

Saskatchewan Apprenticeship and Trade Certification Commission

Response to the Saskatchewan Training System Review Panel Interim Report “What Have We Heard?”

Fragmentation

“Some feel that there are just too many institutions for a small population such as that of Saskatchewan. The separation of SIAST, the Regional Colleges, ATCC, SCN, Campus Saskatchewan, Dumont Technical Institute, Saskatchewan Indian Institute of Technology and a number of university-based programs means that separately managed organizations require too much coordination and interactive engagement to make effective planning and programming feasible. A reduction in the number of institutions and a greater integration of activities is badly needed, we have been told.” (p. 20)

As the newest distinct and separate part of the training system, this discussion is of great interest to the Saskatchewan Apprenticeship and Trade Certification Commission (ATCC). In 1999, after several years of extensive consultations with employers and their associations, employees and unions, government, equity-seeking groups and the other parts of the training system, the government created ATCC by an Act of the provincial legislature.

During the consultations, several models for the management of the work-based training and certification system were actively considered. A remarkable degree of consensus was achieved in support of the current model for the management and governance of the apprenticeship system. At that time, industry, through the Provincial Apprenticeship Board and the individual Trade Boards, was anticipating significant change as a result of new federal-provincial funding arrangements for training and a major shift in the composition of the labour market as a result of demographic change in the province. At the same time, it was concerned with the ability of the training system to respond to the needs of the work-based skills development system and the effects of decades of benign neglect of apprenticeship, particularly as compared to the emergence of the huge institutional training system.

ATCC provides a sharper focus and visibility for work-based skills development, puts industry firmly in charge of the management of the apprenticeship system and provides a vehicle for industry to extract what it needs from the other parts of the training system. From the perspective of apprenticeship, the training system works quite well together in the present arrangement.

Fragmentation of the training system may be a matter of perspective. From the perspective of employers and employees who rely on the apprenticeship training and certification system, decentralization, or devolution is a positive development. It enables the system to respond more quickly and effectively to labour market needs. It provides for more flexibility and greater adaptability. It enables the work-based training system to articulate and implement its standards for occupations, curricula, examinations and

certification. Through control of its financial resources, both the revenue it generates and grant funding from the province, ATCC is much better able to ensure the needs of apprentices and employers are fulfilled by the other parts of the system. The institutional training system is largely student focused. Apprenticeship is labour market focused, which we believe creates a better balance within the system as a whole. The customer, as the saying goes, is always right. Positioning ATCC as a separate entity permits it to define industry's needs and purchase the service it requires as a customer or client of the institutional training system.

Much was written about the needs and challenges of the apprenticeship system in the period leading up to the creation of the ATCC. The few paragraphs above very briefly summarize the issues and context in which the Commission was created. Two key reports on the apprenticeship renewal process are enclosed. These are: *Report of the Industry Steering Committee: Opportunity for Positive Change*, November, 1996; and *Final Report of the Tripartite Committee: Options for a Renewed Apprenticeship System in Saskatchewan*, May 1997.

While fragmentation is one perspective to describe the current array of institutions within the training system, from the perspective of ATCC, a much more apt characterization is that the system is decentralized. As a result, apprenticeship is industry-driven, more responsive and therefore more effective.

Apprenticeship is the newest corporate entity within the training system. At the same time, it is one of the oldest systems of training and certification. It has evolved continuously over hundreds of years in response to the needs of employers and workers within the context of their time and place. The next debate about the future of apprenticeship, in our view, must consider the full range of possibilities, including an examination of whether a more independent structure and relationship is the next appropriate step in its evolution.

Capacity

“One of the enduring suggestions made in submissions to us is that the system lacks the capacity to do the job that needs to be done in today’s world. Many people who appeared before us stated that there is just not enough room in the system to meet the needs that should be met.” (p. 22)

On the question of capacity, there is an important distinction to be made between institutional training system capacity and work-based training system capacity. A further dimension of the capacity question is the massive investment in place in the private sector in plant equipment and skilled tradespersons that can be leveraged for work-based training.

There are no wait lists in apprenticeship. When an employer and an apprentice agree to enter into a contract of apprenticeship, the skills development through on-the-job training

has already begun. It continues within the framework established by industry standards and ATCC. Every eligible apprentice is offered a technical training opportunity each year. Progress through apprenticeship training is determined principally by the employer's and the economy's capacity to provide work and the apprentice's commitment and ability.

Apprenticeship in particular, and work-based training in general, offers great promise to address the capacity issues within the institutional training system. It is possible to use the existing capacity in the institutional training system to support greater activity in the work-based system, thereby increasing the overall system capacity.

