



Women in Supply Chain and Logistics

(In Cornwall and S.D.&G.)

Prepared by Lapierre & Associates

For the Eastern Ontario Training Board

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Executive Summary

The supply chain sector is growing. In Canada there are approximately 767,000 workers employed in logistics and supply chain occupations, with another 290,000 workers employed in the trucking industry.

Nationally, 65,979 new and vacant supply chain and logistics positions will become available over the next five years. By the year 2021, the trucking sector will require at least 153,000 additional workers.

At the local level, the Supply Chain and Logistics sector is the fastest growing sector in the region's economy and it continues to have significant positive impacts on the regional transportation and warehousing sectors, creating hundreds of new local jobs.

The Eastern Ontario Training Board has recently compiled information on over 25 direct and in-direct occupations related to supply chain management. The document, soon to be released, will be available on the Eastern Ontario Training Board website, www.eotb-cfeo.on.ca.

In recent years, Cornwall has attracted a number of large distribution centres that have had a positive effect on the local economy and the region's job market. Expected job growth remains high and the possibility exists of a labour shortage.

Keeping current with the latest technology remains a challenge for some local supply chain and logistics companies and sector employers remain concerned that workers do not possess the technological skills required to keep pace with changing technological demands.

Employers are also of the opinion that applicants and new hires lacked some of the "soft skills" such as critical thinking, leadership and communication skills.

Sector employers are very receptive to the new Supply Chain & Logistics Techniques program offered by St. Lawrence College, in Cornwall. The College expects to see students graduate with a skill-set that will make them attractive to local employers.



Locally, the logistics and supply chain sector remains male dominated, with approximately 65% of the workforce being male, and only about 10% of management positions being occupied by women. While salary disparities exist between men and women in the logistics and supply chain sector at the national level, the local sector does not appear to follow the national trend.

Employers suggest that career opportunities for women in logistics and supply chain are better today than they have ever been. Advancements in technology, new and improved equipment, more diverse employment categories and increased demand for personnel make the logistics and supply chain sector much more receptive to female workers.

Those who participated in this study suggest that limited awareness of the supply chain and logistics sector and misconceptions about the type of career opportunities available hinder their ability to attract women.

Improved marketing and outreach efforts are required in order to inform women of the opportunities within the sector and attract women to careers in logistics and supply chain management.



Introduction

As part of this study, twelve (12) organizations (or individuals) throughout Cornwall and S.D. & G. were invited to participate in an interview. Of those invited to participate, a total of 11 organizations volunteered to provide information.

A series of in-person and telephone interviews were conducted between October 2012 and January 2013 with supply chain organizations in Cornwall and the counties of Stormont, Dundas and Glengarry.

Interviews were held with business owners, senior level managers and/or human resource managers within the target group.

Industry associations and sector councils were also contacted for input and resource information.

In addition to the sources outlined above, the following sources were accessed for industry related information:

- Canadian Supply Chain Sector Council
- Supply Chain and Logistics Association of Canada
- Statistics Canada
- Purchasing Management Association of Canada
- Cornwall Economic Development
- SDG Community Futures Development Corporation
- Ontario East Economic Development Commission
- The Van Horne Institute
- Women & Logistics (<http://womenandlogistics.com>)
- *Material Handling & Logistics* (<http://mhlnews.com>)
- *Canadian Trucking Human Resources Council*

For the purposes of this survey, the supply chain and logistics sector, at the local level, includes organizations involved in warehousing, purchasing and inventory management, transportation and freight handling, as well as distribution centres and third party logistics providers (3PL).

The Industry

The Supply Chain sector is a term used to incorporate companies and economic activities relating to the movement of goods between manufacturers and consumers. As such, it incorporates companies involved in transportation (trucking companies), warehouse (distribution centres) and procurement. The sector employs people with a diverse range of skill sets.

Supply chain management is one of the most essential sectors of our economy; employing approximately 767,000 Canadian workers from a range of occupations and industries¹. This figure does not include truck drivers. According to the Canadian Trucking Human Resources Council, the trucking industry accounts for an additional 290,000 jobs².

The supply chain and logistics sector is growing rapidly. In Canada, there were 26,852 vacant supply chain positions, as of March 2012³. There are also approximately 12,000 unfilled positions in the trucking industry across Canada⁴. Over the next five years (2012 - 2017), it is anticipated that there will be an additional 65,979 new and vacant supply chain positions to be filled, bringing the total to 356,747 Canadian jobs. From 2012 – 2017, it is expected that the number of supply chain employees will increase from a rate of 8.4% for tactical occupations, to 14.9% for managerial occupations⁵.

The trucking industry also continues to grow moving 90 percent of all consumer products and food within Canada and 60 percent of all trade with the United States,. Most of the demand for truck transport services is generated by manufacturing, retail and wholesale trade. Demand for goods and services from retail trade, the most predominant distribution activity in Cornwall, is expected to grow significantly by 2020⁶.

