

SECTION ONE: THE LABOUR MARKET

GENERAL OVERVIEW

Activity: Lecture, followed by group terminology activity and individual question/answer activity.

TIME: 1 hour

LEARNING OUTCOME:

Participants will know:

- The definition of labour market
- The five major forces that shape the labour market
- 14 terms commonly used to describe the labour market
- How economic and other trends will affect the industries where accountants work.

DESCRIPTION:

- Use the lecture notes and overheads to guide your lecture.
- When you have finished your lecture, organize the class into groups of 3-4. Instruct participants to complete the terminology exercise on **page 5** of their workbooks.
- Take up the answers using the answer key provided on page 20.

LECTURE NOTES: THE LABOUR MARKET IN CANADA

1. Ask the class: When we talk about the Labour Market, what do we mean?

Responses might include:

- The supply and demand of labour or work
- The marketplace for jobs and opportunities
- Trade between workers and employers

2. Why is it important to understand what is happening in the Labour Market?

Responses might include:

- To know where the jobs are
- To know what skills are in demand so that you can get the skills that employers need
- To know when to change careers

3. Place **Overhead 2** on the overhead projector and read the quote aloud. Points to make:

- This is a time of dramatic change in the Canadian labour market.
Although Canada has recovered from the recession of the early 1990s, some have called it a “jobless recovery” – meaning unemployment levels have remained high.
- Unemployment is greatest amongst those with lower education levels.
- Canada’s economy is also regional – which means that unemployment levels and skill shortages vary across the country. E.g.: The forest industry is strongest in British Columbia while Toronto is the centre of the financial services industry.
- The key, then, is to understand where you fit in – in the context of these changes.

Lecture notes, continued...

4. Explain to participants that what makes the labour market change are “trends”. A trend can be defined as: “a long-term change in social direction, broad in scope, and identified by many sources.

You may wish to ask participants to come up with several trends they are aware of which are affecting the Canadian economy and the labour market. Answers should include:

Globalization: Canadian business is affected by competitors around the world and must adapt to global trends and innovations, including technological changes and the trend toward less job security.

Demographics: The Canadian population is aging. This means large-scale retirement and growth in occupations that serve the needs of the elderly.

Technology: Expanding use of computers and telecommunications will continue to render some occupations obsolete while creating opportunity in other areas.

The Shift to a Service-based Economy: Resource-based industries, such as agriculture and forestry, are declining while service-based industries such as financial or business services are among the fastest growing industries. This growth has partly been the result of more women entering the labour force, the aging of the baby boomers, and an increase in disposable income amongst older workers.

Focus on Customer Service: As customers demand more for their dollar, the emphasis across all sectors has been on increasing efficiency in order to provide the best product or service at the most reasonable price.

“...Every change carries in its wake new employment opportunities. The trick during periods of change is to grasp the larger patterns emerging, while trying to find where the jobs are at any specific time.

It is important to understand both the overall economic playing field and the evolving employment rules as they might apply to you and your future.”

from Where the Jobs Are, by Colin Campbell

Answer Key

LABOUR MARKET TERMS: ANSWER KEY

Attrition	Vacancies due to retirement or death of the workers.
Baby Boomers	The generation of people born between 1945 and 1966; because of its size, this generation has a profound effect on the economy and the labour market.
Benefits	Additional incentives, beyond wages, provided by an employer to its employees.
Contract Work	Usually refers to work secured for a specific period of time or for the completion of a specific project. Often does not include benefits.
Downsizing	An attempt to improve efficiency by reducing the size of a company's workforce.
Demography	The study of population patterns which provides information such as statistics on birth, death, and age in the community.
Globalization	The sharing of labour, production, ideas, knowledge, products and services across borders.
Industry	A specific branch of manufacture and trade. Examples: Forestry, Financial Services.
Labour Force	The part of the working-age population participating in work or actively job seeking.
Outsourcing	Occurs when one company has some of its work done by another company
Self-Employment	When an individual markets his or her skills for hire on an "as-needed" basis to companies, organizations.
Standard Jobs	Jobs that offer full-time, full-year work with a single employer. They usually provide benefits and some career prospects.
Underemployment	Occurs when an individual works in a job for which he or she is overqualified (i.e. has significantly more education or skills than the job requires).
Union	An organization that represents and negotiates on behalf of a group of workers.

THE LABOUR MARKET: OVERVIEW

Canada's economy is experiencing dramatic changes. The recovery from a recession in the early 1990s was rather slow but at the end of 1998, Canada had experienced seven consecutive years of positive economic growth (source: Industry Canada). In the new millennium, the labour market has been rather weak. Canada narrowly avoided a recession in 2001. Employment in the year 2003 got off to a slow start but it surged ahead during the last four months of the year.

Employment is improving, but many people are still unemployed in Canada because they do not have the skills that Canadian businesses need. Changes in the Canadian labour market have taken place so quickly, that many Canadian workers have been left behind. Many jobs have been rendered obsolete because of technology. Increasing global competition has meant some companies have relocated to countries where labour is cheaper. And as emerging industries begin to flourish, others are dying out.

Traditionally, Canada's economy has been based on its vast natural resources -- forestry, fishing, mining, and agriculture, for example. Today, however, technology, globalization and other factors have brought new industries to the forefront - tourism, financial & business services, high technology, for example. What does this mean for you, the job seeker?

Most jobs are no longer advertised.
When they are, employers are often

flooded with applications. To be successful, you must know where to find the jobs. You must know what your skills are and find employers who need those skills.

You are expected to keep on top of the very latest trends in your profession.

Because change - especially technological change - is constant, employers need people who can adapt to change. They need people who are prepared to be "lifelong learners" and will keep their skills up-to-date.

Communication is important in every job. Changes in the way companies and organizations work has meant that virtually every worker needs to communicate with others. There are very few occupations in Canada where speaking, listening and writing in English or French are not critical.

Every worker is like a small business. Not only is self-employment growing rapidly in Canada, but the skill of self-marketing has become vital to all workers. Job seekers need to present their skills and knowledge as if they are selling a product to a consumer.

Successful job seekers, therefore, understand the job market. They know what skills are in demand and where to find the employers. They can articulate to an employer how their skills and knowledge will benefit the employer - now and in the future

LABOUR MARKET TERMS

Draw a line to match the word or phrase on the left with the correct definition on the right.

Attrition	An organization that represents and negotiates on behalf of a group of workers.
Baby Boomers	<i>When an individual markets his or her skills for hire on an "as-needed" basis to companies, organizations.</i>
Benefits	<i>The sharing of labour, production, ideas, knowledge, products and services across borders.</i>
Contract Work	<i>Additional incentives, beyond wages, provided by an employer to its employees.</i>
Downsizing	<i>Usually refers to work secured for a specific period of time or for the completion of a specific project. Often does not include benefits.</i>
Demography	Vacancies due to retirement or death of the workers.
Globalization	The generation of people born between 1945 and 1966; because of its size, this generation has a profound effect on the economy and the labour market.
Industry	Occurs when one company has some of its work done by another company.
Labour Force	The part of the working-age population participating in work or actively job seeking.
Outsourcing	The study of population patterns which provides information such as statistics on birth, death, and age in the community.
Self-Employment	Jobs that offer full-time, full-year work with a single employer. They usually provide benefits and some career prospects.
Standard Jobs	Occurs when an individual works in a job for which he or she is overqualified (i.e. has significantly more education or skills than the job requires).
Under-employment	A specific branch of manufacture and trade. Examples: Forestry, Financial Services.