

## June 28, 2017 For Immediate Release

# Improve cross-border labor mobility in the Great Lakes and St. Lawrence Region to stave off looming skills shortages

Cleveland, OH and Toronto, ON – A looming crisis from shortages of skilled labor could be avoided if the United States (U.S.) and Canada did a better job sharing talent across the border, says a new report released today by the Council of the Great Lakes Region (CGLR). The report sets out clear steps for governments on both sides of the border to fill skills gaps and put unemployed or under-employed skilled professionals to work where they are needed in the cross-border Great Lakes and St. Lawrence region, a region that spans eight U.S. states and the Canadian provinces of Ontario and Quebec.

The report lays out some key policy recommendations based on four core principles that will maintain a level playing field, including standardizing skills certification, protecting local labor markets, setting out rules and enforcement of employer conduct, and ensuring worker mobility across the border.

Access to talent now ranks as a top priority for corporate executives, globally and in the Great Lakes Region, as sectors look to fill labor market gaps caused by an ageing population and a growing shortage of skilled laborers. Employment driven migration, as a result, is increasingly becoming a critical policy issue for government in countries like U.S. and Canada.

According to the World Employment Confederation (WEC), 25 million new workers will be needed in the U.S. by 2030 to sustain economic growth. In Canada, roughly 25 per cent of the population will be retirement age by the mid-2030's.

A part of addressing this pending labor crisis could be met if the U.S. and Canada did a better job of sharing talent across the border in key economic zones like the Great Lakes Region. But many red tape challenges have to be overcome, such as the inconsistent application of existing rules, regulatory differences involving the certification and accreditation of professionals or employees in the trades, and the ongoing immigration debate in the U.S.

By eliminating unnecessary impediments to worker mobility across the Canada-U.S. border, an unemployed or underemployed crane operator, welder or pipe fitter from Buffalo could easily work at his/her trade in Toronto during periods of high-demand, or vice versa, and still return home to family at night, just as the over 3,000 nurses from southern Ontario do when they commute to hospitals in Michigan to care for the sick and elderly.

There are well-documented economic and social benefits arising from greater worker mobility, especially during periods of high demand. Recent research from the OECD found a three per cent increase in labor mobility globally would add \$300 billion per year to families at the end of the remittance chain, providing much needed financial stability in low and middle-income homes and reducing incidences of poverty. Additionally, by providing greater worker mobility between the U.S. and Canada, filling unmet workforce needs on either side of the border by sharing talent, whether it is for short, medium or long-term vacancies, strengthens our long-term economic competitiveness and prosperity in a borderless global economy.

This important exploration of labor trends and policy responses for the Great Lakes Region was made possible with the financial and advisory support of the Northern Policy institute and the Council of the Great Lakes Region.

#### Quotes

"Making it easier for Americans and Canadians to work across the border would remove a huge barrier to future economic growth," said Mark Fisher, CGLR's President and CEO. "There's a serious shortage of skilled labour looming in Canada and the U.S. and if we wait to act until it's too late, economies on both sides of the border will suffer."

"Boosting the competitive edge of the binational Great Lakes region and ensuring its long-term success in a world of rapid global change can only be achieved if the U.S. and Canada are more agile and creative in attracting and utilizing talent, especially in a global business climate of borderless commerce" said Fisher. "Restructuring worker mobility rules to better serve unemployed or underemployed Americans and Canadians in places like the Great Lakes would be good for the economy, good for hard-working families, and good for alleviating poverty."

"The Great Lakes-St. Lawrence Region already enjoys huge economic benefits from its highly-integrated markets and binational supply chains that cross the border numerous times," J. D. Snyder, the author of the new CGLR report, pointed out. "It only makes sense for labor markets to have the same freedom in mobility and integration. It's a win-win for companies that need talent and workers who have it."

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"As Northern Ontario makes up a large portion of the Great Lakes Region, NPI was pleased to have this opportunity to partner with CGLR on this important work. The recommendations included here are required reading for any policy maker looking to help grow Northern Ontario," said Charles Cirtwill, President and CEO of the Northern Policy Institute

#### **Quick Facts**

- New York, Pennsylvania, Ohio, Michigan, Indiana, Illinois, Wisconsin, Minnesota, Ontario and Quebec form one of the largest economic regions in the world.
- Home to 107 million Americans and Canadians, if the region was a country, it would be the 12<sup>th</sup> largest nation by population in the world.
- With economic output estimated at USD\$5.8 trillion in 2015, the region accounts for roughly a third of combined Canadian and U.S. economic activity.
- Approximately 51 millions Americans and Canadians, or about one third of the combined workforce, rely on the Great Lakes economy for good-paying jobs.

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About the Council of the Great Lakes Region (<a href="https://councilgreatlakesregion.org">https://councilgreatlakesregion.org</a>)

The Council is a non-partisan, non-profit, bi-national organization committed to deepening the United States-Canada relationship in the Great Lakes-St. Lawrence Region, defined by the border states of New York, Pennsylvania, Illinois, Michigan, Minnesota, Ohio, Wisconsin and Indiana and the provinces of Ontario and Quebec. The goal of the Council is to create a stronger, more dynamic culture of collaboration in harnessing the Region's economic strengths while enhancing the well-being of its citizens and protecting the environment for future generations.

### **About the Northern Policy Institute (NPI)**

NPI is Northern Ontario's independent think tank. We perform research, collect and disseminate evidence, and identify policy opportunities to support the growth of sustainable Northern Communities. Our operations are located in Thunder Bay, Sudbury and Sault Ste. Marie. We seek to enhance Northern Ontario's capacity to take the lead position on socio-economic policy that impacts Northern Ontario, Ontario, and Canada as a whole.