



Canadian Apprenticeship Forum
Forum canadien sur l'apprentissage



Strategies to Increase Employer Participation in Apprenticeship Training in Canada:

A SUMMARY OF DISCUSSION RESULTS WITH
EMPLOYERS FROM ACROSS CANADA

July 2008

Canada

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If this information is useful in your organization's work, please let us know by contacting info@caf-fca.org.

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The opinions and interpretations in this publication do not necessarily reflect those of the Government of Canada

EXECUTIVE SUMMARY

OF THE FINDINGS FROM CAF-FCA'S EMPLOYER ENGAGEMENT FORUMS

This executive summary provides the highlights from the discussion results of the six pilot forms CAF-FCA held with employers from across Canada. For a more detailed summary of employers' comments, readers are encouraged to examine the full report.

CHALLENGES FOR EMPLOYERS

- ⇒ Employers need to be able to recruit and retain highly skilled workers to address skill shortages and to maintain their productivity.
- ⇒ There is a need to ask employers directly about their understanding of the business case for apprenticeship.
- ⇒ A clearer understanding is needed of what information and supports will enhance employer participation.

PART OF THE SOLUTION: EMPLOYER ENGAGEMENT FORUMS

- ⇒ To help address these challenges, Canadian Apprenticeship Forum-Forum canadien sur l'apprentissage (CAF-FCA) completed a national survey with employers that found apprenticeship training is a profitable investment. This study was entitled, "Apprenticeship - Building a skilled work force for a strong bottom line: Return on Apprenticeship Training Investment for Employers - A Study of 15 Trades" (ROTI study).
- ⇒ Based on the findings of this study, CAF-FCA then engaged employers in a dialogue about the business case for apprenticeship training.
- ⇒ CAF-FCA held six pilot Employer Engagement Forums with a cross-section of industries in Burnaby, British Columbia (BC), London and Hamilton, Ontario (ON), St. John's, Newfoundland (NFLD), Halifax, Nova Scotia, (NS), and Whitehorse, Yukon (YT).

- ⇒ The purpose of the forums was to share and to discuss with employers CAF-FCA's return on training investment data.
- ⇒ The employers who participated in the forums represented a variety of trades and had a diverse set of experiences and opinions.
- ⇒ Readers should note that this summary reflects the ideas, opinions, and perceptions of those who attended the forums, not of CAF-FCA or its partners.

MAIN FINDINGS FROM FORUMS

Employers' understanding of the advantages of apprenticeship

Effective recruitment strategy

- ⇒ Leads to higher retention rates and lower turn over.
- ⇒ Gives a competitive advantage over non-participating organizations.

Two way skills development

- ⇒ Mentoring apprentices renews and revitalizes journeypersons' skills leading to greater productivity.

Higher quality work

- ⇒ Helps to maintain high standards and quality on the job.
- ⇒ Develops skills and competencies that meet industry standards and build quality products.

Increased productivity

- ⇒ Trains apprentices in the company's systems and work processes.

Improved safety

- ⇒ Makes journeypersons more aware of safe work practices as they teach apprentices.
- ⇒ Makes employees more familiar with the organization's safety practices leading to fewer accidents which results in reduced compensation costs.
- ⇒ Leads to reduced insurance costs for some employers because insurance companies recognize the lower risk of a skilled workforce.

Improved company reputation

- ⇒ Delivers high quality products through highly trained and skilled workers.

STRATEGIES FOR ENHANCING EMPLOYER PARTICIPATION IN APPRENTICESHIP

Employers' concrete strategies

- ⇒ Educate employers about mentoring
- ⇒ Inform employers that apprenticeship training is industry driven
- ⇒ Provide incentives to employers
- ⇒ Ensure apprentices understand their value
- ⇒ Encourage employers to participate in talking to their peers
- ⇒ Build appreciation for skilled labour

RECOMMENDATIONS FOR FUTURE WORK**Employers' suggestions for future research and communication activities**

- ⇒ Analyze the underlying reasons why Canadian businesses invest less money in human resource development than other countries in the world to determine how this affects apprenticeship participation.
- ⇒ Meet with the decision makers of non-participating companies to understand at a deeper level their reasons for non-participating.
- ⇒ Gather information on the characteristics of participating companies to show non-participating companies how their business could accrue the same success if they began to hire apprentices.
- ⇒ Investigate the links among apprenticeship training and sustainability, retention, and productivity.
- ⇒ Create information sources for employers that are a "one stop shop." It needs to be clear to employers who they should be contacting for accurate information on apprenticeship training.
- ⇒ Overall, employers appreciated the opportunity to network with their peers and to learn about CAF-FCA's return on training investment data at the forums.
- ⇒ CAF-FCA will be building upon employers' suggestions as a part of its Employer Engagement Strategy.

