

Workforce Pulse – Manufacturing Sector

Grounded Insight. Informed Action. A Stronger Workforce.

Cautious stability in employment outlook. Over 80% of employers indicate maintaining or expanding staffing – but are also highlighting structural shortages in skilled trades, technical specialists, and frontline roles.

Executive Summary

In partnership with Future Skills Centre – the **Workforce Pulse**, a first-of-its-kind initiative led by 14 national sectoral and workforce development organizations – gathered employer-driven insights in July and August 2025, from across Canada's most vital economic sectors.

EMC's manufacturing network, along with a coalition of Biotech, Aerospace, Food Processors, Metal and Automotive manufacturing employer representatives, are signaling **cautious stability** in their workforce outlook.

Among the **816 manufacturing respondents** (the vast majority small and medium-sized enterprises), fewer than **10%** anticipated workforce reductions over the next 90 days, while more than **80%** expected to maintain or expand staffing.

Beneath this relative stability, however, lies persistent structural challenges. Skilled trades, technical specialists, supervisory staff, and frontline production roles remain the hardest to fill, with shortages reported across both SMEs and larger manufacturers. Tariff pressures and supply chain disruptions compound these gaps, pushing many employers toward short-term, reactive workforce planning rather than long-term strategies.

While labour shortages are a common theme across the economy, manufacturing stands out for a combination of:

- **High tariff exposure** and reliance on global supply chains.
- **Acute shortages in skilled trades and technical roles.**
- **Greater planning uncertainty**, leading to reactive workforce strategies.

This reinforces the importance of sector-specific intelligence and the role of EMC in ensuring that Canada's manufacturing employers have the insights, tools, and supports needed to adapt and grow under challenging economic conditions.

Key Findings

- Nearly 35% of manufacturers report current understaffing, indicating immediate hiring pressures.
- Over 80% expect to maintain or expand staffing in the next 90 days, despite economic uncertainty.
- Skilled trades are the most difficult roles to fill, followed by technical, supervisory, and frontline staff.
- Retention and productivity improvements remain top organizational needs.
- Tariff-driven volatility is the leading source of workforce uncertainty for manufacturing employers.
- Manufacturing faces the highest levels of tariff disruption compared with other sectors.

Implications:

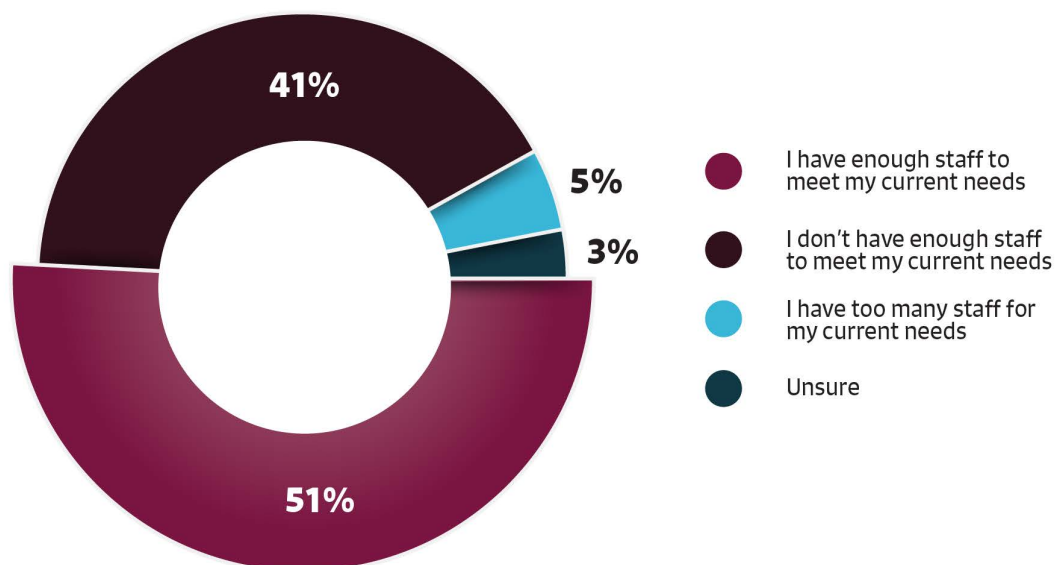
The 2025 Workforce Pulse shows Canada's manufacturing labour market as somewhat **resilient but stretched**. It underscores the urgency of sector-specific workforce strategies, investment in training pipelines, and responsive policy supports to bridge the widening skills gap and sustain competitiveness under global trade uncertainty.

