

**B.C. Federation of Labour**

**Moving Forward: Apprenticeship in the New Economy**

**April 18 – 19, 2010**

**Guest Speaker**

**Kevin Evans, CEO, Industry Training Authority**

I want to recognize and acknowledge the spirit of “constructive intention” on the part of the B.C. Federation of Labour that I perceive underlies the purpose of this conference.

Thank you.

It was in a reciprocal spirit that I was pleased to accept your invitation to be here. As did several of my colleagues from the Industry Training Authority (ITA) - our Board Chair Frank Pasacreta, Board Directors Allan Bruce and Patty Sahota and two members of the ITA Executive Team Jeff Nugent and Sandy Steward.

I’m hopeful that we will look back at this Conference as a watershed in our approach to sharing perspectives on apprenticeship training and working together toward building and improving industry training in BC.

It’s important.

Particularly because we meet at a time that is a crucial crossroads... and we need all hands on deck.

We’re at a crossroads where decisions made and actions taken on our watch will determine the future for this province... for our kids... and for their children beyond.

Our parents... their parents... and their parents before - never faced the kind of challenge we now face.

It’s been lurking beneath the veil of the recession... but is about to re-emerge with a force that will startle everyone.

Even though we’ve known for some time its coming and we’ve been talking about it for who knows how long.

Our society is aging.

There are fewer people entering the workforce than are leaving through retirement and the trend is accelerating.

The Conference Board of Canada is projecting for BC a skilled labour shortfall five years from now of approximately **160,000** positions.

The vision of the future, in the absence of collective action, is rather dark: featuring the ugly twin sisters of high unemployment and labour shortages.

A paradox that will unfold if those who are unemployed lack the skills required by the 21<sup>st</sup> Century.

The scenario plays out predictably:

- Productivity takes a nose dive... so does the GDP... our standard of living... and the income tax base needed to support an older population.
- There is an alternate vision.
- That depends on the choices we make today.
- A vision that has at its core skills training and education... and a training culture facilitated by government and embraced by employers.
- But achieving that alternate vision is going to require a mobilization of effort and centrality of purpose the likes of which we have seen in this country typically only in times of natural disaster or war.
- Imagine, though, the vision of a future British Columbia with highly-skilled and productive people making BC's industries prosperous and globally competitive.
- That's the vision articulated in the ITA's strategic plan.

A plan with three goals:

- For people to be recognized for their skills and knowledge and have opportunities to work and earn to their potential;
- For employers to have the skilled workers they need to be successful;
- And for the industry training and assessment system to make a vital contribution to BC's prosperity.

Tonight, I'm going to outline what that system is doing to achieve the vision.

I'm proud of our strategic plan... the work that is underway... and the people in workplaces, Industry Training Organizations (ITOs), colleges, joint training boards, unions, industry associations, high schools, and the ITA who are making it happen.

But we've a long way to go.

Strengthening BC's industry training and assessment system to serve the needs of this province - its people - is a job that will never be complete.

And we need, particular given the enormity of the challenge we face, we need to enlist the ideas and energy and passion of everyone who can contribute to making BC's trades training system world class.... all hands on deck.

And so tonight, in a spirit of shared purpose and collaboration, I invite you to listen to what is currently in play in pursuit of the vision... and to use your

experience, wisdom perspective to listen with an ear that fairly acknowledges the strengths... and also identifies the gaps... and the areas in need of development – so they may be converted into constructive ideas and actions. Ideas and actions that we can pursue collectively to meet the challenge ahead.

That challenge today is greater than it was prior to the recession.

Recessions hurt apprenticeship...

Apprentices are often the first to be laid off... and fewer employers feel they are in a position to sponsor new apprentices.

In the two previous recessions, Canada's apprenticeship numbers declined by as much as half. There was a lag in the impact with the blow not fully apparent until recovery was well underway... And it took nearly a decade to get back to pre-recession levels.

So, if history is our guide, we could be feeling the brunt of this recession's impact on apprenticeship numbers at precisely the time the Conference Board of Canada predicts BC will be facing labour shortages in the order of tens of thousands of jobs.

The ITA Service Plan Performance report you have in your conference kit is an indication that the process is underway.

For the first time since the ITA's inception, we saw a decrease - in the fiscal year which just ended March 31 - in the number of total registered training participants – that includes apprentices, foundation students and youth – from 44,000 to 42,000.

