

# SUBMISSION TO THE APPRENTICESHIP FUTURES COMMISSION



## **The Manitoba Chambers of Commerce**

Entrepreneurial Spirit • Community Values

227 Portage Avenue

Winnipeg, Manitoba

R3B 2A6

Telephone (204) 948 0100

Fax (204) 948 0110

E-mail: [mbchamber@mbchamber.mb.ca](mailto:mbchamber@mbchamber.mb.ca)

[www.mbchamber.mb.ca](http://www.mbchamber.mb.ca)

## **INTRODUCTION:**

The Manitoba Chambers of Commerce is the umbrella organization for Manitoba's Chamber movement. With a membership comprised of 76 local chambers and 350 direct corporate members, in total we represent over 10,000 businesses from across Manitoba.

Our membership is not confined to any specific region within Manitoba. Nor do we represent only one size of business. In fact, the Manitoba Chambers represents the entire spectrum of business, from sole proprietorships to some of the largest companies in Manitoba. Nor do we represent only one particular sector of the economy. To cite but a few examples, our membership includes representatives within services, manufacturing, transportation, mining, agriculture and technology.

The Vision of the Manitoba Chambers is as follows:

- Policy development that brings together businesses of all sizes, from all sectors, and communities across Manitoba;
- Non-partisan public debates of integrity, that criticize government where necessary, praise government where warranted, and disdain personal attacks and exaggeration;
- A business community that demonstrates high ethical standards in all it does;
- Businesses dedicated to the vitality of their communities, the prosperity of their employees and the sustainability of the environment;
- A province that understands the nature and value of entrepreneurship and promotes the competitive enterprise system;
- A provincial government with sound, long-term economic strategies that are focused without ignoring opportunity, flexibility and diversity;
- Government policies and spending that are efficient and effective, delivering the programs that Manitobans need and helping the disadvantaged; and
- A Manitoba that promotes the progress of all its citizens toward individual freedom, dignity and prosperity, and opposes any form of negative discrimination or needless control.

The MCC is very pleased to present this submission to the Apprenticeship Futures Commission. Apprenticeship is a key component to a crucial issue, namely, the ability of our economy - our community - to generate well-paying and engaging jobs.

As such, we applaud the Provincial Government for calling this review. We would be remiss however if we did not express extreme concern over the short timelines that were

granted on a review of such an important and complex topic. Specifically, the consultation was announced near the end of September and all submissions were to be in by the beginning of December at the latest.

The MCC tried to get the word out about the review at every opportunity. It utilized its website, sent out emails and mentioned it at a number of events.

We are pleased to indicate that a number of associations and businesses agreed to make submissions in response to our efforts. However, many more expressed that the timelines, so short and at such a busy time, were so daunting as to discourage participation. Needless to say, this is extremely unfortunate.

The Manitoba Chambers is also concerned that it simply did not have the time to do the breadth and depth of research that such a topic warranted. As well, it is troubled by the prospect that the information it did receive may be anecdotal, as opposed to a truly indicative of a systemic problem. That said, we will relay what information and comments we have in the hopes that it may assist the Commission.

We will begin with some general comments and then proceed to specific issues.

### **1) General Matters**

The Apprenticeship and Trades Qualifications Board is responsible for recommending to the Minister of Competitiveness, Training and Trade the legislative policy frameworks related to apprenticeship in Manitoba. With input from a number of Provincial Trade Advisory Committees, the Board works in partnership with the Apprenticeship Branch to:

- Identify and designate trades for apprenticeship training and certification;
- Develop standards for apprenticeship training in designated trades;
- Specify trades that are appropriate for compulsory certification; and
- Advise the Minister about trades training and Manitoba's labour market.<sup>1</sup>

The need for this review and the ideas for improvement that it is yielding suggest that more could be done to empower the ability of Manitoba's apprenticeship system to identify and respond to challenges on a go forward basis. The Provincial Government's ambitious goal for expanding apprenticeship in Manitoba will amplify those challenges as well as the need to address them.

Accordingly, it is suggested that the mandate of the Apprenticeship and Trades Qualifications Board be expanded to provide a broader ongoing analysis and review of apprenticeship in Manitoba.