Manufacturing Sector Results (N = 816 Total / 740 SMEs)

Current Staffing Needs

Nearly **35% of manufacturers** reported being understaffed, pointing to near-term hiring pressures. A majority indicated they were adequately staffed, though many flagged challenges in maintaining workforce stability due to turnover.

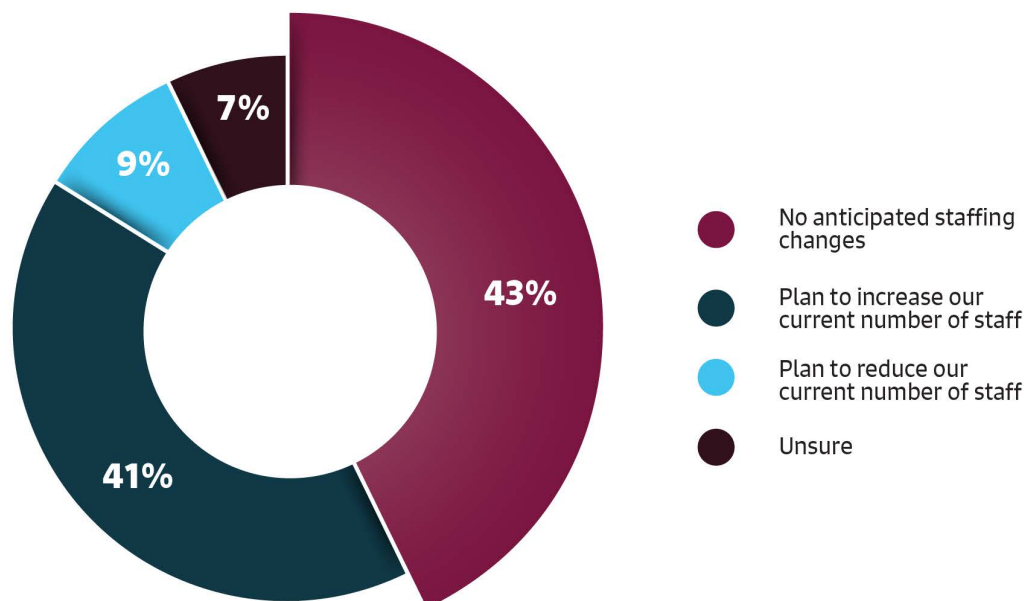
Over the past 30 days, how would you describe your staff needs?



Workforce Outlook (90 Days)

More than **80%** of employers expect to maintain or expand staffing. Fewer than **10%** foresee reductions – a signal of cautious stability despite broader economic concerns.

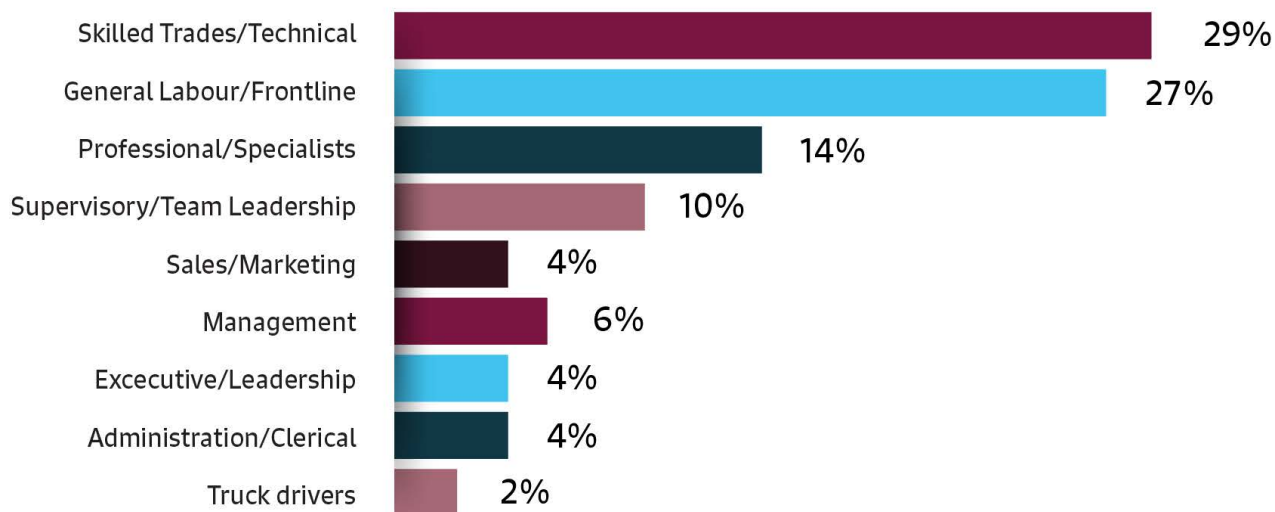
What are your workforce expectations for the next 90 days?