In some respects, our present problems with capacity in the institutional system have been created by a massive shift away from work-based training and consequent over-reliance on the institutional training system. Part of the solution is to expand the work-based training system to relieve the pressure on our institutions and convert some of the institutional capacity to support further work-based training. This would not result in any loss of activity or great upheaval within the institutional system, but rather a transformation of its role.

Apprenticeship is particularly well-placed to address the capacity issue. It is a system with defined processes, clear occupational, curriculum and examination standards and broad, nationally-recognized certifications. Creative public policy initiatives could harness the tremendous capacity in the private sector to substantially meet the training needs of employers, workers and the economy.

Rural Saskatchewan / Decentralization

“Rural Saskatchewan faces the same problems as exist throughout the province in terms of an aging work force and the looming increase in retirements. This situation is accentuated, we have been told, by the loss of young people from rural communities. Time and time again, there has been concern expressed about the need to attract and keep trained young people in communities. . . . In order to address the needs for skilled tradespersons, we have been told that the apprenticeship system need(s) to be retooled.” (p.26)

“We have heard from a number of presenters that greater emphasis should be placed on decentralized delivery models, with more programs offered closer to home or the work location of the students.” (p.31)

Apprenticeship is a highly distributed training system because most of the skills development occurs in the workplace. About 60% of Saskatchewan's 5400 registered apprentices live and work outside the major urban centres.

The problem with retaining trained young people in rural communities is much less problematic in apprenticeship. Apprentices are typically non-sequential learners,

averaging about 25 years of age when they begin an apprenticeship. Many are married and settled in their community. By definition, apprentices have a job in the community. When a rural apprentice leaves his/her community to attend a short period of technical training, he/she is very likely to return to the home and job in that community. While it does sometimes happen that an apprentice does not return to the job and community after technical training, this is unusual. The large majority of apprentices return to their home and job after technical training. This is no less true of rural Saskatchewan.

The difficulty of local plumbing, electrical or mechanical repair shops in attracting and retaining skilled workers is another issue, with a many contributing factors. One reason for the difficulty in attracting young people to the trades is identified in the Interim Report as the lack of emphasis on skilled trades careers in school. Sometimes local labour markets and contractors cannot compete with wages and benefits available in, for example, the oil and gas sector. Some small contractors do not have enough work to warrant hiring another full time person to create an apprenticeship training position. And to a significant degree, the small employers who constitute the large majority of apprenticeship trainers, are vulnerable to losing their upper level apprentices or certified journeypersons to large employers in the public and private sector who “poach” skilled workers. Employers make a significant investment in the training of a skilled tradesperson, particularly in the first 2-3 years of the apprenticeship period. Losing these skilled workers to competitors goes beyond inconvenience and can represent a significant economic hardship to small employers.

Leaving the home community for technical training is sometimes raised as a concern. While there is some disruption to apprentices and employers for apprenticeship technical training, this is generally a more significant issue for the longer pre-employment training programs. Most apprentices receive income support during technical training. Last year, over half of all apprentices received some supplementary allowances to assist with costs associated with living away from home. ATCC does not typically receive many complaints about apprentices being required to leave home for technical training.

This issue is likely of greater significance in Northern Saskatchewan due to distance and cultural considerations. ATCC has delivers a significant amount of technical training in the North and will continue to do so wherever practical. There are some promising further developments with mobile shop/lab facilities for trades training that will enhance our ability to take technical training to the North and to rural Saskatchewan

The issue of apprenticeship “drop outs” is of vital concern to ATCC. Last year, ATCC issued about 1100 journeyperson certifications. There were approximately 1600 new individuals registered to contracts of apprenticeship in the same year. Several hundred of these journeyperson certifications were issued to individuals who did not complete an apprenticeship but successfully challenged industry’s standards and were awarded journeyperson certificates through the PLAR process. The result is that for every two new apprentices enrolled in our system, one certification at the highest level (journeyperson) was awarded. This rate of “graduation” compares very well to that of other education and training systems.

Of further significance to this discussion is the reason why apprentices drop out or leave the training system. While the evidence is limited, it strongly suggests that there are successful exits points in apprenticeship other than journeyperson certification and that there are other legitimate reasons to forgo why journeyperson certification. Sometimes the specialization of work means that an apprentice does not receive exposure to the full range of tasks of the trade and therefore cannot challenge the journeyperson examination. The apprentice may nevertheless be working at a high and productive level in the trade.

