



Final Report:
"Strategies and Action Plans that Address
Skilled Labour Shortages in Vanderhoof"

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PURPOSE OF THIS REPORT:

The objective of the Vanderhoof Community Labour Market Partnership was to assist the community of Vanderhoof to increase their capacity to address the employers' human resource requirements for skilled labour through human resource planning. This report addresses the fourth sub-objective of the project: "to formulate strategies and an action plan for implementation that addresses human resources planning and skilled labour shortages in the area."

DEFINING CAUSES OF A SKILLED LABOUR SHORTAGE¹

Governments, post-secondary education institutions and industry all have a vested interest in ensuring a skilled labour force. But to maximize the positive effect to the economy, it is not enough to just train people; the skills must be those in demand by employers. Training programs must reflect the skills and abilities that businesses require. Getting this right is not as simple as it sounds. Certain industries may require certain skills at the right moment, but there is always a time lag in training students.

Other challenges by the three vested interests – and reasons why some skills shortages are causing real problems – include:

- **Demographics:** An aging population in the region has seen the average age in several key industries increase. This will pose a serious problem within 5-10 years when older employees start retiring.
- **Cultural biases:** Potential careers in what are perceived to be industries of the future (e.g. information technology) have become the preferred careers pathways for many young people. This has diverted students away from the traditional trades such as carpentry, welding, and plumbing – many of which have a social perception (mostly incorrect) as being low skill and low paying. Many trades, resource occupations, and other traditional jobs employ high-technology applications very extensively.
- **Cyclical patterns:** Labour shortages can also be due to cyclical patterns, both within the year (winter or summer being high demand peaks) as well as throughout the span of several years.
- **Structural issues:** Often the demand for skilled labour lies only in certain regions (such as in remote rural areas) or certain segments of an industry (such as in

¹ Todd Hirsch, "Toward a Bright Future: Recommendations for Addressing Skills Shortages in Western Canada," Canada West Foundation, Calgary, Alberta. January 2005, <http://www.cwf.ca/abcalcwf/doc.nsf/publications?ReadForm&id=8E3E735FF121290D87256F8700095334>, accessed February 2007.

hospital pharmacies but not in commercial pharmacies in general). The availability of local training (or lack thereof) can be an example of a structural issue.

Governments, post-secondary educators and industry have a variety of approaches to tackling the problems of skilled labour shortages with over 300 provincial and federal programs existing at this time that affect skills training and development. While the efforts of all three players are well-intended, they are not always executed cooperatively. In many cases, there is a coordination problem in which certain programs are duplicated, unnecessary, or ineffective.

A SUMMARY OF EMPLOYER SURVEY CONCLUSIONS²

The data from the employer survey showed that:

- Many employers have needed to lower job standards to fill positions.
- Supervisory and project management skills are in short supply compared with the need.
- Most employers don't believe that the mining and oil and gas sectors are attracting a large number of employees away from their jobs in Vanderhoof compared with other sectors that attract their employees.
- Retirement numbers by many employers in Vanderhoof don't show as serious a problem as is expected in 6-10 years by general demographic trends across the country; either that or expected retirement numbers are being underestimated by local employers.
- Many employers don't believe that lack of amenities in Vanderhoof impacts employee recruitment and retention as much as other factors.
- Many employers are relying on word of mouth advertising to fill positions more than other methods with a wider reach, such as the internet, that could improve their ability to attract qualified candidates.
- One third (33%) of employers that hire trades/technical employees said that they have difficulty recruiting trades/technical employees, and 16% have difficulty retaining these employees.

A SUMMARY OF COMMUNITY SURVEYS CONCLUSIONS³

The purpose of the community survey was to profile the local labour market and to identify the issues and aspirations of future employment by community members. Results of the survey showed that:

² Westcoast CED Consulting Ltd., "CFDC Stuart Nechako Vanderhoof Community Labour Market Employer and Community Surveys," November 2006, p. 75.

³ Ibid., p. 116-118.

- Most Vanderhoof residents are relatively long-time residents who do not plan to move in the next five years; however 25% of the respondents are “somewhat” or “quite likely” to move in the next five years. The younger the worker, the more likely they are in expecting to leave the area in the next five years. 11% of the respondents were self-identified as Aboriginals. 25% of the total community respondents earn less than \$20,000 and 57% of respondents earn \$40,000 or more annually.
- While young people (aged 15-24) were only 13% of respondents, they hold 31% of the labour positions. The vast majority of workers work more than 30 hours per week. One third of workers hold casual/contract/seasonal positions, and 15% of working respondents hold more than one job.
- Most of the workforce is employed in logging, followed closely by education services, manufacturing and retail trade.
- 12% of working respondents are currently looking for work with a different employer, and 3% of those have been looking for more than one year. Word-of-mouth is the most frequently used source of information to find job openings followed by the newspaper. 16% of respondents said they are considering starting a business sometime in the next year.
- A small percentage of respondents in any occupation group expect to retire in the next year. More than 25% of respondents who are truck/bus/courier/taxi drivers, in electrical trades, or in the automotive/heavy duty mechanical trade expect to retire in 1-5 years.
- The retail sector has experienced the highest percentage of employees who have left a job in the past five years, followed by the accommodations and food service sectors.
- More than 50% of the respondents said they plan to take some training or education related to their career in the next five years. 50% of those who plan to take training or education expect to upgrade their skills, but stay at the same education level, while the other 50% expect to upgrade to a higher level of education and they plan to undertake part of their training outside of the Vanderhoof area and 25% of these expect not to return to Vanderhoof after their training/education is completed. Another 24% of those are not sure if they will return or not.
- More than 50% of respondents who plan to take training or education want to pursue new occupations, with 25% of those wanting to pursue professional positions and only small numbers pursuing jobs in the trades.
- 29% of all working respondents plan to retire in the next 10 years, with the trades occupational group showing the highest percentage of workers planning to retire.