Hardest-to-Fill Roles

Skilled trades were identified as the most difficult roles to recruit. Technical specialists, supervisors, and frontline production staff followed closely. Persistent gaps reinforce systemic challenges in talent pipelines and training alignment.

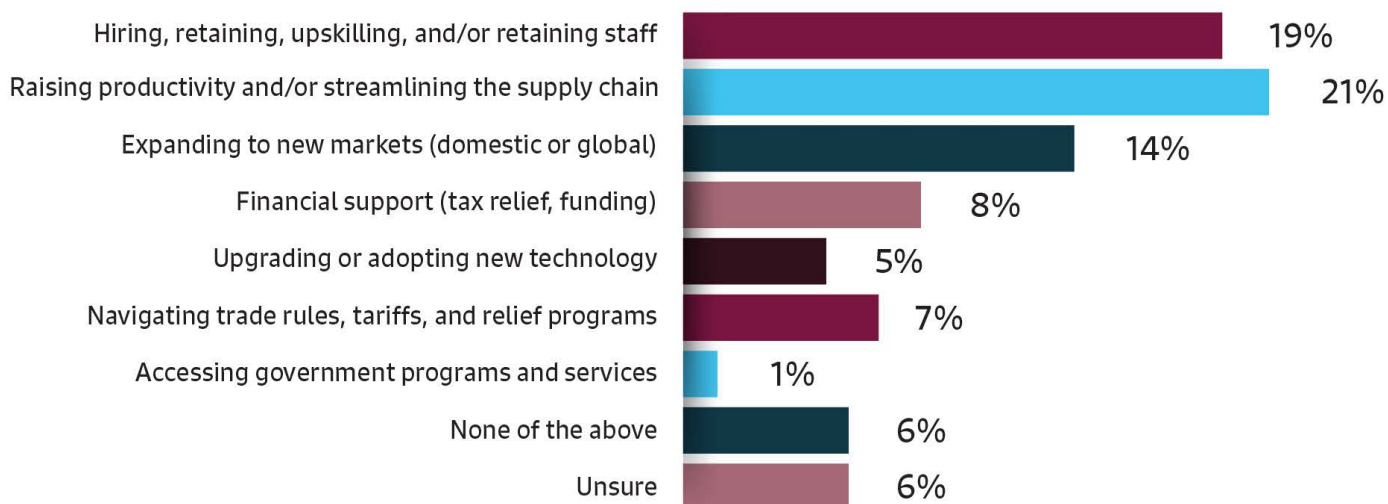
Which staff are the most challenging to fill?



Top Workforce Needs

Retention and productivity improvements were the most common employer priorities. Many firms highlighted the need to strengthen supervisory capacity and on-the-job training to support workforce stability.

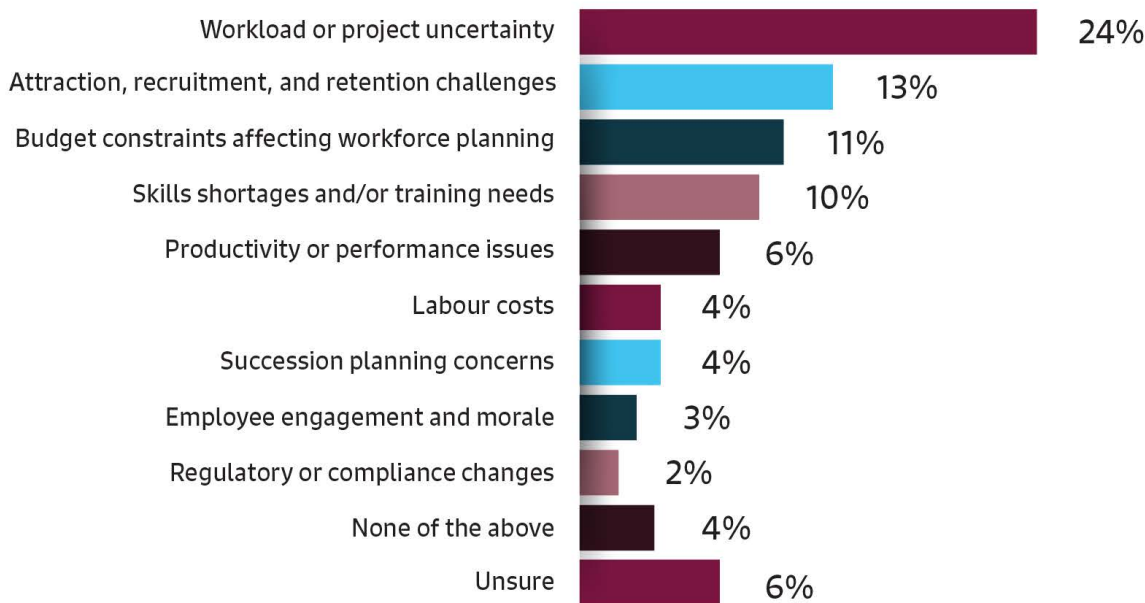
What is your organization's most important need this month?