Sometimes, individuals are productively employed with a certain level of training and do not need or want further training or certification in order to maintain work. Sometimes, apprentices are so highly sought after in a skills shortage environment that they leave the training system or leave the province and continue their training elsewhere, showing up as drop outs in our system. In other cases, the apprentice may find a more lucrative position with an employer in the trade who does not participate in the apprenticeship system. Sometimes, where trades are related and considerable transfer credit is available (for example, between agriculture machinery technical and heavy duty equipment mechanic) apprentices move from one trade to another. The contract of apprenticeship for the trade which they have left is cancelled and the apprentice shows up in the system as a drop out. As the foregoing illustrates, the issue of apprenticeship drop outs is complex and warrants further examination and research.

High Schools and Training

“We have heard many comments and concerns about high schools and the preparation that students receive during their high school years There is a real concern that the high school system continues to be heavily oriented to academic education and professional careers” (p.28)

ATCC is piloting a youth apprenticeship initiative in five high schools this year. It is our intention to implement this initiative province-wide in 2006-07, subject to the availability of resources. The five high schools in which the pilot is being offered this year are Assiniboia, Thom Collegiate in Regina, Nutana Collegiate in Saskatoon, La Loche and Churchill High School in La Ronge.

The focus of the youth apprenticeship initiative is to keep students in school, where they will acquire the basic skills they need to succeed in skilled trades careers. The youth apprenticeship program provides students with information about trades careers, how to get into the trades, requirements for success in trades careers, career paths within trades, as well as some incentives to pursue trades careers after high school. The youth apprenticeship program is not trade or technical skill specific, although it can be combined with practical and applied arts credit courses in the trades to achieve advanced standing in specific apprenticeship trades.

Young people, most of whom do not go to university, are greatly in need of high school curriculum offerings that support a future in which they can imagine themselves. If a student does not see herself in a university based career, she may become discouraged in high school and not believe there is any reason to continue or to learn basic math, literacy and science skills. Better career guidance and a more balanced curriculum offering in high school would go a long way towards keeping youth in school and giving them a future in which they can see themselves.

Technology

“It has been suggested to us that in order to increase understanding of the potential and the effectiveness of e-learning a study be undertaken jointly by the Department and the institutions in the training system to provide a comparative assessment of different learner models and analysis of learner benefits.” (p. 33)

The apprenticeship program has used technology and other forms of innovation to a considerable degree. For example, the technical training for the Power Lineperson trade has been converted to a largely on-line, computer based format, and technical training for the Partsperson trade levels 1 and 2 has been converted to computer based internet delivery.

Within the apprenticeship system, considerable attention is being paid to the question of the effectiveness of technology in delivering technical training. As noted previously, many apprentices are older individuals and have been out of a formal school setting for a long time. Some of these individuals did not complete high school and/or have had an unsatisfying experience with the formal learning system. The typical apprenticeship learner is less self-directed than some other identifiable cohorts of learners. While it is dangerous to over-generalize about the apprenticeship learner, there are some characteristics that apply to many apprentices.

Based on our own limited evidence, it appears that the traditional teacher-centered classroom yields the best results for apprenticeship training. There are of course exceptions to this (which ATCC is pursuing) and the profile of the typical apprenticeship learner is likely to change over time. As we recruit more sequential learners into apprenticeship, and as young people who are more comfortable with the technology increasingly enter the trade labour force, innovative technical training delivery using technology will become better suited to our purposes. In the present, however, ATCC is proceeding carefully with the introduction of technology for training. Innovation and technology for their own sake should not drive the decision-making process. Technology should be the tool that serves the needs of the employer and apprentice.

A final note of caution with respect to technology and innovation is warranted. Technology and innovation are expensive. When they work, they can be effective and can achieve savings in some areas. However, our experience to date has been that the costs are higher, and the savings, to the extent they occur, do not accrue to the

organization that has invested in the innovation or technology. For example, in our experience, direct and indirect incremental costs have been incurred by ATCC and the apprentice, while the benefits have accrued to the Employment Insurance system through reduced claims. ATCC has paid direct increased costs related to development and application of the technology. The apprentice pays an indirect incremental cost because he is now completing technical training in the evenings or on weekend in addition to full time work, sometimes with adverse effects on his success in the program.