---

<sup>1</sup> Apprenticeship Futures Commission Submission Guide,  
[http://www.apprenticeshipfuturescommission.mb.ca/pdf/submission\\_guide.pdf](http://www.apprenticeshipfuturescommission.mb.ca/pdf/submission_guide.pdf)

For starters, the broad categories suggested for the initial review, ‘access’, ‘engagement’, ‘innovation’ and ‘effectiveness’ could be appropriate ongoing categories in this regard.<sup>2</sup>

In addition, the Board’s report could provide an ongoing analysis of what other jurisdictions are doing and what, if any, insights can thereby be gained to enhance Manitoba’s apprenticeship system.

As well, the Board’s analysis could identify the roles, issues and gaps across the entire stakeholder continuum of Manitoba’s apprenticeship system, from public agencies to education, associations, the business community and students. On page 10 we attach a schematic sample/starting point.

The partnership between the Canadian Apprenticeship Forum and Skills Canada embraced the type of process we are suggesting, a virtuous circle of outreach, dialogue, program selection, partnership and delivery, evaluation and then renewing/repeating the processing beginning with outreach again.<sup>3</sup>

This is not meant to suggest that the Board does not currently look at some of the issues identified and or already engage in some of the suggested activities. However, formalizing the process and, more importantly, reporting annually will go a long way in ensuring that momentum is not lost and that the public has easy access to understanding the evolution of the system. This will simultaneously enhance accountability, improve public buy-in and input, and ensure smooth transitions from Minister to Minister as Cabinet shuffles inevitably occur and from government to government.

In terms of accessibility, the website for Alberta Government’s “Building & Educating Tomorrow’s Workforce” provides an excellent example featuring its consultation process, the results of that consultation, the ensuing strategy, and progress reports (<http://employment.alberta.ca/cps/rde/xchg/hre/hs.xsl/3282.html>).

One final point on the advantages of this approach. Embracing an ongoing system of outreach, dialogue, program selection, partnership and delivery, and evaluation will allow a system of evolving evidenced-based decision making, where the sophistication of our understanding of the facts grows and leads to increasingly astute policy decisions.

The dynamic of this benefit cannot be underestimated. Consider these comments from the Canadian Apprenticeship Forum and Skills Canada:

“At the beginning of the program, the availability of information required to explaining the skills shortage was very limited. As a result, the program carried out research that provided valuable insight into the key drivers of the shortage and the most effective strategy to address them. The principle of ongoing and

---

<sup>2</sup> Although the MCC has found that topics of ‘innovation’ for the apprenticeship system invariably involve one of the three other categories and may therefore be superfluous.

<sup>3</sup> “Building Canada’s Future”, Final Report, December 2006, p. 7.

measurable research and evaluation became the foundation for every part of the Skilled Trades: A Career You Can Build On program.

This approach was a key factor behind the program's success."<sup>4</sup>

Case in point; consider how the following analysis yields insights that may in turn inform policy decisions:

“The relatively old age of apprentices has a great impact on completion rates. In contrast to other forms of post-secondary education, the median age of apprentices is between twenty-seven and thirty. Consequently, apprentices are more vulnerable to income interruptions because of employment instability or educational training than students in other forms of post-secondary education or the younger apprentices in other countries. First, many apprentices already have financial responsibilities; in a 1994-1995 survey, 35 per cent of female and 40 per cent of male apprentices had children. Second, apprentices generally have significant work experience that makes the prospects of noncompletion less detrimental; over half of respondents in the same survey indicated that they had held more than three jobs prior to entry.”<sup>5</sup>

## **2) Specific Issues:**

### **a) Employer Demand for Apprentices**

In answering the question, “why are there not more apprentices?”, at least two reports suggests the culprit is a lack of demand from employers.<sup>6</sup>

This often leads to a call for various tax credits or other incentives to spur employers to seek apprentices. Many jurisdictions are heeding that call, from France to Ontario to British Columbia (to cite but a few examples).

As a business association, the Manitoba Chambers of Commerce is in the ironic position of calling for caution in this regard. The business community often responds to challenges by calling for government incentives. There is a danger that such initiatives do not spur new efforts but are simply collected by those already engaged in the targeted activity. This is a waste of resources that are finite and needed elsewhere.

---

<sup>4</sup> Ibid., Prologue.

<sup>5</sup> Centre for the Study of Living Standards, “The Apprenticeship System in Canada: Trends and Issues”, September 2005, p. 10.

<sup>6</sup> Centre for the Study of Living Standards, “The Apprenticeship System in Canada: Trends and Issues”, September 2005, p. 4 and “Building Canada’s Future”, Final Report, December 2006, p. 5.