The good news is that fortunately we're reporting only a very modest decline in the number of employer sponsors.

But that may not tell the full story as there's a statistical lag.

Our data collection business rules require 18 months of inactivity on a file before an apprentice or sponsor is deregistered.

A more current indicator of what's happening may be registration levels for in-class technical training.

Last year, our training provider partners saw a softening in registrations – particularly for Levels 1 & 2.

The ITA's training budget was **\$86 million** last year.

The actual spend was **\$81 million** due to decreased demand.

To match budget to forecast demand this year, we've pegged the training delivery spend at **\$82 million...** up from last year's spend but lower than last year's budget.

Why would anyone reduce the budget for training delivery when we should be training up?

The demand isn't there at the moment, that's the issue we need to focus on... and we are as I'll speak to in a moment...but why would anyone spend **\$4 million** for empty seats when there are pressing needs elsewhere in the system... such as further modernizing program standards and engaging industry more fully in the apprenticeship model...

And that's what the ITA Board decided to do.

We are highly sensitive to the requirement to balance the system's training delivery purchase in 10/11 between the short-term forecast demand and the need to maintain training capacity for the eventual post-recession resumption in demand.

But the ITA Board believes that dialing back the training spend to reflect actual demand and diverting those dollars to strengthening apprenticeship in BC is the responsible and prudent thing to do.

The signs of the impact of the recession on apprenticeship are there and warrant serious concern.

That's why this past year the ITA has felt a heightened sense of urgency of mission.

This was not a surprise attack... everyone in apprenticeship saw this coming.

With our enterprise partners, the ITA had an action plan in place to attempt to blunt the effect of the recession on apprenticeship.

Last spring, the B.C. Federation of Labour was part of a diverse coalition of apprenticeship stakeholders that signed on to the ITA's Now's the Time Awareness Campaign.

To encourage apprentices and sponsors to take advantage of the economic pause to catch up on technical training to be competitively positioned for the post-recession labour market.

We partnered with the leadership of the public training providers to form an Economic Recovery Workgroup to monitor and respond to possible fluctuations in training demand.

The provincial government increased financial support for Employment Insurance (EI) eligible apprentices. Things like increased daycare, commuting

and living allowances, a portion of tuition and a top-up to the maximum EI rate.

The ITA adjusted its training investment portfolio to allocate additional resources to foundation pre-apprentice programs...which enabled people to enter apprenticeship without an employer sponsor. And we are doing that again this year.

ITA operational policy changes enabled more apprentices to maintain their active status in the face of reduced employment opportunities...and facilitated continued entry into technical training and progression through apprenticeship.

The federal and provincial governments ramped up support for incentive grants and tax credits for apprentice progression and completion.

There are signs it had an impact.

The number of Certificates of Qualification awarded last year – the number of apprentices who became journeypersons - increased to an annual all time high of over **7,000** – up from about **6,000** the year before.

But apprenticeship is still in the grips of the echo impact of the recession...

We're anticipating a decline of approximately **10 percent** this year in the total number of registered training participants – **about 4,000**.

We need to work aggressively and collectively to ensure that the recession-induced reduction in training demand is temporary and short-lived.

As economic recovery takes hold and expansion is limited by labour shortages, sectors and companies will be inclined to act on the “enlightened self interest” proposition that’s inherent in industry training.

Our job is to make it attractive for employers and would-be apprentices to make that decision by delivering an industry training and assessment system that is relevant, responsive, efficient and customer-focused... and by engaging employers and communicating the compelling business case for work-based apprenticeship training as effectively as possible.

In BC, we are particularly well-positioned to do that because of the existence of Industry Training Organizations... which are well represented at this conference.

ITOs are central to British Columbia’s industry-driven system model... they are industry-initiated, independent, not for profit legal entities that are the mechanism through which industry in BC provides input and leadership into programming for trades training.

They have done an extraordinary job reviewing and updating the programs for which they are responsible.

There was a lot of catching up to do when the ITA was formed in 2004.

Five years ago **85 percent** of apprentices were in programs that were in need of updating.

Industry, through the ITOs, prioritized which of those were most in need of attention and got to work.

Today, **78 percent** of apprentices are in programs that fully reflect the current needs of the workplace... and the ITOs and the ITA are closing in on ensuring that's the case for all of our **141** programs.

