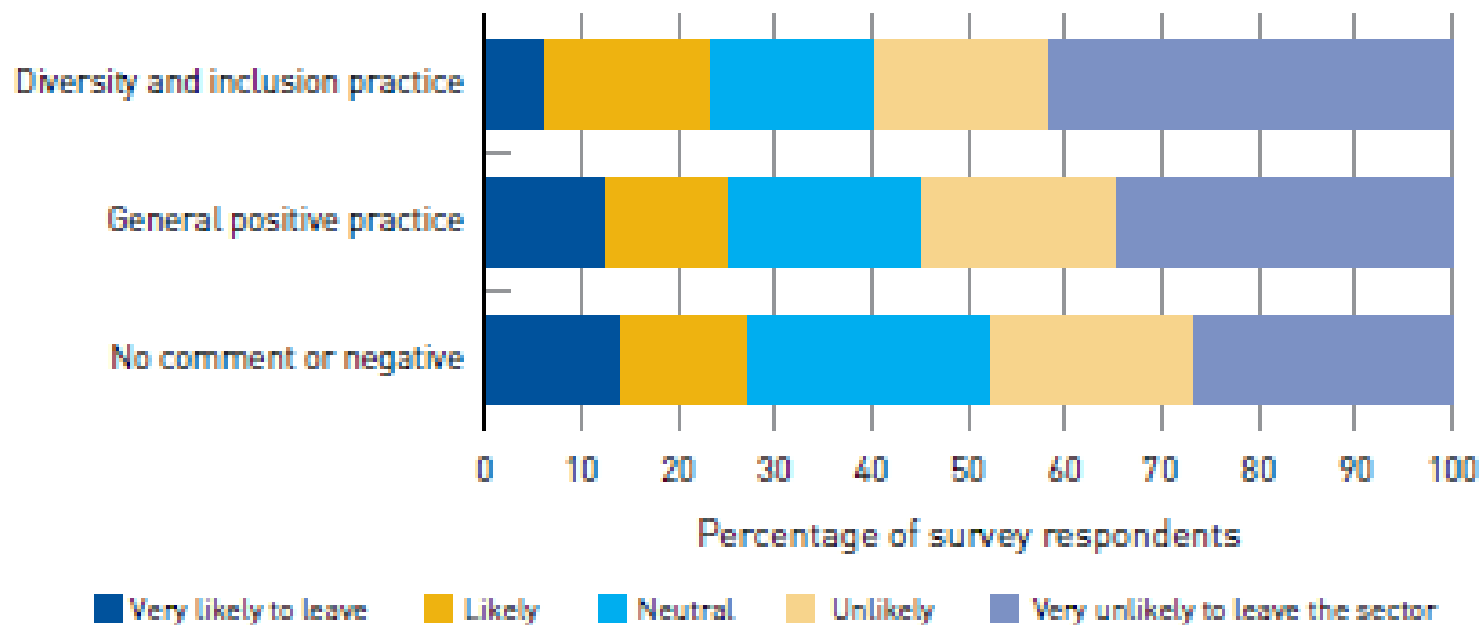
- Access to opportunities,
- 'Fitting in' to the mining culture
- Recognition for qualifications.

My employer always or often takes action to encourage ...



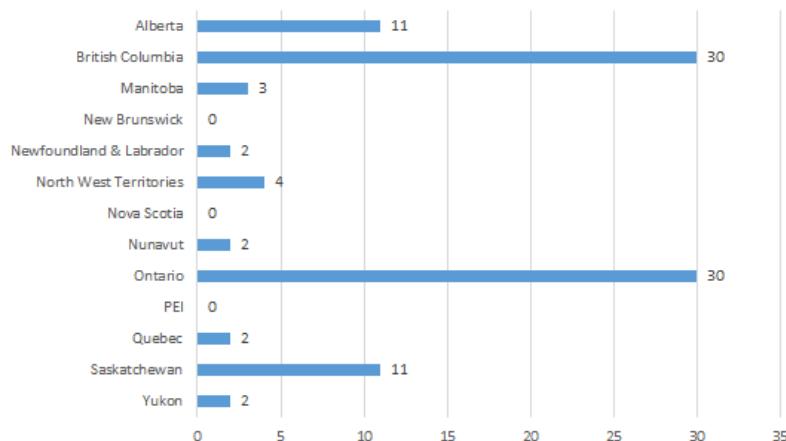
Diversity and Inclusion Practices are Impactful

Figure 3: Diversity and inclusion practice and intentions to leave the sector

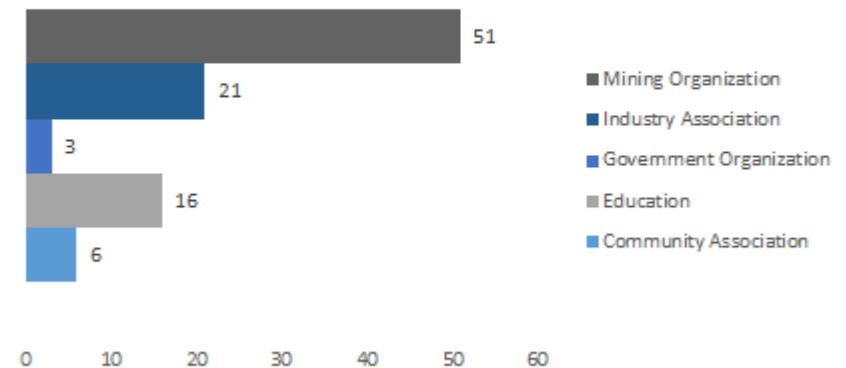


National Diversity Dialogue: May 5 – 31, 2016

Participation by Province/Territory



Participation by Organization Type



- 97 Participants (6 MiHR staff)
- 46 Women, 24 men and 27 provided no response to gender
- 17 Aboriginal, 4 new immigrant participants



Key Themes identified in the National Diversity Dialogue

- **Flexibility**
- **Greater collaboration**
- **Partnerships**
- **A broader definition of diversity**
- **Importance of success stories**
- **Shifting perspectives**

Building the Diversity and Inclusion Strategy – *what are the strategic areas of focus?*

- ✓ **Building Inclusive Culture in Mining Workplaces**
- ✓ **Removing Systemic Barriers**
- ✓ **Ensuring Inclusion throughout Career Pathways (attraction, development, retention, transition).**
- ✓ **Championing Flexible workplace arrangements/practices**
- ✓ **Industry Partnerships for Inclusion**

QUESTIONS?

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