The MCC is not categorically opposed to such incentives; it just calls for further research in this regard. There may be many reasons apart from financial viability that stand in the way of businesses hiring apprentices. Consider in this regard the following:

“For employers who currently do not hire apprentices (including those that may have employed apprentices in the past), 35% of them stated they do not employ apprentices because they perceived that apprenticeship training is not applicable to their business.

Another 32% said they were unsure of their workload needs or that they simply didn’t need extra workers. Of the employers that used to hire apprentices but stopped, many said that the main reason for halting employment of apprentices was because of low business volume. Numerous other employers said that although they wanted to hire apprentices, none were available.”<sup>7</sup>

### **b) Students’ Negative Attitudes Towards Careers Involving Apprenticeships**

The MCC has heard many complaints that efforts were not being made to enhance careers involving apprenticeships as a choice among students.

We would simply add that any efforts to promote apprenticeship should also be realistic as to the amount of time, work and skill involved in pursuing those careers. It would not assist the system to create false expectations among the students.

Similarly, these efforts should address ‘head on’ any mistaken concerns that students may have, for example, that skilled trades are low-paying and/or cyclical or are dead-end jobs.

During its “Partners for Prosperity” Roundtable the MCC heard from Toronto City Summit Alliance representative David Pecaut. Here is how he described their efforts to address students’ bias against careers involving apprenticeship:

“I think this is a terrific point you are making and we have seen the same issue in Ontario. Currently there are 36,000 skilled construction jobs that we are short in Ontario. The industry is begging for more immigrants yet we have tremendously high youth unemployment in the at risk neighbourhoods in Toronto that could easily be the source of filling these jobs.

One of the things we have started to do, and you may be doing this in Winnipeg, is we began working with the construction trades and other skilled labour users like the auto parts industry and the unions to take kids who have either failed high school or graduated high school but aren’t going on to post secondary and really work with them to get them these jobs.

---

<sup>7</sup> “Building Canada’s Future”, p. 13.

But the first thing we had to find was a way to communicate to them that these were high paying jobs.

What we found is that most of the kids in the at risk neighbourhoods believed these jobs were dead end jobs. They had no idea that they could be making \$40,000 to \$60,000 a year. So we needed mentors to go into the schools and neighbourhoods to say wake up here these are real terrific jobs and you can build a career in this industry. What they found is that kids with family backgrounds that you might not anticipate were getting charged up about these jobs.

It's had ripple effect. I think we have 36 carpenter apprentices. I just visited with one of our toughest neighbourhoods and all of them were having a terrific experience.

I would encourage you to look for these kinds of models and you can get them working without having government programs or subsidies.”<sup>8</sup>

“Building Canada’s Future” notes that these attitudes can be deeply held and require a long-term and consistent effort to change.<sup>9</sup> This then would seem to echo the need for the comprehensive ongoing efforts and reporting called for at the beginning of this paper.

### **c) The Path To Apprenticeship Is Not Well Lit**

We have heard from a number of sources that youth who wish to pursue apprenticeship are largely on their own compared to the guidance involved in selecting college or university. We echo the call of the Manitoba branch of Skills Canada for a Student Support System/Job Developer.

### **d) Career Laddering**

While we did not have time to investigate this notion further, we are intrigued by the idea of ‘laddering’ the apprenticeship system, in other words, integrating it with the post secondary system to improve the potential advancement of apprentices and the flexibility of their credentials:

“In his influential book on educational reform, Making the Grade, U.S. Governor John McKernan argued that negative perceptions of the trades will persist until there is effective career laddering (McKernan, 1994). Recognizing apprenticeship certification as credit towards other college or university education would not only promote apprenticeship by greatly increasing the potential advancement of

---

<sup>8</sup> “Panel Discussion Transcript”, [www.mbchamber.mb.ca](http://www.mbchamber.mb.ca).

<sup>9</sup> P. 5.

apprentices but also affirm the value of apprenticeship training relative to its better-regarded counterparts in post-secondary education. Laddering would also allow apprentices to broaden their skill base, addressing concerns about essential skill deficits and enabling skilled tradespeople with relevant experience to move into emerging sectors. Ontario's recent initiatives in integrating college diplomas and apprenticeship programs are an important development to follow, particularly as the program also stresses entrepreneurship as part of the diploma."<sup>10</sup>

#### **e) Flexibility**

We heard a number of calls for flexibility as to when vocational training could be fulfilled, including weekends and/or evenings. One asked why we could not have a system like Alberta's where there is the option to get the vocational training once a week rather than in one block.