1.0 INTRODUCTION

This section describes why CAF-FCA was motivated to undertake this work with employers.

WHY EMPLOYER ENGAGEMENT?

Apprenticeship training develops skilled workers across key sectors of the Canadian economy and must be a key part of workplace training investments. Although some employers strongly support, and are committed to, apprenticeship training, the majority of Canadian employers appear to be unaware of how apprenticeship training can improve their bottom line.¹ Canada's future economic competitiveness may be in jeopardy because the fact that investing in workplace skills development improves productivity and profitability is not fully realized. Canadian organizations spend less per capita on training than organizations in the United States, Europe, Asia, or the Pacific.² To encourage investment in apprenticeship training, employers need data and information that demonstrates a sound business case. In light of the predicted skills shortages, ensuring that employers have long term training strategies that lead to a highly skilled workforce is essential to Canada's future success.

Canadian Apprenticeship Forum-Forum canadien sur l'apprentissage (CAF-FCA) is well positioned to engage employers and other stakeholders in the apprenticeship community. CAF-FCA is a multi-partite organization working within the apprenticeship community across Canada. The CAF-FCA brings

together business, labour, the Inter-provincial Alliance of Apprenticeship Board Chairs (IPA), educators, equity seeking groups and the Canadian Council of Directors of Apprenticeship (CCDA). As a national organization dealing with apprenticeship, the CAF-FCA has the capacity and expertise to connect with employers from across the country in various regions and industries, to listen to their business realities and needs, and to provide them with the data and information that they require. CAF-FCA is seeking to conduct work that enhances employers' abilities to participate in apprenticeship training in the context of a broader Employer Engagement Strategy.

THE CHALLENGE

- ⇒ Canadian organizations spend less per capita on training than organizations in the United States, Europe, Asia, or the Pacific.³

RETURN ON TRAINING INVESTMENT:

In order to investigate employers' return on training investment, CAF-FCA produced a groundbreaking study entitled "Apprenticeship - Building a skilled workforce for a strong bottom line: Return on Apprenticeship Training Investment for Employers - A Study of 15 Trades" (ROTI study). Using employer supplied data from across the country, this study

¹ According to two CAF-FCA surveys, there is low employer participation in apprenticeship training. See CAF-FCA, "Employer Perceptions Survey," February 2006 and CAF-FCA, "Apprenticeship - Building a skilled workforce for a strong bottom line: Return on Apprenticeship Training Investment for Employers - A Study of 15 Trades," June 2006.

² See Conference Board of Canada, "Training and Development Outlook 2001," 2001 and Conference Board of Canada, "Learning and Development Outlook 2005," 2005.

³ *Ibid.*

found that investing in an apprentice is a profitable investment. The main conclusions of the study were:

- ⇒ On average, for each \$1 invested in an apprentice, a benefit of up to \$1.38 accrues to employers.
- ⇒ The apprentice's productive value exceeds the training costs by the end of the second year or earlier.
- ⇒ Hiring apprentices ensures that an organization has skilled labour and a lower turnover rate.
- ⇒ "Homegrown" journeypersons are more productive relative to an externally trained journeyperson.

Despite the findings, this study confirmed low employer participation in apprenticeship training. Out of the 11,550 employers contacted to participate in the study, only 1,941 (16.8%) currently employed apprentices or had done so in the past two years.

Based on this research, CAF-FCA wanted to gain a deeper understanding about employers' perspectives and to strategize with them about ways that employer participation in apprenticeship training can be enhanced. To achieve these goals, CAF-FCA held six discussion sessions with employers about the business case for apprenticeship. The rest of this report describes the forums and summarizes the discussion results.

DID YOU KNOW?

- ⇒ On average, for each \$1 invested in an apprentice, a benefit of up to \$1.38 accrues to employers.
- ⇒ "Homegrown" journeypersons are more productive relative to an externally trained journeyperson.

2.0 CAF-FCA EMPLOYER ENGAGEMENT FORUMS

This section of the report provides background information on the organization of the forums. This information will provide readers with additional context when reviewing the discussion findings.

