



Vanderhoof Community
Labour Market Partnership



CFDC Stuart Nechako Vanderhoof Community Labour Market Employer and Community Surveys

Executive Summary

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EXECUTIVE SUMMARY

Community Futures Development Corporation of Stuart Nechako (CFCD-SN) believes a skilled available labour force is a key to the success of local business, industry, and services in the Stuart-Nechako region of British Columbia. During the past few years, many employers in the Vanderhoof area have stated they are having difficulty hiring skilled labour and that they expect it to become a greater problem in the future. In 2006, CFCD-SN acquired a proposal that was originally formulated by members of both the community and the College of New Caledonia and decided to quantify the community's perception of labour shortages by developing a Service Canada-funded partnership project known as the Vanderhoof Community Labour Market Partnership (VCLMP). A series of initiatives were launched to characterize the labour market situation in the Vanderhoof area. Using the information collected from the studies and meetings, local strategies will be developed to help meet future labour needs.

To assess the labour market circumstances, the VCLMP research team conducted:

- A literature review to determine existing labour market research
- An environmental scan to identify factors influencing the Vanderhoof labour market
- Two meetings of Steering Committee and employer representatives to identify labour market trends
- A survey of local employers to assess labour market needs
- A survey of community members to identify the potential skilled workforce, underutilized workforce, and underemployed workforce
- The presentation of research results to the Steering Committee who provided input for the project

An employer survey, conducted in the spring of 2006, quantified perceptions and employment figures from 220 out of 288 area employers who completed a 30-question written questionnaire (useable response rate of 76% which is considered excellent for survey research). The research team also conducted a brief telephone survey of 60 out of 68 non-respondent employers who did not fill in the questionnaire (non-respondent employers) to ask demographic questions and enable staff to assess the level of bias due to non-response.

The survey revealed that the Vanderhoof labour market is dominated by a few large employer organizations while the greatest number of employers are small organizations with only a few employees. One percent of employers hire 20% of the employees. Organizations that hire fewer than six employees comprise almost half of the employers, but hire only 8% of employees.

In total, employers reported a total of 2,459 full-time employees, 651 part-time, and 536 casual/contract/seasonal employees. The employer survey showed that there were 887 positions filled in the last 12 months leading up to the survey and

that many employers had difficulty filling positions. Thirty-six percent of employers said their organizations needed to adjust job requirements in the past year because of lack of adequately qualified applicants. A third said they have had job vacancies remain unfilled for more than three months.

In general, the biggest problem cited by employers trying to fill job vacancies was the lack of qualified applicants. Although in some sectors, employers did not have difficulty filling vacancies. Employers also said the ability to attract workers to the types of careers they offer is another problem, along with competition from other employers. Most employers felt that quality-of-life issues were not a huge problem for filling vacancies.

Of all the positions that employers are having difficulty filling, by far the largest difficulty is for trades and technical positions (more than a third of employers reported this issue).

Most employers tend to recruit locally to fill vacancies, some employers hire from the rest of northern B.C., and few employers tend to recruit in the rest of BC, or in the rest of Canada. Most employers rarely or never recruit internationally.

Retention is not cited as a big problem for employers compared with recruitment, but some employers did report having difficulty retaining workers in the minimally skilled jobs and in the trades/technical fields. Most employers said that employees leave their jobs because they are recruited by other employers, and because of wages and career changes. Fewer thought that quality of life issues influenced people to leave their jobs. More than two-thirds of employers indicated they did not conduct formal exit interviews to learn why employees leave. Larger organizations tended to do formal exit interviews more than smaller organizations.

Employers were asked to rate the adequacy of job applicants and local training programs in 12 skill areas. Across the board, supervisory and project management skills were considered inadequate by a high percentage of employers, followed by problem solving and technical skills. Many employers said that technical and computer skills are lacking. Employers were evenly split on the adequacy of computer training.

Major findings of the employer survey include:

- Many employers in the Vanderhoof area are being forced to adjust job requirements to fill vacancies and many employers said that they have positions that are remaining unfilled for more than three months.
- Retirement in the next 6–10 years is not as big an issue as expected, unless expected retirement numbers are being underreported. Many employers estimated a relatively low number of expected retirees in the next 6-10 years compared with the number of older workers they reported.

- Employers stated that competition from the mining and oil and gas extraction sector proved not to be a major problem. If employees leave a sector to work in other sectors, it is most often the logging sector that attracts them. However, most employees that leave go to work for other employers in the same sector.
- The majority of employers don't recruit outside the Vanderhoof region for qualified applicants, nor do they utilize a wide range of recruitment methods.
- Most employers don't have a formal strategy for dealing with vacancies, or for selling their business or retiring.
- Quality-of-life issues, such as a lack of community amenities, appear not to be as big of a problem for employees from the employers' point of view except among employers in the logging sector.
- Parents are seen by the vast majority of employers as responsible for the development of basic work ethics in youth entering the workforce, but some employers believe that schools and employers should share responsibility in developing basic work skills for youth.
- An extremely high response rate to the survey seems to indicate a willingness of local employers to be involved in identifying the problems and creating the strategies to address the problems.

A random sample telephone survey of community members was carried out between July and August 2006 to obtain input from community residents about their education and training needs, their employment challenges, and how they feel about living and working in the Vanderhoof area. The survey targeted youth and adults between the ages of 15 and 64 living in the Vanderhoof area and asked respondents questions relating to personal and employment demographics and perceptions relating to employment issues. From a survey base of 2,026, a total of 492 residents completed the surveys and 646 residents declined to participate for a survey response rate of 25.3%. This response rate, using a random sample technique, produces a potential margin of error of + or – 3.8% at a 95% confidence level, which is considered more than acceptable for survey research. The research team compared the demographics of respondents against census data to gauge the potential level of bias due to non-response.