¹ Source: Kevin Maynard, Executive Director, Canadian Supply Chain Sector Council

² <https://www.cthrc.com/sites/default/files/documents/Final%20Report%20for%20Industry%202012.12-029.en.pdf>

³ Canadian Supply Chain Sector Council Human Resources Update Study

⁴ <https://www.cthrc.com/sites/default/files/documents/Final%20Report%20for%20Industry%202012.12-029.en.pdf>

⁵ Canadian Supply Chain Sector Council Human Resources Update Study

⁶ Understanding the truck driver demand and supply gap and Implications for the Canadian economy, Vijay Gill, Conference Board of Canada, February 2013



By 2021 the Truck Transportation sector (NAICS 484) is projected to employ 369,000 people. To meet the projected growth the trucking sector will require at least 153,000 additional workers, an average of 14,100 per year, to address the increase in demand, current vacancies and the retiring of an aging workforce⁷.

Importance to the Local Economy

The Supply Chain and Logistics sector is the fastest growing sector in the region's economy and continues to have significant positive impacts on the regional transportation and warehousing sectors, creating hundreds of new local jobs⁸.

In recent years, Cornwall has attracted a number of large distribution centres that have had a positive effect on the local economy and the region's job market. The three largest distribution centres in the region include Supply Chain Management, which operates a 1.4 million square foot distribution centre for Wal-Mart Canada and is Cornwall's largest private sector employer (approximately 900 employees)⁹. Shoppers Drug Mart's distribution centre in Cornwall, is operated by Matrix Logistics and Target's newly constructed 1.3 million square foot distribution centre, is operated by Eleven Points Logistics.

The Benson Group, Richelieu Hosiery, Philips Canlyte, American Standard, as well as other private sector companies also operate distribution facilities in the area.

Neighbouring communities in Eastern Ontario have also seen investment in the supply chain sector, with Sears Canada, Tim Horton's and Giant Tiger also having major distribution centres in the region.

Canadian Tire Corporation has also constructed a large distribution centre less than an hour's drive from Cornwall in Coteau du Lac (Quebec). This distribution centre currently employs people from Cornwall and area.

The growth of the supply chain and logistics sector in Cornwall and S.D.&G has also prompted the growth of local transportation companies including Minimax Express, Seaway Express, Walter McDougall Trucking, Translogic Express, as well as many others.

⁷ <https://www.cthrc.com/sites/default/files/documents/Final%20Report%20for%20Industry%20%202012.12-029.en.pdf>

⁸ <http://www.choosecornwall.ca/eng/news/474/57/St-Lawrence-College-Launches-New-Program-in-Cornwall/>

⁹ <http://www.choosecornwall.ca/eng/news/423/57/SCM-s-Amazing-Race-Through-Cornwall/>



Employment Opportunities

The supply chain and logistics sector in Cornwall and S.D.&G currently accounts for hundreds of jobs. Smaller local transportation companies employ as few as twenty (20) employees while larger organizations in the area have in excess of 1300 employees on their payroll.

It is anticipated that employment opportunities in this sector will continue to grow. All respondents to this study indicated that they had increased their workforce in 2012 and they all reported expected job growth in 2013 and beyond.

The Eastern Ontario Training Board, through the support of the Trillium Foundation, compiled information on over 25 direct and in-direct occupations related to supply chain management. The document, soon to be released, will be available on the Eastern Ontario Training Board website, www.eotb-cfeo.on.ca.

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Table One below highlights regional employment levels in the Transportation and Warehousing Industry between 2008 and 2012. The Ottawa Economic Region 3510 encompasses Stormont, Dundas and Glengarry, Prescott-Russell, Ottawa, Leeds and Grenville and Lanark including the Census Metropolitan Area of Ottawa-Gatineau (Ontario part only). Employment levels in this urban Ottawa area have been removed from the Economic Region figures to offer further insight into employment trends in the surrounding area.

Table One: Employment in the Transportation and Warehousing Industry*					
	2008	2009	2010	2011	2012
Economic Region 3510	25.5	23.4	22.6	24.6	25.4
Ottawa-Gatineau (ON part) CMA	13.9	13.4	14.2	15.9	15.5
SD&G, Prescott-Russell, Leeds & Grenville and Lanark Counties	11.6	10	8.4	8.7	9.9

* Persons x 1000

Source: Statistics Canada Labour Force Survey (Tables 282-0061 and 282-0112)



The data highlights that employment levels are returning to 2008 pre-recession levels with significantly increasing demand on the near horizon. During the development of this report, Eleven Points Logistics, the 3PL who operates the newly constructed Target distribution centre had only just begun their recruitment process. It is anticipated that the Target facility will create several hundred new jobs.

