



Pre-Budget Submission: Making Apprenticeship a National Skills Priority

Summary

In the conversation about next-generation skills and innovation, the Canadian Apprenticeship Forum is concerned that the essential role of the country's skilled tradespeople is being overlooked. Sector after sector identify skilled trades positions as among the hardest to fill. Infrastructure – both traditional and green – relies on a workforce capable of building, repairing and maintaining it. A future with autonomous vehicles, sustainable energy and advanced manufacturing requires highly-skilled, hands-on professionals who understand how things work and how to make them work better. Innovation, productivity and competitiveness across economic sectors relies on skilled tradespeople, most of whom develop their skills as apprentices.

As a post-secondary pathway, apprenticeship is often characterized as a “last resort” for poorly performing students, doing an appalling disservice to Canada's tradespeople and the companies at which they work. Yet, the bias is also reflected in post-secondary funding, with the federal government investing five times more per university student than it does per apprentice. Given the fundamental role of the skilled trades in Canada both today and in the future, the federal government needs to be unambiguous in its support for practical hands-on skills as a critical part of the knowledge-based economy.

Our pre-budget submission suggests the federal government demonstrate its commitment to apprenticeship training in Canada by:

- Developing a national vision for vocational education and training: Expand opportunities to share and adapt innovative programs across Canada. Support more research, experimentation and evaluation to inform the development of world-leading programs, policies and supports.
- Taking a leadership role: As a user of skilled trades services, the government can establish mechanisms to link infrastructure and procurement spending to apprenticeship training. This makes apprenticeship a business imperative and addresses the job insecurity of apprentices, which can delay or derail completion and certification.
- Addressing employer barriers: Employers assume the bulk of the apprenticeship training burden. Though there are business benefits, they must navigate the hiring process and on-the-job training, as well as regulatory and educational systems. On-demand supports and resources would help businesses deliver high-quality workplace training.



Background

The Canadian Apprenticeship Forum – Forum canadien sur l'apprentissage (CAF-FCA) is a national non-profit organization built on the collaboration of employers, unions, educators, jurisdictional apprenticeship authorities and equity-seeking groups, such as those representing women and Indigenous peoples.

Apprenticeship is a post-secondary pathway largely carried out in the workplace. In Canada, apprenticeship focuses primarily on skilled trades occupations, teaching people the skills and competencies needed to perform hands-on tasks to industry standards. The training typically combines alternating periods of on-the-job (80 to 85%) and technical training (15 to 20%). Technical training occurs at a college, union training centre, private trainer or online. Most apprenticeship programs are four years long and lead to trade certification. Once an apprentice has completed the required hours and technical training for their trade, they may write a Certificate of Qualification exam. Those who achieve a passing grade of at least 70% become certified journeypersons.

Apprenticeship is regulated by the provinces and territories, creating 13 unique systems geared to the labour market needs and conditions in each region of Canada. Advantages to this form of training include the ability to earn a wage while learning and the development of practical, hands-on skills. Apprentices benefit from the guidance of a journeyperson mentor (certified tradesperson).

Apprenticeship is much more complex and nuanced than other post-secondary options. It is generally less linear, subject to gaps in employment, delays returning to technical training and regional differences related to everything from sequence of training to required on-the-job hours. Apprentices are employees, subject to market and economic forces from which many full-time students are insulated. Apprentices in Canada also tend to be older upon registration than their counterparts at college and university, speaking to a demographic more likely to have financial and family obligations. The factors that contribute to positive outcomes are integrated and interdependent. With a skilled trades workforce nearing retirement, it is more important than ever that apprenticeship training keeps up with rapid technological change and contributes to engaging workers, increasing learning capacity and overcoming barriers to achieving trade certification.

When it comes to apprenticeship training, Canada's approach to data collection tends to be erratic and incomplete, leading to an imperfect understanding of barriers to entry, completion rates, workplace training quality and career progression. The lack of coordinated efforts to test and evaluate apprenticeship training practices across the country slows the widespread implementation of innovative practices and puts apprenticeship-focused labour market



information beyond the reach of stakeholders. Canada is well behind its international counterparts when it comes to understanding its own workplace-based training programs.

A National Vision for Vocational Education and Training

CAF-FCA proposes an investment of \$25-million over five years to create a Centre of Excellence focused on vocational education and training. The Centre should be tasked with research, evaluation and experimentation. There is currently insufficient funding assigned to developing insights into apprenticeship training. Existing funding bodies have little interest in research that grapples with the quality of workplace training or delivers demand-driven information to students, parents and educators. While apprenticeship occurs in workplaces largely focused on productivity and profit, there are limited opportunities to illustrate how a training culture supports those objectives.