In addition, since 2004, the ITOs have developed **45** new industry programs to respond to the needs of their sectors.

The focus of the ITO's in the initial years was of necessity on program standards... and while the job is not done, there is an opportunity now to shift some of the emphasis to more strategic issues... like increasing employer involvement in apprenticeship.

The Canadian Apprenticeship Forum reports that only 18 percent of employers in Canada who work in apprenticeable trades actually employ apprentices...that translates into a load of opportunity to improve that number.

Over the next few years, I predict the ITOs will demonstrate the full scope of the value of BC's industry-driven model...by the work they do promoting the business case for apprenticeship...

And by the outcomes they produce by way of increased numbers of apprenticeship sponsors and – by extension – apprentices.

Because there's nothing like the ITO model in Canada. I want to acknowledge what is no secret...that working out what makes sense in terms of roles and responsibilities has been and will continue to be an evolution - that has not been without its bumps and challenges.

But in the past few months we have jointly focused with particular intent on getting that nailed down... and I know my ITO colleagues will agree that we are closer than ever to consensus on the path forward.

The ITA's role is captured in our Strategic Plan's Mission Statement:

“To lead BC's industry skills and certification system through collaboration and innovation.”

It's those twin pillars of collaboration and innovation that will be the focus of the remainder of my remarks.

British Columbia's future economy will be shaped by innovation and so must its industry training system.

I'd like to give you a small example.

It's a tool we've developed and are now piloting (with more than a little help from our friends - who are Canada's leading experts in this field).

To tackle one of the most significant barriers to apprenticeship entry and completion:

A lack of essential skills... numeracy, literacy and other basic skills.

It's a unique-in-Canada online tool that details the specific elements and levels of essential skills required for 50 different trades for the first two years of technical training.

It enables learners to self-assess online their existing essential skills against those required... it identifies gaps, provides personalized online learning plans... and provides for customized follow up re-testing and establishment of new goals.

When the pilot is complete later this spring, it will be available on-line to everyone, free of charge, at [essentialskills.itabc.ca](http://essentialskills.itabc.ca).

A more sweeping example of the application of innovation in addressing the industry training system's challenges is in the area of assessment...

The other half of the ITA's mandate in addition to training.

We're responsible for ensuring that people who have acquired skills informally or in another country, have the means to have those skills assessed and - if they've got them - to obtain a credential attesting to those skills.

The challenge is that currently, the system across the country uses a single assessment tool - a multiple choice exam.

An ITA pilot project completed last summer not only verified the value of more diverse assessment methods, but also sparked a national initiative that BC is leading that is likely to result in significant improvement to the national Red Seal program.

Participants in the pilot challenged for their cook's certification... but instead of the usual multiple choice exam, they were assessed through a combination of a documentation review, an interview, a practical assessment and a short written exam.

The pilot was endorsed by the Canadian Council of Directors of Apprenticeship, and led to the launch last fall of a national initiative called “MAP” – an acronym for Multiple Assessment Pathways.

Multiple forms of assessment build a more complete picture of an individual’s competence... And provide an effective way to assess a broader range of candidates, including older skilled workers, foreign-trained workers and other groups for whom a written assessment creates a barrier unrelated to their level of competency.

At the same time, it ensures that only those who are truly competent become certified.

The model also allows for the identification of skills gaps...which provide candidates the opportunity to gain additional experience or training to become competent and obtain a credential.

The current exam challenge method is all or nothing.

If you fail, you start at the beginning for your training, as opposed to training to fill in the gaps.

For MAP to roll out, we need to develop industry standards that reflect not only what tasks are performed in an occupation – as the National Occupational Analyses or NOA currently does - but also in what manner and how well they must be performed.

That’s the focus of a second national initiative that BC is leading – a Pan-Canadian consultation on the development of a new Occupational Performance Standards framework to build on the current National Occupational Analyses and strengthen the Red Seal program to which BC is fiercely committed.

These standards will provide a benchmark that can be used in both the classroom and on-the job components of industry training to ensure that training activities align with the expected outcomes of industry.

Time does not permit me to go into greater detail on this important topic tonight... perhaps some other night...but I encourage you to check out [strengtheningtheredseal.com](http://strengtheningtheredseal.com) for more information.

Organized labour has been invited to participate in preliminary consultations later this spring... with more opportunity when the full national consultation hits BC in the fall.

