

Submission to the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (HUMA)

Fixing the Skills Gap: Addressing Existing Labour Shortages in High Demand Occupations

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INTRODUCTION

The British Columbia and Yukon Territory Building and Construction Trades Council (BC Building Trades) welcomes the opportunity to comment on the labour situation in high demand jobs.

Our Council represents approximately 35,000 construction workers in British Columbia and nine affiliate unions. Our broad membership provides us with a unique view of the industry.

EMPLOYMENT IN HIGH DEMAND OCCUPATIONS

We prepare Worker Availability Reports semi-annually, which track employment in key areas of the construction industry. We will soon move from semi-annual reports to monthly reports in order to keep an active record of the labour situation on the ground.

Our June 2012 report shows employment levels are relatively consistent from November 2011 and very few occupations are under pressure. Every union reports they are able to supply all orders.

The overall employment rate was down in 63% of occupations surveyed in June 2012 from November 2011; while 89% of respondents identified an unemployed rate of 10% or higher.

The Worker Availability Survey reflects a robust domestic labour force which is able to meet the current demands of the industry.

USING TEMPORARY FOREIGN WORKERS

Difficulty hiring domestically in the construction sector is a result of unwillingness from employers to offer competitive wages, benefits and working conditions. “Skills shortages” in the industry are often mislabeled when the real problem is a “wage shortage”.

The BC Building Trades continues to be concerned with the use of Temporary Foreign Workers to fill these exaggerated “skills shortages”. Such actions have the potential to destabilizing construction labour markets for domestic workers and drive working conditions down for everyone in the industry. If there is to be hiring overseas, workers employed should have a path to full immigration.

COMPENSATION FOR TRAVEL

Members of the BC Building Trades are ready and able to travel for work. Increased interest in major industrial and energy projects in the north draw workers from across the province. In order to continue to fill positions in remote areas, workers must be compensated for their travel and for their living expenses while away from home. In the construction industry, this is known as a Living Out Allowance (LOA). Our workers continue to have mortgage payments and to sustain their families while working away from home. The LOA expense recovery is a normal part of our industry.

Almost every other sector recognizes the need to compensate high skilled workers when they travel. Be they sales representatives, bankers, accountants or Members of Parliament – compensation for travel, accommodations and meals is standard. Highly trained, journey-level trades people should be treated no differently.

APPRENTICESHIP SUPPORT

Since 2001, support for apprenticeship training has declined. Industry Training Organizations are starved for resources. Meanwhile apprentices without the support of Joint Training Boards (union sponsored apprentices) have been left to their own which has led to a self-serve model for apprentices entering the system.

This ‘self help model’ has driven completion rates down to less than 40%. This compares to 90% completion rates for apprentices registered with Building Trades Joint Board trades training programs. One of the most important reasons explaining the poor completion rate for non-union apprentices is the difficulty they encounter completing the experiential portion of their training. A major contributing factor is the lack of support from industry including, counseling and advocacy for the apprentice and investment in hiring trainees.

The recent changes to Employment Insurance will only exacerbate the situation as apprentices may be forced to take a non-trades related position between projects and thus postpone their training.

An increasing dependence by employers on Temporary Foreign Workers has intensified the situation. The Canadian Apprenticeship Forum (CAF) conducted a study which found that some employers rely on TFWs instead of taking on apprenticesⁱ.

CONCLUDING REMARKS

The Building Trades would like to be involved in on-going consultations on the issue of labour needs in high demand occupations. Every one of our survey respondents is able to meet their labour demands. “Skills shortages” within the construction sector are currently overinflated in order to drive wages down and import Temporary Foreign Workers. The skills shortage, according to the latest Construction Sector Council (CSC) Looking Forward Report, is still a “looming shortage” not an actual shortage. Future labour demands will be able to be met domestically if the “wage shortage” is addressed; workers are compensated with a LOA and greater support for apprentices are put in place.

ⁱ The Increasing use of Temporary Foreign Workers: Impacts on Apprenticeship? Canadian Apprenticeship Forum, Prism Economics, p.7