Participation and Inclusiveness

“It is clear from what we have heard, and from data, that if labour force requirements are to be met, there is an urgent need to substantially increase the participation rate for those groups who have not participated in the past in the training system to same degree as others. This includes, as has been stated, among others, Metis and First nations people, people with disabilities, and new immigrants.” (p.34)

The participation rates of Aboriginal people in apprenticeship have been characterized in the interim Report as “abysmally low.” (p.26) The evidence flatly contradicts this contention. For the year ended June 30, 2005, the participation rate of Aboriginal people in apprenticeship was 14.5%. In that year, 989 persons of Aboriginal ancestry were registered as apprentices in Saskatchewan. That participation rate is slightly above the proportion of Aboriginal people in the population. The challenge in apprenticeship has not been to attract Aboriginal people to apprenticeship, but rather to retain and move these apprentices through to completion.

ATCC has approved a Representative Workforce Strategy, the goal of which is to achieve a trades workforce that is representative of the population of Saskatchewan. Since the hiring decisions with respect to trades are made by thousands of mostly small employers, ATCC is not in a position to dictate who shall be hired and therefore admitted to the apprenticeship program. The strategy of ATCC is to influence the hiring decisions of employers through a variety of means. The most effective strategy is to make a strong business case for hiring members of groups that have traditionally not been participants in the skilled trades labour force.

One key element ATCC’s representative workforce strategy is to model a representative workforce among its own employees. ATCC has been an exemplary employer, meeting or exceeding in most respects its employment equity goals for several years running. The exception within ATCC’s own workforce has been the proportion of women in non-traditional occupations. ATCC has been set back in this area by constraints imposed upon it as part of executive government. For example, downsizing in executive government in the past couple of years precipitated a series of bumping actions which in turn bumped tradeswomen out of their jobs with ATCC. Nevertheless, ATCC has presented the new face of the trades labour force with significant representation of Aboriginal people, women in non-traditional occupations and visible minorities.

Prior Learning Assessment and Recognition

“Whatever else may be found within a vision of a modern training system, it seems clear from what we have heard that the vision must encompass recognizing and rewarding learning at each step along a continuous path. The reality however, appears to be much different. While there are efforts being made to improve the degree to which prior learning is recognized, recognition still seems to be the exception rather than the rule.” (p. 35)

Apprenticeship, as a training system that recognizes prior learning, is the exception to the rule. Approximately one-third of all the journeyperson certifications that were awarded by ATCC last year were given to individuals who had not participated in any apprenticeship program. In these cases, individuals with experience and both formal and informal training, paid a fee and applied to ATCC for recognition. Their work experience and formal and informal learning were assessed and credited. They were permitted to challenge the journeyperson certification examination (in most cases a written exam) based on their experience. If they were successful in passing the examinations, they were awarded journeyperson certification in their trade – the same certification that any successful apprentice receives upon completion of apprenticeship. Upon being satisfied that industry’s standards for certification in the trade have been met, ATCC granted its highest credential to these individuals.

This is prior learning assessment and recognition at its best. In addition to this significant proportion of journeyperson certifications being issued through a PLAR process, ATCC estimates that it grants advanced standing to approximately 75% of all apprentice and tradesperson applicants in its system. Our concern is strictly that the prescribed standard has been met. We have no interest in forcing an individual to take redundant technical training or take more time than necessary to complete their training. If a tradesperson meets the standard, she gets the certification. This, we suggest, is a model for PLAR theory, practice and achievement.

Work Experience, Apprenticeship and On the Job Training

“At the same time, notwithstanding these initiatives, it is fair to say that there is not an over-arching vision or plan with respect to the role and importance of work experience as part of training. No policy exists establishing expectations or priorities regarding work experience, and there are no guidelines within the system.

Interestingly enough, notwithstanding this, one of the most common themes the Panel has heard from those it has met with is the importance of work experience as a component of successful training. ” (p.39)

With respect to the training system as a whole, we agree with the observation that a vision and guidelines for work-based training are lacking. However, the apprenticeship program can accurately be characterized as system with a vision, policies, guidelines (in

fact, regulations) and expectations with respect to the role and importance of work experience as part of training. Unfortunately, from our perspective, apprenticeship concerns only 50 trades and about 80 individual occupational certifications. The considerable benefits of work-based training to which the Interim Report speaks could be extended with a robust investment in expansion of the apprenticeship system. These benefits could be extended to non-traditional occupations, to non-traditional employers and to non-traditional individual participants.

There are several points raised in this section of the Interim Report which ATCC wishes to address.

1. The employer-employee relationship in apprenticeship:

An apprentice's principal identification is as an employee, rather than as a student. Apprentices are employed full time and develop skills on the job. The contract of apprenticeship is between the employer and the employee. ATCC is not a party to the contract, but registers it and administers the apprenticeship program on behalf of the parties. The employer-employee relationship must be respected.