It has been suggested that the area may face a labour shortage once the Target facility opens¹⁰. Respondents to this study indicate that there is a very real possibility of a labour shortage in the region and indicate that retention of skilled and trained employees is a major concern for them. Some have even suggested that they have experienced “poaching” of their staff.

¹⁰ <http://www.obj.ca/Local/2011-08-10/article-2700625/Target-centre-to-create-labou-shortage@3A-Cornwall-official/1>

Sector Demographics

At the national level the supply chain and logistics sector remains predominantly male dominated (61% male vs. 39% female). Men are still more likely to hold managerial positions and average salaries for men remain higher than women.

The average age of supply chain employees is 47, with 8% under the age of 30. Approximately 27% of supply chain and logistics employees are over the age of 55, which suggests that the supply chain workforce is aging and contemplating retirement.

The proportion of those nearing retirement is also larger among those working in managerial positions. In other words, the supply chain sector is not only diminishing in numbers, it is also experience a loss of knowledge and experience.

Table Two examines the composition of the Ontario workforce and highlights an even greater male predominance. In the Transportation and Warehousing industry in Ontario 75.4 percent of the workforce is male, 24.7 percent female. The percentage of the female workforce age 25 to 54 is notably higher than males in the same age bracket while there are fewer working in the sector beyond age 54. As labour market shortages become more critical, companies may want to look at employee retention measures such as part-time or flex-time scheduling to retain older workers.

Table Two: Age and Sex of Transportation and Warehousing workforce in Ontario						
Age Group	2008	2009	2010	2011	2012	Percent of Total 2012 Workforce
Both Sexes						
15 years and over	335.7	330.9	318.3	336.2	329.9	100.0%
15 to 24 years	26.6	18.9	19.7	17.4	19.2	5.8%
25 to 54 years	245.9	243.6	233.8	242.8	238.3	72.2%
55 years and over	63.1	68.4	64.7	76.0	72.4	21.9%
Males						
15 years and over	248.8	250.8	239.1	249.9	248.6	100.0%
15 to 24 years	19.0	14.6	15.1	12.7	15.2	6.1%
25 to 54 years	180.2	182.5	174.2	178.0	175.8	70.7%
55 years and over	49.6	53.6	49.9	59.2	57.5	23.1%
Females						
15 years and over	86.8	80.1	79.1	86.3	81.4	100.0%
15 to 24 years	7.7	4.3	4.7	4.7	4.0	4.9%
25 to 54 years	65.7	61.1	59.6	64.8	62.5	76.8%
55 years and over	13.5	14.8	14.9	16.8	14	17.2%

Source: Statistics Canada Labour Force Survey (Tables 282-0008)



At the local level, the logistics and supply chain sector is also male dominated although not to the level observed in Ontario. Study respondents indicated that approximately 65% of their workforce was male (higher in some cases) and that only about 10% of management positions were occupied by women.

In general, the average age of a logistics and supply chain sector worker, at the local level was below the national average and only a few study respondents were concerned with pending worker retirement.

Wage disparity does not seem to echo the national trend, with most respondents indicating that they had set wage/salary grids and that their pay structures were based on position responsibilities rather than gender.

At the local level, some supply chain and logistics sector employers have seen an increase in the recruitment of new Canadians. One particular organization has had very good success in attracting and selecting new Canadians to their workforce.

Respondents to this study did indicate that they were beginning to notice a trend that more women were showing an interest in the supply chain and logistics sector. All respondents showed enthusiasm at attracting and hiring female workers and felt that women stood an excellent chance at developing a successful career in the sector.

Technology and Technical Skills

Keeping current with the latest technology remains a challenge for some local supply chain and logistics companies – particularly smaller organizations where it can almost be a barrier to remaining competitive.

Purchasing the technology (hardware and software) can be very expensive, and training employees to use the technology can be very time consuming. While supply chain and logistics companies all agree that adopting new technology is crucial to their success, it requires a significant commitment to training.

The Canadian Supply Chain Sector Council Human Resources Update Study¹¹ indicates that Canadian supply chain and logistics employers currently feel that their employees, for the most part, have the ability to adapt to new technologies, and generally do not struggle with the technical aspects of their jobs.

Local supply chain and logistics employers, however, suggest that employees and new applicants do not possess the technological skills required to keep pace with changing technological demands. In particular, respondents indicate that older workers continue to struggle with technology in the workplace.

¹¹ <http://www.supplychaincanada.org/en/sector-study>



Education and Training

There was consensus among the employers interviewed for this study that the employees they hired, regardless of gender, often lacked the necessary skills to be successful in the supply chain and logistics sector.

While technical skills are still very important to employers, respondents were of the opinion that applicants and new hires lacked some of the “soft skills” such as critical thinking, leadership and communication skills.