Workforce Uncertainty

Tariff-driven volatility and workload/project uncertainty dominate planning concerns. Employers cited challenges aligning staffing with unpredictable demand and supply chain conditions.

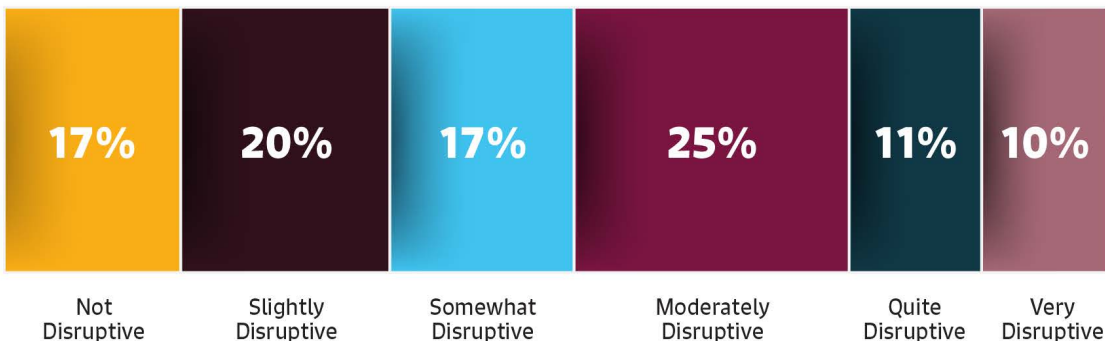
What is your main workforce uncertainty over the next 90 days?



Tariff Impacts on Manufacturing

A significant majority of manufacturers reported that U.S. tariffs and Canada’s retaliatory measures had **directly disrupted business operations**. Impacts included rising input costs, demand uncertainty, and delayed investment decisions. Compared with other sectors, **manufacturing employers reported the highest levels of tariff disruption** and one of the most persistent shortages in skilled trades and technical roles.

Have the U.S. Tariffs or Canada’s imposition of retaliatory tariffs disrupted your business?



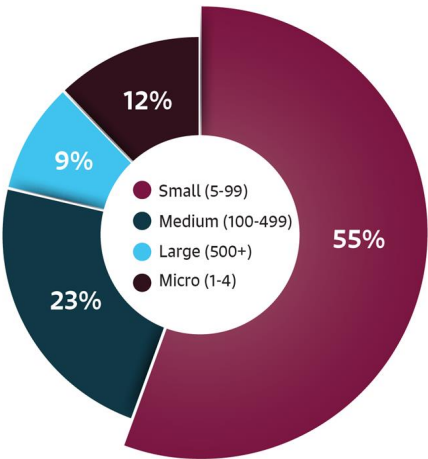
Appendix A

Sector Highlights

Over **2,145 Canadian employers** shared their perspectives through the 2025 Workforce Pulse survey, **delivered in partnership with 14 national sectoral and workforce development organizations.**

The survey provided a limited snapshot of employer sentiment at mid-summer – how businesses were navigating trade disruptions, policy uncertainty, staffing pressures, and evolving workforce needs.

The following table highlights each sector and the impact of the current economic conditions on that sector. The table is organized by tariff impact and then alphabetically by organization, which provides specialized insights unique to the sector in question.