ATCC's concern is fundamentally with the quality of the learning experience of the apprentice. Standards, broadly speaking, define ATCC's relationship to the contract of apprenticeship and the employer-employee relationship. In addition to being concerned with ratios of journeyman to apprentices in the workplace, ATCC is concerned with the apprentice's exposure to the tasks of the trade, the quality of supervision and on the job instruction, proportional wage rates, and other requirements as prescribed by regulation.

ATCC employs a group of field consultants around the province who counsel apprentices, journeymen and employers, register contracts, assess the experience and training of new apprentices, develop training plans for employers and apprentices, visit employers and apprentices at the work site and enforce regulations. With 12 field consultants and over 5400 apprentices in the system, the level of service ATCC can provide is somewhat limited. However, it is the goal of ATCC to visit every apprenticeship employer each year.

Ultimately, the apprenticeship system is employment based and industry-driven. It responds to economic cycles to some extent, although the system can be influenced by public policy measures. Its strength has been its relationship to the labour market and the ability of industry to implement its standards for training and certification. This is also why journeyman certification is prized by industry, and why individuals with this credential enjoy unsurpassed mobility. The labour market place, particularly in an environment of skills shortages and tightening labour supply, will discipline employers that do not treat apprentices well and do not offer competitive wages, benefits and working conditions.

2. The period of apprenticeship

The period of apprenticeship ranges from 1 to 5 years. This includes the on the job skills development component and the technical training component of apprenticeship training. The technical training consists typically of eight weeks of in-school training per year. Sometimes apprentices require more than the prescribed 1 to 5 years to complete an apprenticeship due to periods of unemployment or restricted exposure to the full range of tasks of the trade.

3. An apprenticeship training tax credit

Apprenticeship is a unique training and certification system because it requires a large investment by the private sector and it trains and certifies to national industry standards. Apprenticeship employers, most of whom are small businesses, make a substantial investment in training apprentices, especially in the first two to three years of the apprenticeship period. At the same time, the mobility enjoyed by upper level apprentices and journeyperson means that the small employer's investment is at considerable risk of being lost when a competitor hires the apprentice or journeyperson. These competitors, often large public and private sector organizations, do not incur the heavy cost of apprenticeship training when they hire a fully skilled tradesperson, which contributes to their ability to offer higher wages or benefits.

It is estimated that the net cost to an employer of training an apprentice is over \$40,000. This investment by small employers is at great risk. This risk may now be acting as a significant deterrent to employers participating in a program which trains and certifies to national industry standards, i.e., the apprenticeship program. An ATCC research paper, entitled *The Impact of Apprenticeship Training Tax Credits in Saskatchewan*, addresses this issue, considers a number of alternatives and proposes a solution.

ATCC has recently completed the draft research paper on the cost of the employer's investment and impact of an apprenticeship training tax credit in Saskatchewan. Copies of the paper have been distributed to various partners for review and comment. A copy of the research document has been provided to Training System Review Panel members for their information. The board of directors of ATCC will be formally considering the impact of an apprenticeship training tax credit in Saskatchewan at its meeting on September 15, 2005.

The province of Ontario introduced an apprenticeship training tax credit in April, 2004. ATCC is watching the experience of Ontario with interest and awaiting the reporting of results in that province.

It is our contention that an apprenticeship training tax credit would have a significant positive impact on the present and looming skills shortage in Saskatchewan. While there is a cost in terms of apprenticeship programming and tax expenditures, it is proposed as an effective investment in the training system.

4. The Inter-provincial Red Seal program

Saskatchewan participates fully in the inter-provincial or “Red Seal” program. This program was established in 1952 with Saskatchewan as founding member. The program establishes national standards for 45 trades in Canada, in which 80% of all apprentices are employed nationally. It is the foundation of the mobility of tradespersons in this country. Since inception, about 400,000 Red Seal certifications have been issued in Canada.

In Saskatchewan, Red Seal certification is the only route to journeyperson certification for trades in which an inter-provincial standard exists. The large majority of Saskatchewan journeypersons receive the Red Seal endorsement, indicating they have met the national industry standard for their trade.

Apprenticeship, as part of the education and training system is a provincial responsibility. There is considerable latitude for flexibility and innovation within the apprenticeship system, as this province has demonstrated through the creation of ATCC. It is, however, of vital importance to industry, employers and employees alike, to maintain Saskatchewan’s full participation and good standing in the Red Seal program. Future changes to Saskatchewan’s apprenticeship system, as they have in the past, will inevitably be viewed by our partners in the Red Seal program and by industry from the standpoint of the effect on our national program.