A third and final example of the ITA leading the industry training system through innovation is the work that’s underway to increase the labour force participation of a number of under-represented groups British Columbians.

To help them work and earn to their potential...and to increase labour supply in the face of a labour shortage.

The ITA has established an Aboriginal Advisory Council that is guiding a series of best practice demonstration projects aimed at increasing aboriginal participation in apprenticeship.

Lessons learned from **13** of these projects to date are not only being incorporated into how the ITA does business, but have provided opportunities for over 300 aboriginal people.

Last year, the ITA's Women in Trades Training Initiative served over **480** women... and identified innovative supports that will enhance their chances to successfully complete their apprenticeship and become journeypersons and mentors to the next generation of women.

The Immigrants in Trades Training Initiative helped over **350** people last year...and made strides in developing highly individualized training plans that have been found to be particularly important for immigrants – focusing on language skills, job-market familiarity and financial barriers.

And the ITA continues to offer a range of ground-breaking programs to engage youth in trades training ... programs such as Ace It, Yes 2 It, and SSA.

There are now over **3,300** high school youth participating in trades training programs – up **292** percent since **2004**.

Innovation is one of the pillars in the ITA's mission statement... the other is collaboration... which is an important and appropriate point upon which to conclude my remarks.

BC's industry training system consists of a myriad of diverse stakeholders...that's one of the systems strengths...it's also one of its challenges.

One element of that being that some stakeholders – while sharing common cause on the value and need for industry training – bring with them different perspectives on labour relations and politics.

For collaboration to be successful we need to focus on what we have in common.

Hasn't the past demonstrated the toxic brew that results when you mix training with labour relations and politics?

With the enormity of the challenge we face, surely we can see that we'll only be successful in developing the training required to meet the challenge if we work together...and that requires constant vigilance in separating training from labour relations and politics.

Organized labour currently plays an indispensable role, both in terms of supporting apprenticeship training, in some cases acting as a sponsor to apprentices, and in others directly providing training.

The ITA is providing more funding support for union and joint board training providers than ever before.

The ITA provided about **\$3Million** last year to eight union and joint board trainers to purchase training seats for both union and non-union learners... and I can tell you that some of the best training in British Columbia occurs in those shops.

Two union organizations are receiving Labour Market Agreement Funding through the ITA to deliver programs for women...the Piping Industry Apprenticeship Board has received about **\$400,000...**and the United Food Food and Commercial Workers approximately **\$700,000** to deliver trades training to women.

The BC Yukon Building Trades Council received over **\$60,000** (through the ITA) to develop skills assessment tools (covering 26 trades) and to conduct training workshops for immigrant serving organizations enabling these organizations to assist individuals with entry into the apprenticeship system.

Union Subject Matter Experts regularly participate on exam bank development and program standards reviews for the Red Seal Program.

We are collaborating now... and our door is open for more.

“But you still don’t listen to us,” I hear from labour.

Help me to understand the root of that perception.

We’re here to listen.

In three years at the ITA, there’s not an invitation I’ve received to meet with labour that has been refused ... I do so because your perspective and passion for training adds value and enhances my understanding of the challenges and potential solutions.

“If you were serious about collaboration, we’d have half the seats on the ITA Board”, I hear.

One of the reasons, the current government dissolved ITAC was because the stakeholder governance model had rendered the organization into a state of paralysis.

The current nine members of the ITA Board leave their stakeholder hats at the door... and we’re getting things done.

Allan Bruce is an employee of the Operating Engineers who brings a labour perspective to the Board's deliberations but his fiduciary responsibility is not to a constituency but to the industry training system.

I'm very pleased, by the way, that the government recently extended Allan's term on the Board for another year.

"What about representation on the ITO Boards?"

In early 2009, the ITA Board of Directors rescinded a policy that required a majority of ITO Board members represent employers.

Representation on ITO boards is up to industry...the Resource and Transportation ITO boards currently have seven members between them with a background in organized labour...which makes sense, they say, because it reflects the workforce composition of their sector.

Can there be greater collaboration? Yes. Can it be more effective? Yes.

Is collaboration essential if the industry training system is to meet the challenges ahead? Absolutely.

Let's maximize the opportunity presented by this conference to make that happen.

Thank-you.

LJS/sm  
1100-10rep-Apprenticeship Conf-Speaker-Evans