Organization	Sector	Tariff Impact	Key Workforce Challenges	Other Observations
Excellence in Manufacturing Consortium	Manufacturing	Very disruptive	Skilled trades/technical, general labour and supervisory positions are the most challenging to fill.	Uncertainty is hindering investments and operational decisions, making planning more reactive and less strategic.
Trucking HR Canada	Transportation and Warehousing	Very disruptive	Uncertainty over the tariffs has an immediate impact on employers, especially those who move goods across borders. This has resulted in uncertainty around workload, which has made it difficult for employers to plan for workforce needs.	Truck Drivers remain the most challenging position to fill for trucking and logistics employers despite the challenges imposed by tariffs. The sector remains focused on hiring and retaining staff, along with increasing productivity and streamlining supply chain challenges.
Canadian Council for Aviation and Aerospace	Aviation and Aerospace	Very to somewhat disruptive	75% of respondents indicated Skilled Trades/Technical and Professional/Specialists are their greatest priority to hire. The remaining unfilled roles are in General Labour / Frontline / Production / Customer Service.	Skilled, experienced licensed aircraft engineers are a high priority for most transport respondents.
Canadian Skills Training and Employment Coalition	Metals & Equipment Manufacturing & Other Industrial Sectors	Moderately to Quite Disruptive	Skilled Trades and Technical roles remain the hardest to fill, followed by frontline production and professional specialists. Workforce expectations lean toward staff increases, yet uncertainty is driven by workload/project issues and recruitment/retention challenges.	Despite tariff pressures, half of employers report adequate staffing, but over a third still face shortages. Raising productivity/streamlining supply chains, as well as hiring/retaining staff, are top

				organizational needs, highlighting both short-term workforce constraints and longer-term competitiveness pressures.
Food Processing Skills Canada	Food and Beverage Manufacturing	Disruptive (though varies by subsector) 71% of respondents were affected by tariffs.	Labour shortages, 25% of respondents indicated they did not have enough staff to meet their current needs. Frontline workers, along with trades and technical positions, are in high demand.	Employers cited gaps in frontline, trades, and technical positions. Tariff impacts varied by subsector, with rising costs, tighter access to capital, and pauses on hiring and investment. Many products remained CUSMA-compliant, but tariffs from China and Canadian counter-measures added further disruption.
BuildForce Canada	Construction	Somewhat disruptive	Access to skilled labour and management/supervisory positions. Most respondents were still hiring throughout the survey period.	The ongoing trade friction with the United States has eroded consumer confidence, resulting in lower overall investment, particularly in the residential sector.
Canadian Agricultural Human Resource Council	Agriculture	Somewhat disruptive	Farm labour and supervisor positions are challenging to fill. The need for skilled labour and technicians is also a challenge across the sector.	Producers are concerned about increased labour costs and their effect on budgets. Producers are actively seeking employees to avoid production delays or reductions.
Canadian Green Building Council	Green building	Somewhat disruptive	Results reflect the building sector's ongoing skilled labour shortage – likely driven by retirements and a slowdown in new entrants.	The need to recruit additional workers was highlighted by nearly all industry respondents, demonstrating the need to increase recruitment. Some respondents also noted the need for skills development.
Tourism HR Canada	Tourism	Somewhat disruptive	Frontline workers and management/supervisory positions are driving labour challenges.	Sector-level tariff impacts were unevenly felt across tourism, but those with the highest levels of disruption also had incidences of staffing shortages.

Environmental Careers Organization of Canada	Environmental Consulting and Not-For-Profits	Slightly to somewhat disruptive	Two-thirds of environmental consulting firms and half of not-for-profits reported that professionals/specialists are the most difficult roles to fill.	Workforce planning has been primarily impacted by workload or project uncertainty (environmental consulting) and budget constraints (not-for-profit organizations).
Careers in Energy, a division of Energy Safety Canada	Energy Exploration, Production & Energy Services	Slightly disruptive	Skilled trades/technical, general labour and supervisory positions are the most challenging to fill.	Nearly 9 in 10 employers expect to maintain or grow staff over the next 90 days. Workload or project uncertainty is the primary workforce-related concern for 40% of employers over the next 90 days.
Electricity Human Resources Canada	Electricity	Slightly disruptive	Respondents report that workload and project uncertainties are their primary workforce-related uncertainties.	Most respondents expect to either maintain or increase their staffing levels in the near future, suggesting that the tariffs are unlikely to directly affect the electricity sector. However, the broader economic impact of the tariffs could lead to indirect effects over time.
BioTalent Canada	Bio-economy	Slightly disruptive	Access to professional and technical skills is a challenge. Despite budgeting and financial support concerns, the majority in the sector plan to increase their workforce. Tariffs' impact is minimal, attributed mainly to uncertainty rather than direct impact on the industry.	The majority of those deemed more affected by the tariff tended to be in medical device manufacturing and R&D. In the coming months, the major concerns tend to focus on budgeting and labour costs.
Mining Industry Human Resources Council	Mining	Not disruptive	Skilled Trades/Technical occupations are the most challenging to fill. The immediate focus for most organizations is hiring and retaining staff.	To date, mining companies participating in the survey have reported little impact from tariffs, regardless of their size.