#### **f) EI Rates**

We have heard that apprentices delay vocational training because of the pay cut. Therefore, we recommend an increase in the EI percentage provided to individuals while they are taking their apprenticeship in-class (we believe it is currently at 55%).

While this is a federal issue, it should be put on the 'radar screen'.

#### **g) Flexibility (part two)**

We echo the Brandon Chamber's call for a review of where partial accreditation may be appropriate. To repeat the example in the submission of the Brandon Chamber:

“With regards to the plumbing certification, currently it is a 5 year, 9000 hour program. This does not suit the requirements of the plumbing industry. It too is rigid and combines both union (commercial/industry) and residential. This ends up being an unnecessary cost of un-required courses taken. If there were a partial accreditation available, it would produce more specialized plumbers in a more timely fashion. Plumbers typically pick only one field to specialize in within their career.”

#### **h) Waiting Lists**

While we do not have the hard data to back it up, we have heard anecdotal complaints of long waiting lists, particularly in the rural communities.

---

<sup>10</sup> Centre for the Study of Living Standards, “The Apprenticeship System in Canada: Trends and Issues”, p. 86

Has distance education, wherever appropriate, been fully utilized to help address some of these issues?

**i) Poaching**

We frequently heard that employers were afraid of losing their apprentices to other jobs (the so-called ‘poaching’ phenomena).

This problem could partially be addressed by creating a pool of students/trades people that are available for employment. Similarly, we heard a suggestion that employers should be allowed to use their vocational spot if they find a replacement for the employee that left.

**j) Ratio to Journeymen**

We heard that the one to one ratio was too demanding, particularly in the rural communities.

We have heard that an additional challenge with ratios surrounds the inability of employers to obtain enough certificate employees so as to be in a position to hire the desired number of apprentices.

**k) Access to services**

We do not have enough information to determine whether this is widespread, but one rural employer complained that they always got a recording when they called the apprenticeship branch.

We were hesitant to raise this issue, as only one person mentioned it, but it may warrant investigation, particularly as the government’s ambitious targets may necessitate a review of the numbers of apprentices/employers the current system can actually handle.

**l) Enforcement**

One rural employer complained that there was little if any enforcement of the rules regarding apprenticeship. He felt this created a considerable disadvantage for those complying with the system.

**m) Employee tax credit**

The MCC’s mandate is largely set by the Resolutions our local chambers pass at the MCC Annual General Meeting. For the last two years our membership has called for the following Resolution:

## **TRADES INCOME TAX CREDIT**

Preamble: There is a severe shortage of skilled tradespeople in Manitoba. Employers struggle to find qualified employees or apprentices to train. Many of our young people leave our province with the lure of higher wages and lower taxes. A proactive approach to taxation as it pertains to tradespeople could help stem the exodus and perhaps attract skilled employees from other jurisdictions.

Resolution: **That the Government of Manitoba provide income tax relief on industry specific tool purchases required to earn a living by any trades person employed in Manitoba.**

### **3) Closing Comments**

The MCC would once again like to thank the Apprenticeship Futures Commission for this opportunity to make this submission.

Key issues the MCC has at this point:

1. Decisions need to be considered around the question of who controls and drives apprenticeship. Is it best if Government or Industry (business) ‘drives the bus’? The contrast to review is between B.C. and Manitoba.
2. What ultimately should be apprenticeship’s role and responsibility. Should it be focused on training and development and let the regulations and act be administered by another body? Obviously apprenticeships mission and vision needs to be aligned with the direction established.
3. To add to comment # 2 should the apprenticeship regulations and act simply deal with issues directly affecting apprenticeship and let items such as safety and wages etc. be administered in other specific area such as Workplace Health and Safety and the Industry Wage Legislation.
4. How is apprenticeship marketed and promoted? Does apprenticeship actively seek potential candidates or are candidates required to seek out opportunities in skilled trades?
5. How is apprenticeship promoted in the education system?
6. What are the benchmarks to what apprenticeship is measured against in terms of success, providing benefit and actively enhancing the promotion of apprenticeship in the province?
7. How are employers held responsible for advancing, training, developing the apprentice in their careers?
8. How can we encourage skilled trades as a first choice career though our apprenticeship branch?

Apprenticeship Futures Commission  
-----  
Stakeholders

