

Opening Remarks

for

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Human Resources and Skills Development (HRSD)

on

Skills Challenge

for

The 2004 Apprenticeship Summit –Building on Commitments

Canadian Apprenticeship Forum: Conference 2004

Halifax, Nova Scotia

June 6, 2004

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- Thank you very much for that kind introduction. I am truly pleased to be here on behalf of my department to join you for this most important event.
- **Il me fait grand plaisir d’être parmi vous aujourd’hui et de participer au lancement de votre conférence.**
- This Summit comes at a time of great challenge for Canadians.
- (I’m not talking about the quest for the Stanley Cup, I am talking about another challenge that we all face as Canadians.)  
*N.B. If Calgary wins Saturday, you will have to drop this reference)*
- **Le défi dont je parle est le défi en matière des compétences. J’aimerais alors prendre le temps cet après-midi pour vous en parler et aussi pour vous démontrer comment l’apprentissage est un élément essentiel dans la résolution de ce défi.**
- **Permettez-moi de commencer en décrivant pour vous ce que je comprends par le défi en matière des compétences.**
- **Il va sans dire que nous vivons dans une économie mondiale et clairement compétitive. Le succès de nos travailleurs ainsi que la qualité de vie dépendent sur notre capacité de pouvoir nous adapter à ce nouvel ordre international.**
- We know that more than 70 percent of all new jobs created in this country will require some form of post-secondary education. Only 6 percent of new jobs will be held by those who have not finished high school.

- We also recognize that skilled trades are much more technology-focused than in the past. The skills required for many conventional occupations are changing rapidly, and many skills are quickly becoming dated as new jobs, new technologies and new industries emerge.
- For example, truck drivers now need to know how to use global positioning systems; students work online in "networked" classrooms; and, crane operators work with sophisticated onboard computers.
- At the same time, fundamental demographic changes are taking place in our labour force.
- An Ontario Chamber of Commerce study on skilled trades released in mid April of this year shows that 52 percent of workers in skilled trades will retire within the next 15 years. Moreover, forty-one percent of respondents in the study reported they would face skills shortages in their industry within the next five years.
- Another example the Center for Economic Analysis – Canada Inc. This organization looked at the age distribution of selected occupations. Some trades with the oldest demographics were crane operators; electric appliance services and repairers; stationary engineers and auxiliary equipment operators; bricklayers; industrial electricians; construction millwrights; and, industrial mechanics. Furthermore, almost half of the workers in these trades were at least 45 years old.
- **C'est ce que j'entends par le défi en matière des compétences.**
- **Ce défi peut se décrire essentiellement comme ceci : comment allons-nous assurer un nombre adéquat de travailleurs compétents qui sauront répondre aux besoins immédiats et futurs du marché?**
- And we can already forecast skills shortages in certain key economic sectors. Let me illustrate what I mean.

- There are ongoing infrastructure development and renewal projects throughout Québec; recently, the expansion of a number of highways was announced; and Hydro-Québec has planned transmission line construction projects in Grand-Remous.
- And here in Atlantic Canada, the Scotian Shelf offshore exploration project, the Voisey's Bay Mine and Mill project, which is expected to generate over 500 construction and 400 operating jobs by 2006, not to mention the various construction projects currently being funded through federal-provincial infrastructure programs, are all feeding the demand for skilled trade workers. According to the department of finance, there were over \$1b in building permits issued last year in NS. This was a 16% increase over the previous year.
- I can give you more examples. A new study from the Canada West Foundation points out that labour intensive projects like the 2010 Winter Olympics in BC, the investment planned for Alberta's oil sands, the development of two uranium mines in northern Saskatchewan, and Manitoba Hydro's Wuskwatim dam project mean there is likely to be no added flexibility in the western labour market over the coming years.
- A study for the Petroleum Human Resources Council of Canada, one of 29 sector councils now operating in Canada to work on HR planning issues on an industry by industry basis.
- Among other things, the report forecasts that, over the next decade, the number of new hires in the Alberta oil sands sector alone (at an estimated 8600 workers) will exceed total current employment levels (of 7500). Moreover, the report tells us that approximately 50% of the new growth will only arise in a few key occupational groups such as the following apprenticeable trades: heavy equipment operators; heavy duty mechanics and power engineers.
- We can all appreciate that this is highly useful planning information. It helps all stakeholders focus on meeting the skills challenge in proactive ways.