Community Perspectives on Employment and Training/Education

- Lack of career development and advancement opportunities were the most frequently mentioned reasons for respondents leaving their jobs in the past five years.
- Respondents appear generally satisfied about how adequately Vanderhoof's community characteristics meet the needs for their career and their spouses' career. Social and cultural activities, business services, and sport and leisure were rated lower (5 out of 10).
- A lack of available local training and education programs is the most significant barrier to upgrading, followed by financial resources, family commitments and transportation. All of these factors are a barrier to community members wanting to work more hours or re-enter the workforce.

SUMMARY OF KEY CONCLUSIONS⁴

The employer and community surveys and literature review show an aging workforce and an expected shortage of young people available to fill positions that are being vacated by retiring workers.

Many Vanderhoof area residents have lived in the area for a long time and many do not plan to relocate for career advancement or other reasons. As a group, workers are more motivated by positive work environments, supported by quality management and supervision, than wages alone. Young people are more likely to leave the community than those in other age groups.

The surveys show that there is likely to be a shortage of workers in the trades, sales and service, and general labour occupations in the future, and more than 1/3 of employers have modify job qualifications to fill positions. Yet employers in the region do not recruit widely to fill the positions available, with the majority relying on word-of-mouth. While many employers thought that job applicants lacked necessary skills for the job, the majority of community members who were working or planning to return to work felt that their skills were adequate for the job in most topical areas.

Aboriginal respondents expressed the same perspectives as non-Aboriginal community members except more plan to start businesses (26% compared with 16% of non-Aboriginal members), and more expect to take training or education (67% compared with 57% of non-Aboriginal community members) aspiring to predominantly professional positions. Also, Aboriginal respondents rated the community characteristics for meeting the needs of their spouse's career, lifestyle and recreational opportunities as less adequate than respondents overall.

⁴ Ibid., p. 123-124.

RECOMMENDED STRATEGIES

Recommended strategies were developed in part by the “*Employer and Community Survey (November 2006)*” report and secondly by the steering committee meetings and public follow up meetings held between October 2006 and February 2007. As identified previously, skilled labour shortages occur for four reasons: demographics, demographics, cyclical patterns and structural issues. The observations from this labour market study and the concluding recommendations are discussed in those categories below.

Demographics: An aging population in the region has seen the average age in several key industries increase. This will pose a serious problem within 5-10 years when older employees start retiring.

Issues identified from the VCLMP	Recommended Strategies
<ul style="list-style-type: none"> Community members reported their plans to retire in select trades; this is supported by national trends and aging out of many trades people. Employers underestimated, or under reported, the retirement plans of their employees in comparison to employee estimations. Few businesses in the region have succession plans. Young people are most likely to leave the community and few self-identified becoming trained in the areas of greatest need as identified by local employers. 	<ul style="list-style-type: none"> Develop locally available apprenticeship opportunities Recruit outside the region in areas with similar lifestyle to Vanderhoof Adjusting work schedules and duties to accommodate older workers so they can retire later. Enlist older workers to mentor young people in the community to take up the trades in demand. Gear up to provide trades training and apprenticeship opportunities locally through industry-education-government partnerships Produce labour market data specific to trades or hard to fill specialized technical positions that can be used to assist educational institutions in planning, industry for recruiting and businesses for succession planning.

Structural Issues: Demands are high for certain occupations in localized regions or by particular industries, requiring select training/education programs or recruitment techniques.

Conclusions from VCLMP

- Local barriers to entering the workforce or accessing training and education include: availability of local programs and certification requirements, transportation, childcare services. These barriers also inhibit workforce diversity.
- Community members said that a lack of supervision and management skill are significant reasons they have left their jobs. Employers said that supervisory skills are lacking in employees.
- Immigration and in-migration are underutilized potential solutions to address skilled labour shortages.

Recommended Strategies

- Work with elected officials, community administrators, social enterprise and industry to find partnered solutions for community health and social well-being programs that support education and employability of its citizens.
- Human resource planning includes building leaders within businesses and organizations. Workshops on effective leadership are key to workplace management success in the Vanderhoof community and can be invested through employment agencies, businesses, education and industry.
- Creating a caring, diverse, productive workplace is a competitive advantage in a globalized economy.