LOCATION

In order to engage employers in this important dialogue, CAF-FCA held a series of pilot Employer Engagement Forums in Burnaby, British Columbia (BC), London and Hamilton, Ontario (ON), St. John's, Newfoundland (NFLD), Halifax, Nova Scotia, (NS), and Whitehorse, Yukon (YT).

PARTNERSHIPS

CAF-FCA organized the forums with provincial/territorial and local partners. These partnerships were extremely valuable. CAF-FCA benefited from partners' understanding of the industries and labour market trends in their region. The partners' local contacts were key in ensuring employer attendance. The partners found the nationally valid data in CAF-FCA's ROTI findings useful. They used the information in their publications and presentations to local employers to help communicate the business case for apprenticeship.⁴ For CAF-FCA's provincial partners, these events were linked to their provincial Employer Engagement Strategies.⁵ The partners included the following employer associations, local training boards, and provincial/territorial departments:

- ⇒ **Burnaby, BC:** BC Construction Industry Training Organization and the BC Construction Association.
- ⇒ **London, ON:** Elgin, Middlesex, Oxford Local Training Board.
- ⇒ **St. John's, NFLD:** Government of Newfoundland and Labrador, Department of Education, Institutional and Industrial Education.
- ⇒ **Halifax, NS:** Government of Nova Scotia, Department of Education, Provincial Apprenticeship Training Board and Apprenticeship Training and Skill Development Division.
- ⇒ **Hamilton, ON:** Hamilton Training Advisory Board and the Grand Erie Training and Adjustment Board.
- ⇒ **Whitehorse, Yukon:** A variety of apprenticeship stakeholders contributed to the planning of the event including the Advanced Education Division of the Yukon Government.

INFLUENCING PARTNERS

- ⇒ CAF-FCA's ROTI data was shared with employers in partners' publications and communications.
- ⇒ CAF-FCA's Employer Engagement Forums were linked to provincial Employer Engagement Strategies.

⁴ In total 340 copies of the CAF-FCA Return On Training Investment Study Executive Summary were distributed as a result of the forum events. References to the ROTI study were also made in the following publications: Hamilton Training Advisory Board-Commission consultative sur la formation a Hamilton, "Dollars and Sense: A Guide to Apprenticeship Supports." 520 copies of this document were distributed to various groups including Collision Industry Information Assistance and the Hamilton Wentworth School Boards. An additional reference was made in STEPS, "Progress Through Apprenticeship: Employer Reference and 2008/09 Calendar." 1,400 of these documents were distributed to employers and 100 to employer associations. A reference was also found in Toronto Training Board-Commission de Formation de Toronto, "Apprenticeship: Good Business Sense." SATCC in Saskatchewan is also distributing information about ROTI when they visit employers. Approximately, 1,000 packages are being distributed.

⁵ As a part of the province of Newfoundland and Labrador's Employer Engagement Strategy, 20 sessions were held across the province. The CAF-FCA ROTI study was referred to in each of these sessions. In Nova Scotia, the event in Halifax was used to launch an Employer Engagement Strategy for the province. At the additional events held across the province, the CAF-FCA ROTI study will be referred to in their presentations to employers.

STRUCTURE OF FORUMS

When conducting these pilot forums CAF-FCA experimented with a variety of different formats and approaches. There were all day sessions and half day sessions. At each forum, employers learned about the CAF-FCA's return on training investment data and had an opportunity to discuss training issues with other employers. Variable activities at the forums included speeches by employer champions, talks by keynote speakers on topics such as generational differences and staff recruitment and retention and accountants speaking about how to access provincial and federal apprenticeship tax credits.

ATTENDANCE

Ninety-four employers participated in the six forums. Seventy-seven of those were private sector employers from the construction, transportation, manufacturing and service sectors while 17 were public sector employers and crown agencies. Public sector employers included municipal employers from the cities of London, St. John's, Hamilton, and Whitehorse.⁶ Other participants in the forums included representatives of regional employer associations, provincial/territorial Department of Education officials, training officers, members of industry education councils, local school district officials and other apprenticeship stakeholders leading to a total of 185 participants.