About the Workforce Pulse Survey

Funded by the Future Skills Centre (FSC), the Workforce Pulse multi-sector initiative aims to gather workforce insights information for strategic planning and responsive policy development across key economic sectors. For those seeking deeper insights into the issues discussed here, an interactive Workforce Pulse Dashboard is available on the Workforce Pulse website, enabling users to examine survey respondent data by sector, region, workforce size, and other key variables.

The Workforce Pulse survey was conducted by 14 national sectoral and workforce development organizations to provide a rapid-response snapshot of employer sentiment on staffing, hiring, and workforce challenges in the context of ongoing trade and economic disruptions.

Participating Sectoral and Workforce Development Organizations:

- BioTalent Canada
- Canadian Agricultural Human Resource Council (CAHRC)
- Canadian Green Building Council (CGBC)
- Careers in Energy, a division of Energy Safety Canada
- Environmental Careers Organization of Canada (ECO Canada)
- Food Processing Skills Canada (FPSC)
- Tourism HR Canada
- BuildForce Canada
- Canadian Skills Training and Employment Coalition (CSTEC)
- Canadian Council for Aviation and Aerospace (CCAA)
- **Excellence in Manufacturing Consortium (EMC)**
- Electricity Human Resources Canada (EHRC)
- Mining Industry Human Resources Council (MIHR)
- Trucking HR Canada

The pulse survey included basic questions to gauge respondents' current human resources situation, their expectations for the next 90 days and the extent to which their organization is affected by the tariffs imposed by the United States.

Survey Questions

- All 14 partner surveys applied the same **seven core questions** covering staffing levels, hiring expectations, workforce needs, and tariff impacts.
- Partners also had the option to include **two supplemental questions**:
 - *"What is your organization's most important need this month?"*
 - *"What is your organization's primary workforce-related uncertainty over the next 90 days?"*

Who Responded

- Sample size: 2,145 employers.
- Business size: 12% micro (1–4 employees), 54% small (5–99), 23% medium (100–499), 9% large (500+).
- Sectors: Manufacturing (38%) and construction (16%) were the largest groups, with responses across 14 industries.
- Regions: Most responses came from Ontario (36%), B.C. (13%), Alberta (12%), and Quebec (9%).
- Industry mix: Goods-producing industries accounted for 64% of responses, reflecting high participation from tariff-exposed sectors.

How Data Was Collected

- Timing: July 8–September 10, 2025
- Method: Online survey in English and French, distributed via partner networks, newsletters, social media, and events.
- Format: 1–3 minutes to complete; seven core questions plus optional sector-specific questions.
- Anonymity: Responses were confidential; only the first three digits of postal codes were collected.

Limitations

- Non-probability sample: Results are not representative of the entire Canadian economy and no margin of error applies.

- Sector/region variation: Some sectors and regions are better represented than others.
- Opinion-based: Perceptions of disruption differ

Workforce Pulse is a first-of-its-kind initiative from national sectoral and workforce development organizations. It gathered employer-driven insights about the workforce from Canada's most vital economic sectors.

As Canada's first coordinated rapid-response labour market intelligence initiative, the Workforce Pulse survey – undertaken in July/August 2025 – is a limited employer sentiment snapshot – a view of how businesses at that time, within participating partner networks, were navigating trade disruption and their perspectives on workforce challenges, employment barriers, and their short-term outlook at the time of the survey.

These results capture employer perspectives in August – a snapshot taken before Statistics Canada's August 2025 labour market data, published September 5, 2025, signalled a cooling economy and rising job losses.

The Workforce Pulse Multi-Sector Initiative is funded by the Government of Canada under the Future Skills program