Cultural Biases: An example is that parents, teachers and societies view technical and trades occupations as less desirable than professional careers, despite the rising job vacancies in trades (especially in primary resource based economies identified in the Vanderhoof area).

Issue from the VCLMP

- Employers perceive recruiting efforts to be too costly.
- Employers perceive apprenticeships to be too costly, or do not understand the cost-benefit of apprenticeships or employer-based training (i.e. management training, supervisory skills, technology skills).
- Students (and their parents) and workers entering, or re-entering, the workforce do not have the current information on the most in-demand occupations, or the additional skills required for working in a knowledge, technology-driven economy.

Recommended Strategies

- Tap into the provincial and national programs for marketing of trades (Skills Canada BC, Canadian Apprenticeship Forum, Industry Training Authority, YES 2 IT, ACE IT, SSA).
- Collaborate with industry, employment agencies and education to create trade show, information, newspaper articles, radio spots and internet materials to promote trades training, apprenticeships and career information.
- Hold information sessions on the apprenticeship system in BC and Canada, value of apprenticeships to local business using available tools, trade information and existing programs/agencies.

Cyclical Patterns: Seasonal work in primary resource and tourism economies creates up and down (feast and famine) cycles in employment for the region.

Conclusions from VCLMP

- As a group, community members said that their jobs lack opportunities for advancement and career development.
- Exit surveys were most commonly not completed by employers.
- Community members state that they are not leaving the community to find work in other industries or regions (i.e. oil patch in Alberta).

Recommended Strategies

- More aggressive and proactive recruitment and retention strategies are required in just-in-time or seasonal industries.
- Exit surveys can provide a means of keeping in touch with employees for the next cycle of operations.
- Effective and efficient human resource planning is a necessity for cyclical/seasonal operations and can tap into the ready available workforce that is committed to the community.
- Education and awareness of the needs/timing of the industries can help seasonal employees plan their cash flow, etc. Communication through employment agencies, businesses, industry and career counsellors should ready the employee and support the employer for maximum human resource effectiveness in a cyclical economy.

The data from the labour market partnership is a snapshot in time, and also a baseline from which to build initiatives to address initial concerns and gaps and as well to measure progress. Basic elements need to be part of all initiatives from this point on.

“Our communities must have adequate capacities in three areas:

- Productive creativity: the ability to attract, retain and nurture talent, and to foster the clustering of innovative enterprises, commercial as well as social;
- Civic creativity: an engaged population, acting collectively through the community and government to shape the future, and
- Community cohesion: a sense of belonging and shared purpose among individuals and groups at the local level, supported in part through creative expression.

This is true for smaller communities as it is for large cities. Canadians, as a whole, will find much greater success if our cities and communities focus on competing with the world rather than against each other. Each of our cities and regions can draw on strengths of its neighbours to go head-to-head with our real competitors.”⁵ “A local labour market is an imperfect system, but one that can be improved through collaboration between local communities and other orders of government to also improve education, attraction and integration of immigrants, and other labour market outcomes.”⁶

⁵ Infrastructure Canada, “From Restless Communities to Resilient Places: Building a Stronger Future for all Canadians,” Final Report of the External Advisory Committee on Cities and Communities, June 2006, p. 69.

⁶ Ibid., p. xiii.

Vanderhoof, as a small community, perhaps does not in all cases or for all actions, have the critical mass to affect all the strategies that will positively influence the labour market, nor does one agency in the community. Rather partnerships between communities, industry, government and education are vitally important to the effectiveness of local and regional labour markets as businesses and people flow freely through our regional economy and landscape.

The initiatives should be adapted for the local communities in a manner that enables people at the street level to take personal responsibility for the success of their communities, sustain vibrant economies where all people realize their full potential by attracting, and in a manner that retains talented people to encourage the ever-replicating cycle of creativity and entrepreneurship. In this way excellence, adaptability and receptivity to change will be renewed. Meeting the globalized challenges of the labour market issue and adversity of change that will come to industries, sectors, businesses and communities will require the community(s) to seize and maximize possibilities, and develop a collection of creative solutions to labour market problems, and in doing so will derive economic sustainability for the region.

***ACTION PLAN:** *Items, timeline, partnerships suggestions.*

Action Plan: February 2007		
Action	Timeline # Occurrence/yr	Partnerships and/or Lead Agency
Career Fair / Trade Shows	Two per year	Education, industry/business, government
Recruiting Technique Workshop for local businesses	One per year	Non-specified
Apprenticeship Forum Workshop	One per year	Non-specified
Trades and Technology Consortium	Has been initiated	Requires support and resources from government, business/industry and educational institutions
Supervisory/Management Training	On-going	Private, public or partnerships with education, consultants or other to provide to employers.
In-migration and Immigration "Friendly" Community Workshop	One per year	Partner with national programs available
Community marketing	On-going	Requires multiple stakeholders making a concerted effort using the internet, affiliate websites, word-of-mouth, traditional advertising and regional coordination.
Business Succession Planning Seminar	One per year	Partnership: Chamber of Commerce, Businesses, CFSN

**These actions may lead to auxiliary programs, creation of private services to meet demands of the labour market and are considered to be the most achievable and cost effective at the time of this report.*