Participants represented a broad range of sectors. Since these events were pilots, different approaches were taken when deciding which sectors to invite. For the BC and NS events, particular trades were targeted based on the advice provided by the local partners. Skills shortages and the level of interest by employers in learning more about apprenticeship training were factors that determined which trades were selected. For the BC forum, the electrical, mechanical, and carpentry trades were targeted. In NS, the cooking, auto body, and automotive trades were targeted. For the NFLD, ON, and YT forums the invitation was open to employers in the construction, manufacturing, transportation, and service industries.

Ensuring high employer participation was a challenge at these events. For each event extensive employer outreach efforts were undertaken, but employer attendance remained low. Direct calls or personal visits to employers' places of work were the most effective methods to ensure they attended the events. Mass email invitations were less effective. Employers were reluctant to give up their time to attend an event and the shorter morning events had higher employer attendance. As a part of this work, it was particularly difficult to reach out to non-participating employers. Most of the employers who attended the events already hired or were open to hiring apprentices prior to coming to the events.

⁶ This information is based on the attendance sheets that employers signed at every forum event.

3.0 EVALUATION FORM DATA

This part of the report shares some of the findings specifically from the evaluation forms that were completed at each event.

SCOPE OF DATA

Only employers were asked to complete evaluation forms.⁷ Out of the 94 employers who attended the forums, 63 filled in the evaluation forms. The findings are referred to throughout this report. Readers should note the percentages mentioned only reflect the responses of the employers that filled in the evaluation form. The attitudes of the employers who did not fill in the evaluation form are not known. To ensure valid data was being captured, the evaluation form was evaluated by an independent researcher prior to being implemented. Although it is important to be cautious in interpreting the results because they do not represent all of the employers who attended the forums, they do provide some indication of the types of employers that attended the event, their response to the event, and employers' understanding of the ROTI study.

The chart below indicates the primary trade area of respondents. In the "Other" category employers identified themselves more specifically as being from the heavy equipment, landscaping, painting, hairstyling, RV maintenance, and utilities sectors.

Table 1: Primary Trade Area of Employer Respondents

PRIMARY TRADE AREA	N ⁸
Transportation	7
Service	17
Construction	21
Manufacturing	4
Other	14
	63

⁷ See Appendix A for a copy of the evaluation form. The facilitators at each forum stated explicitly that only employers were to fill in the evaluation form. The facilitators also ensured that employers filled in the first part of the evaluation form right at the beginning of the event and the last part of the evaluation form at the end of the event. In addition, there were prompts in the presentation slides to ensure this process was followed at each event.

⁸ N means Number.

In terms of organization size, respondents tended to be from organizations with more than 50 employees. Almost half represented organizations with more than 50 employees, while the rest worked with smaller organizations with 49 employees or less.

Table 2: Size of Organization

SIZE OF ORGANIZATION	N
1 to 4	8
5 to 9	3
10 to 19	10
20 to 49	11
50 or more	29
Two respondents did not identify the size of their organization	61

LEVEL OF PARTICIPATION IN APPRENTICESHIP TRAINING

Most of the respondents currently employed apprentices. Two thirds reported they currently employed apprentices. Out of those respondents that hired apprentices, most employed between one and four apprentices. Direct advertisements through current employees and word of mouth were common hiring methods.

ATTITUDES OF PARTICIPATING AND NON-PARTICIPATING EMPLOYERS TOWARDS HIRING APPRENTICES

For employers who hire apprentices, when asked about the reasons for hiring and supporting apprentices, the following reasons were ranked as "very important" by the majority of respondents: "sustains trade and supply of workers"; "meets future workplace needs"; and "apprentices become highly trained professionals."

EMPLOYERS VALUE OPPORTUNITIES TO DISCUSS TRAINING ISSUES

- ⇒ Attending the event was worthwhile according to 96.7% of respondents.
- ⇒ The facilitated discussion with their peers was important with 58.4% saying it was the most valuable part of the event.

Among those who did not have apprentices currently working for them, they were asked why they stopped.⁹ Employers from the construction and service industries specifically noted that they stopped because their apprentices were being poached. In addition, they stopped hiring because they perceived that there were no apprentices available. They also noted that there were an insufficient number of journeyed/trained supervisors for the apprentices.

For those who had never hired apprentices, they were asked why they had not hired apprentices. Employers stated that other sources of labour were more accessible. They perceived that having an apprentice would be too consuming for the journey person and that there would be too much paperwork involved. These employers also understood that apprenticeship was not applicable to their businesses or that there was no apprenticeship program available.