Sector employers were all very receptive to the new Supply Chain & Logistics Techniques program offered by St. Lawrence College, in Cornwall, starting in February 2013.

The program, developed in collaboration with local industry representatives, and responds to a growing need for workers in the expanding Supply Chain sector in Eastern Ontario. St. Lawrence College expects to see students graduate with a skill-set that will make them attractive assets to companies within the sector.

Some of the respondents to this study expressed an interest in attracting more employees with post-secondary education and certification. Professional logistics designations were mentioned as desirable. Examples of this type of designation include Canadian International Freight Forwarders Association (CIFFA) and Purchasing Management Association of Canada (PMAC).

Sector employers are all committed to training and are investing heavily in their employees' development. While academic training is of value to supply chain and logistics sector employers, the most common type of training offered by employers is on-the-job training.

On-the-job training has many benefits. Not only is it generally less expensive than sending employees off-site to attend training programs, it also allows new recruits to learn from an employee who has hands on experience.

One element of concern for local employers is that basic literacy and numeracy skills are often lacking, particularly in younger workers 30 years old and under.

Young men and women alike often struggle with basic mathematics (addition, subtraction and multiplication), as well as the ability to follow written work instructions.



Opportunities for Women in Supply Chain and Logistics

Almost all of the companies surveyed feel that career opportunities for women in logistics and supply chain are better today than they have ever been.

Advancements in technology, new and improved equipment, more diverse employment categories and increased demand for personnel make the logistics and supply chain sector much more receptive to female workers.

Still, the supply chain and logistics sector remains male dominated. At the national level, The Canadian Logistics Institute has been creating ways to showcase women and to identify the needs of female workers in the transportation and logistics industry, in an effort to encourage more women to consider careers in this sector. In recent years, they launched the national Women in Logistics (WIL) initiative, in an attempt to bring women across the industry closer together¹².

Career advancement in supply chain and logistics can still be difficult for women. Respondents to this study indicated that they would prefer to promote from within, and that they would like to see more females in supervisory and management/decision making roles within their organizations.

They believe that women have a different style compared to men when managing supply chain and logistics, and say that a female approach can often have advantages for the company.

Those interviewed suggested that self-confidence may be a factor when considering supervisory/management opportunities, and the ratio of men to women in the sector may cause some women to feel intimidated, causing them not apply when an opportunity presents itself.

Despite all of this, some women have successfully made the transition to supervisory and management positions.

¹² <http://www.loginstitute.ca/home.html>

The Gender Wage Gap

According to a news release issued by the Purchasing Management Association of Canada in November 2010, the gap between male and female employee salaries in supply chain continues to grow, with a 23.9 per cent disparity between male and female earnings¹³.

This does not appear to be the case at the local level however. Most respondents indicated that they had set wage/salary grids and that their pay structures were based on position responsibilities rather than gender.

Those who participated in the study did concede however that the supply chain and logistics sector remains male dominated. They suggested that approximately 65% of their workforce was male (higher in some cases) and that only about 10% of management positions were occupied by women.

Women tended to occupy more administrative positions such as accounting, payroll and human resources, dispatch, transportation clerk and customer service, while their male co-workers held positions in order picking/material handling, shipping and receiving, workplace safety, quality assurance, supervision, sales/marketing, and truck driving.

Respondents did indicate however that a shift had begun and that more women were beginning to venture into positions that have been traditionally male dominated. For example, more females were working in material handling positions and there appears to be a slight increase in the number of women drivers.

Technological advancements, improvements in material handling tools and equipment, increased on-the-job training, and investment in kilometres of warehouse conveyor systems have made freight/material handling positions more accessible to women.

New standardized driving regulations, improved cab designs, and the availability of automatic transmissions have made for a much more comfortable driving experience for truck drivers. The result has been more female drivers. However, in the local area, and across the country, the transportation industry continues to experience a shortage of qualified truck drivers.

¹³ http://www.pmac.ca/images/stories/news.pdf/2010salarysurveyrelease_final_en.pdf



Attracting Women to the Sector

In general, the supply chain and logistics sector continues to be male dominated at the national and at the local level.

Employers interviewed for this study indicate that a lack of awareness of the sector and misconceptions about the types of opportunities available have a negative impact on their ability to attract female applicants.

They suggest that there is a misconception that only “blue collar” and “manual labour” jobs are available in the supply chain and logistics sector, and that these misconceptions are affecting their recruitment efforts.

These misconceptions appear to be consistent across Canada and impact large and small companies alike.

Industry associations and councils are suggesting that ongoing outreach efforts are required, in order to inform women of the opportunities within the sector and to attract more women to the sector.

Employers at the local level all agree that the sector needs to do a better job of marketing to women, in order to increase their awareness. Suggestions from employers include career/job fairs, ad campaigns aimed specifically at women, partnering with post-secondary academic institutions, and information sessions for students and parents at the high school level.

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