Just under half of the community survey respondents are under 40 years old. Eleven percent of respondents are Aboriginal. The survey revealed that Vanderhoof is a relatively stable community with 76% of respondents saying they were “somewhat” or “quite unlikely” to leave the area in the next five years. A quarter of residents are “somewhat” or “quite likely” to move in the next five years with responses revealing that the younger the worker, the more likely they are to leave the area in the next five years. Young people (15–19) made up 13% of respondents, but hold 31% of the labour positions.

Other notable community demographics include:

- A third of workers hold casual/contract/seasonal positions and 15% hold more than one job.
- Logging is the largest sector, followed closely by education services, manufacturing, and retail.
- Twelve percent of working respondents are currently looking for work with a different employer.

More than a quarter of respondents who are truck/bus/courier/tax drivers, or work in the electrical trades or in the automotive or heavy duty mechanic trades expect to retire in 1–5 years. In the next 10 years, 29% of working respondents plan to retire, with trades having the highest percentage of those planning to retire; in the automotive or heavy-duty mechanics field, 66% expect to retire sometime over the next 10 years.

More than half of respondents said they plan to take some training or education and more than half of those who plan to take training or education want to pursue new occupations. Twenty percent of those want to pursue professional positions. Only small numbers of individuals said they want to pursue jobs in trades.

Respondents were also asked to assess their satisfaction with living in Vanderhoof. Generally, respondents appear satisfied about how adequately Vanderhoof's community characteristics meet their needs for their career and their spouses' career. Social and cultural activities, business services, and sport and leisure were rated lower, but no community characteristic was rated lower than a 5 on a scale of 1 to 10.

Most respondents felt that their skills meet their work requirements. Many cited a lack of availability of local programs as the most significant barrier to upgrading their education and training, followed by financial resources and family commitments. Education and training, including certification, were the most frequently mentioned conditions needed by respondents to work more hours or enter the workforce. Transportation was cited as an important condition that needed be overcome for Aboriginal respondents to work more hours or re-enter the workforce.

One of the key aims of conducting both an employer survey and the community survey was to compare perspectives between the two groups. This comparison revealed the following:

- More than 79% of community respondents who work or plan to return to work in the next year felt that their skills in a number of areas are adequate enough to meet their work requirements. However, no more

than 69% of employers said that job applicants adequately meet 12 skills areas; for some skill areas, the percentage is considerable lower. Although the results of the employers' survey reflect the perception of skills levels of jobs applicants as a group and the community survey reflects perceptions of working individuals, the comparison of the data from the two surveys could reveal a difference between employer and community perceptions about skill-level adequacy that could be explored further.

- Both employers and community members generally expressed satisfaction with local training and education programs. However, a higher percentage of community members thought that computer training met their needs when compared with employers.
- Based on the number of vacancies estimated by employers and the number of respondents who want to pursue various occupations, there will be a shortage in the categories of trades, sales or service representatives, and labour in the next five years and in 6-10 years if the future labour force relies solely on the current labour supply in the region and the local labour supply sustains their current interest level in these occupations.
- Many employers said that recruitment by other employers, the temporary nature of work, wages, and career changes were the primary reasons employees left their jobs. Community members favoured reasons relating to their current jobs: lack of career development, lack of opportunities to advance, and poor management and supervision.
- Both community members and employers use word of mouth and newspapers as the most frequent methods of exchanging information about job openings.
- The majority of employers said they use training and professional development as incentives for recruitment and retention more than any other incentives, yet a high percentage of community members indicated that the major reason for leaving their most current job was related to lack of career and advancement opportunities.
- The highest percentage of employers with difficulty in recruiting and retaining employees are those who hire trades and technical workers, truck drivers, and minimal skilled labour. Estimated vacancy rates compared with the number of community members who said they wanted to move into these positions reveals a likely shortage of employees in these positions in the future.

The employer and community surveys and literature review showed an aging workforce and an expected shortage of young people available to fill positions vacated by retiring workers unless there is an increase in in-migration to the community.

Forming the partnership and Steering Committee and conducting the focus group meetings and literature search were the critical first steps in solving labour issues in Vanderhoof. Conducting the surveys provided a systematic way to verify assumptions about the issues and circumstances in Vanderhoof.

Recommendations based on the findings include the following:

Increased targeted training and programs for young people. The surveys clearly pointed out the need for local training in the occupations that are expected to show a shortage in the future, particularly the trades, management, and business, including sales and service. Not only does there need to be more training and education, but there needs to be early exposure to these fields for youth in the community and at school.

Opportunities for advancement within organizations. Employers should seek ways to support and develop their employees within their organizations so they can advance and learn on the job without leaving the community for more training or other jobs.

Immigration. A focused effort to make Vanderhoof more immigrant and in-migration friendly could be one effective strategy for dealing with labour shortages. Ideas include setting up multicultural associations and cultural centres.

Supervisory skills. The community needs to find ways to encourage development of supervisory and management skills. Some ways might include local “boss of the year” awards, breakfast support groups for supervisors, and more local and company-supported supervisory training.

Continue to monitor community member and employer perspectives. Evaluations should be conducted every five years to determine if strategies are effective, and what, if any change needs to take place.