There is virtually no effort made to evaluate existing programs and supports. For example, Canadian stakeholders have no insight into the degree to which employment tax credits encourage new employers to hire apprentices despite emphasis on this type of government investment. Though data collected every decade or so through the National Apprenticeship Survey attempts to understand completion based on the characteristics of apprentices, there is no effort to track the attributes of companies who successfully guide their apprentices to certification. This makes it virtually impossible to make informed policy interventions.

A Centre of Excellence would be well-positioned to support innovative demonstration projects and pilot programs, sharing results to enable other apprenticeship stakeholders, including the provinces and territories, to adapt promising practices to regional realities.

Taking a Leadership Role

For several years, the prospect of connecting apprenticeship training to infrastructure and procurement spending has been under consideration, but implementation remains stalled. Federal spending is, quite simply, one of the most significant levers to apprenticeship training available. Research shows that employers are more likely to participate in apprenticeship training if they perceive a business reason for doing so. Apprentice progression and completion relies on employment. As part of the owner community, the federal government is positioned to incent the employment of apprentices on its job sites and, by extension, would be supporting the certification of skilled tradespeople.

Inserting apprenticeship into federal procurement and infrastructure spending is not without complexity. There is some concern about increased costs and reporting requirements. Yet, the federal government should be looking for policy on-ramps. A number of provincial governments



have experimented with approaches that might be adapted federally. For example, Manitoba has attached apprenticeship to Public Works contracts since 2014 under its *Apprenticeship Employment Opportunities Act*. Since 2015, in British Columbia, infrastructure projects valued at over \$15 million require contractors and subcontractors to demonstrate they are engaged in apprenticeship training and use apprentices on work sites.

The current use of voluntary attestation around the use of apprentices is weak and has not resulted in the data to make informed policy decisions. Where appropriate, points for the intended use of apprentices on federal tenders encompassing Red Seal trades should be implemented. Reporting requirements could be aligned with existing human resources data collection since, in many cases, companies who hire apprentices are positioned to collect federal and jurisdictional tax credits for doing so. To be effective, apprenticeship training must be connected to contract award. The degree to which this connection is made need not be onerous from the outset.

For infrastructure funding flowed to other levels of government, there is scope to defer to regional regulation while providing aspirational goals associated with apprenticeship training for youth, under-represented groups and local tradespeople in trades designated at the jurisdictional level. While these efforts could also be extended over time, there is certainly scope to move forward with a leadership position on developing the next-generation skilled workforce.

Addressing Employer Barriers

Canada's small business reality creates challenges around training capacity, the ability to provide full scope of trade and the continuity of apprenticeship positions, yet more than three-quarters of today's apprentices are trained by small businesses. Many larger companies have capacity to train more tradespeople than they themselves require and could be encouraged to develop skilled labour for their supply chain given the right incentives. Businesses large and small need information and practical, timely resources focused on innovative approaches that work.

The Centre of Excellence should be tasked with the the provision of employer-focused tools, targeted tips, strategies and resources. There is scope to provide services around workplace mentorship, training plans and tracking mechanisms. By linking the steps to apprenticeship to resources that support employer participation, the quality of workplace learning will be positively impacted.

The Centre of Excellence would also be responsible for collaborating with jurisdictional apprenticeship authorities and local stakeholders to ensure resources are appropriate and do not duplicate existing resources. Efforts must align with provincial/territorial initiatives associated



with work-integrated learning. In CAF-FCA's experience, collaboration among regulatory authorities, employers, unions and educators is both possible and welcomed by the apprenticeship community.

Conclusion

Federal leadership around apprenticeship training begins with clear and overt messages about the importance of trades skills to the Canadian economy. Tradespeople not only support productivity, competitiveness and innovation – their skills are critical to implementing, building, maintaining and servicing those innovations. The need for those practical skills is not waning, but it is undergoing a transformation, much like jobs throughout the Canadian economy.

A Centre of Excellence focused on vocational education and apprenticeship training is an important first step to understanding, sharing and adapting innovative programs across Canada to regional realities. Research, experimentation and evaluation stand to inform the development of effective programs, policies and supports with solid data. By translating this information into supports and resources for employers, we recognize their key role as trainers and mentors in the apprenticeship system and provide the tools necessary for high-quality training delivery.

At the same time, the federal government must assume a leadership role when it comes to its own use of skilled trades services. Mechanisms to link infrastructure and procurement spending to apprenticeship training have been long-delayed, calling for a new emphasis on iterative policy solutions. Leadership at both a practical and an aspirational level is something we would encourage the House of Commons Standing Committee on Finance recommend for the upcoming federal budget.