At the end of the event, employers were asked about their attitudes towards hiring an apprentice. Over seventy percent of employers said they would still continue to hire apprentices. More than a quarter said that they were more open to hiring an apprentice after attending the event. Only one respondent

was still unsure about the value of hiring an apprentice. Interestingly, when the responses of the employers who had never hired apprentices were specifically examined, they all reported that at the end of the event they were more open to hiring an apprentice. The surveys were anonymous so it is not possible to follow up and see whether these respondents' increased openness led to the hiring of apprentices. However, these results suggest the events were helpful in encouraging people to change their attitudes.

ATTITUDES OF EMPLOYERS TOWARDS THE EMPLOYER ENGAGEMENT FORUM

Attending the event was worthwhile according to 96.7% of respondents. The majority said that they would attend another CAF-FCA event on apprenticeship training in the future. The facilitated discussion with their peers was ranked as the most valuable part of the event by 58.4% of respondents.

CHANGING ATTITUDES

- ⇒ More than a quarter of respondents said that they were more open to hiring an apprentice after they attended the event.
- ⇒ For the specific group of respondents who had never hired apprentices, in every case the event made them more open to hiring apprentices.

⁹ See Appendix A question C5 and C6 for a list of the possible reasons.

4.0 FINDINGS FROM EVALUATION FORM DATA AND DISCUSSION GROUPS

This section of the report highlights some of the common themes which emerged from the discussions at all six forums. At each forum, detailed notes were taken based upon employers' comments.¹⁰ Evaluation form data results are also provided when relevant.

Readers should note that the following material reflects the ideas, opinions, and perceptions of those who attended the forums. This discussion summary does not necessarily reflect the opinions of CAF-FCA or those organizations that partnered with CAF-FCA to host the events.

A. THE BUSINESS CASE FOR APPRENTICESHIP

Most employers confirmed that they did support the business case for apprenticeship. The majority already held this view prior to coming to the event.¹¹ When asked at the beginning of the event about whether they thought apprenticeship training was a profitable for their business, most (88.7%) agreed, a few were unsure (9.7%), and two respondents said no. By the end of the forum, 93.4% said that after attending the event they were further convinced there was a business case for apprenticeship. Five percent said they would need to see more evidence to be convinced. Only one respondent remained unconvinced.

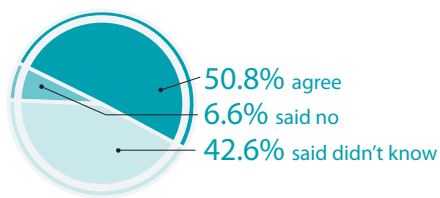
Employers' Awareness and Understanding of CAF-FCA's ROTI Study:

Learning about return on training investment data was the main motivating factor for attending the event. On the evaluation forms, employers were asked a series of questions about their motivations for attending the event. Most (85.7%) had never

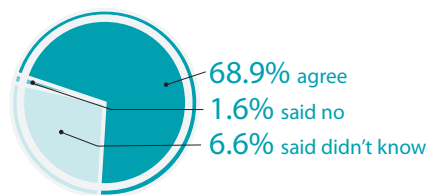
heard of CAF-FCA's ROTI study before attending the event. The single biggest motivator in coming to the event was to learn more about the study (49.4%). Having an opportunity to discuss training issues with their peers was another important motivator for attending the event for 32.1% of respondents.

When employers were asked more specifically about whether the ROTI findings rang true with their own experience, the majority agreed with the findings:

- ⇒ On average for each \$1 invested in an apprentice, a benefit of up to \$1.38 accrues to employers.



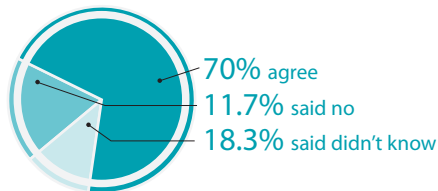
- ⇒ The apprentice's productive value exceeds the training costs by the end of the second year or earlier.



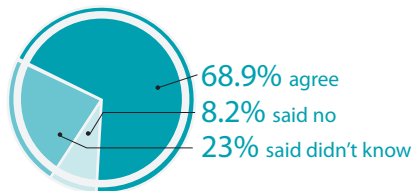
¹⁰ Employers' comments at the forums were recorded by facilitators, CAF-FCA staff, and staff at the partner organizations. The main themes were drawn from these notes.