- Yet another study, this one done for the Construction Sector Council (*Future Labour Supplies for Canada's Construction Industry*) points to a similar skills shortage situation in that sector. As you can see from these statistics, there is no shortage of evidence.
- The main concern here is that there may not exist enough skilled trade workers to fulfill the demand. This could place heavy pressure on the apprenticeship system.
- It is these types of study that illustrate the need to work together and demonstrates the value of forward planning in assessing skills requirements for tomorrow's workforce.
- Furthermore, all of these studies outline the importance of looking at the skills challenge not only from a regional perspective but also from a pan-Canadian view.
- There are many stakeholders with a vested interest in successfully meeting the skills challenge. They include labour, educators, equity groups and governments. Our success in meeting the skills challenge will largely be determined by our success in working together to identify common problems and implement shared solutions.
- But what does this really mean? It means encouraging the development of a workforce with the flexibility to respond to emerging opportunities and to push the broader apprenticeship system to meet those objectives.
- It means having skills that are portable – skills that can be applied in different regions for all apprenticeable trades. Whether it is new jobs in the Oil Sands of Alberta, the Olympic Games in Vancouver, the off-shore oil and gas industry here in the East, or construction sites anywhere in Canada, workers who are able to seize opportunities will be more employable, earn higher incomes, and contribute in a more meaningful way to Canada's competitiveness.
- The Red Seal Program is part of the solution. It provides workers with the passport to mobility they need to seek out opportunities

where their skills are in demand. That's one of the reasons the Government of Canada has been supporting the Red Seal program for over 40 years.

- So it looks like we have a good foundation to build on. Nevertheless, there still remains a lot of work to be done and we wouldn't be here if we didn't believe there wasn't.
- The recent report of the Canadian Apprenticeship Forum looked at accessibility to apprenticeship and outlines some of the issues that we still have to address. These are:
  - Negative attitudes to apprenticeship
  - Lack of information and awareness
  - Unwelcoming workplaces or training environments
  - Cost of apprenticeship
  - Apprentices' basic and essential skills
  - Shortcomings of workplace-based and technical training
  - Regulations governing apprenticeship
- These are real examples of the kinds of barriers we must overcome to ensure that Canada's apprenticeship system is strong and can evolve to meet the demands of the 21<sup>st</sup> century economy.
- So how do we do that? Conferences like this one help. They give everyone the chance to address some key issues such as *Shifting Societal Attitudes* and *Understanding Essential Skills and Their Impact on Apprenticeship* - two important topics that are on your program agenda.
- These topic discussions are about how to remove the stigma traditionally associated with the trades and provide apprentices with the capacity to succeed. Whether the collar you wear is blue or white matters little in a knowledge-based economy, where the most important commodities are peoples' skills, ideas and creativity.
- Essential Skills studies suggest that essential skill levels can act as a predictor of success in apprenticeship.

- Apprentices require essential skills on a daily basis during level examinations as well as final provincial/territorial and interprovincial assessments to achieve journeyman status and to be mobile across the country.
- At the same time, young people often lack the proper academic preparation when entering apprenticeship programs. Consequently, these youths bring inadequate essential skills, including mathematics and literacy, to their apprenticeship.
- We also need to be thinking about some key accessibility issues like:
  - participation of aboriginal people
  - attracting, selecting and supporting the integration of highly skilled immigrants
  - developing a transparent approach to recognizing foreign credentials.
- And as we look at all of these issues, we also need to think about what appears to me to be the most compelling question of all and that question is: Why do levels of successful completions of apprenticeship programs remain low?
- One of our overriding objectives must be to continue to encourage the development of a workforce with the flexibility to respond to emerging opportunities.
- Apprenticeship is one of the foundations that allows us to meet these objectives.
- It is an integral component of the post-secondary education (PSE) system and lifelong learning. Young people leaving high school are faced with many choices, including pursuing an academic based career or a skilled trade career, both of which require further investment of time and learning. In addition, a career in trades can offer adult workers, already in the workforce, an opportunity to acquire a new skill and to enhance their lifetime earnings.

- **Nous savons également que les nouvelles inscriptions aux programmes d'apprentissage augmentent.**
- **Cependant, malgré ce renouveau d'intérêt, le nombre d'apprentis qui complètent un programme d'apprentissage n'augmente pas. Au cours des dernières années, malgré le nombre plus élevé d'inscriptions, le nombre de réussites est demeuré à peu près le même, à environs 17,500 par année.**
- **Aussi dois-je ajouter qu'en 1998, le nombre d'apprentis inscrits à un programme et qui ont réussi à compléter l'apprentissage était plus bas qu'en 1991.**
- We must continue to build on the partnerships between governments, employers, labour, educators, equity groups, provinces and territories and sector councils – partnerships that will encourage a healthy and vibrant apprenticeship system.
- The Canadian Apprenticeship Forum (CAF) and the Canadian Council of Directors of Apprenticeship (CCDA) are excellent examples of what I mean as are the many sector councils operating throughout the country.
- The collaborative efforts of organizations like these are vital to the resolution of common issues and with a view to ensuring that the apprenticeship system continues to evolve.
- Addressing the skills challenge can only be done through partnerships. It is partnership activities that I think about when I think about the theme of this conference - "Building on Commitment".
- In closing, on behalf of my department, I'd like to acknowledge and thank Keith Lancaster, Executive Director of CAF, as well as conference co-chairs Irene Harris and Tom Cochren and the coordinators and staff responsible for putting this Summit together.

- I would also like to thank you for having included me and wish you all an exciting and productive three days here in Halifax.
- Merci et bonne conférence!