¹¹ Readers should note that if the audience had been filled with non-participating employers, the responses may have been less positive.

- ⇒ Hiring apprentices ensures that an organization has skilled labour and a lower turnover rate.



- ⇒ “Homegrown” journeypersons are more productive relative to an externally trained journeyperson.



The majority of participants validated the findings. In addition, they supported the collection of more data. The majority said that they would find data from a greater number of employers convincing, but most wanted more trade specific data. When asked what evidence would most convince them that apprenticeship training is a profitable investment, employers identified the following as their top reasons: additional survey based on employer data, employers speaking about the topic, and results from employer discussion groups. Having economists speak about the topic was not considered to be very convincing. More than half said

they would be likely to use the additional data in deciding whether or not to hire an apprentice. More than one third said they may use the information. Less than seven percent said they would not use the information. These findings suggest that there is value for employers in gathering more return on training investment data and having employers share the results with their colleagues.

Things to Think About:

In the discussions that took place, most employers supported the business case, but did note that health and safety training for apprentices prior to them going onto a job site can be a significant cost. Additional compensation claims during the first six months of an apprenticeship is a cost as well for some employers. Some employers also said that even though they said there is a return, they did not have the cash flow to cover the first year investment in an apprentice. Employers inquired about the business case for the very small owner with one or two employees specifically. They wondered if the return on training investment was still applicable in these cases. Some employers noted that apprenticeship training is profitable for the industry in general, but not necessarily for their individual businesses or regions when their apprentices or “homegrown” journeypersons leave.

STRONG BELIEF IN THE BUSINESS CASE

- ⇒ By the end of the forum, 93.4% said that after attending the event they were further convinced there was a business case for apprenticeship.

Table 3 : Employers' Understanding of the Business Case for Apprenticeship

The discussions at the forums revealed a number of reasons why employers see a compelling business case for employing apprentices. The main themes that emerged from the discussions have been summarized below:

Effective recruitment strategy:	Employers generally understood that apprenticeship helps to create “homegrown” local employees. This type of training provides an opportunity for apprentices to gain experience while employers assess the attitudes, aptitude, and work habits of prospective employees. Although some employers, as we will see later, felt poaching was an issue, other employers noted in their experiences that apprentices develop a strong relationship and loyalty to employers which leads to higher retention rates and lower turn over. Employers generally said that organizations which provide training opportunities have a competitive advantage over non-participating organizations.
Two way skills development:	Some employers remarked that the apprentice mentoring process renews and revitalizes the current cohort of journeypersons. Journeypersons benefit from training apprentices because they have to revisit or rethink their trade as they break it into “learning moments.” The apprentice brings in new knowledge and an awareness and understanding of new technology.
Higher quality work:	According to some employers, training apprentices helps to maintain high standards and quality on the job as organizations develop skills and competencies that meet industry standards and build quality products.
Increased productivity:	Some employers felt that, based on their experiences, apprentices are interested and vested in how the employers are doing, which leads to higher productivity. Productivity is also increased because apprentices are trained in the company’s systems and work processes.
Improved safety:	Certain employers observed that journeypersons are made even more aware of safe work practices as they teach apprentices leading to an overall safer workplace. More familiarity with the organization’s safety practices leads to fewer accidents reducing compensation costs. Some employers noted that hiring apprentices leads to reduced insurance costs because insurance companies recognize the lower risk of a skilled workforce.
Improved company reputation:	Participating in apprenticeship demonstrates an organization’s professionalism because it proves they are dedicated to delivering high quality products through employing highly trained and skilled workers. This commitment to training can be used as a marketing tool to customers to show them it is better to buy from a company which employs quality journeypersons and apprentices, rather than to buy from non-participating companies whose staff may not be qualified.

B. MECHANISMS TO SUPPORT EMPLOYERS TO HIRE AND RETAIN APPRENTICES

Another theme that emerged in the discussions was the issue of support mechanisms. Employers shared their ideas about the types of support mechanisms that they find are useful based upon their experiences. The evaluation form also contained questions on support mechanisms.

Liaison and Coordination Support is Helpful:

Employers said that liaison and coordination is valuable. More than two thirds of respondents identified “more liaison and coordination support” as a support mechanism that would most likely encourage them to hire an apprentice or to hire more apprentices. Almost a quarter agreed that “more accessible avenues to get in contact with potential apprentices” would be useful. Fewer wanted “more assistance with pre-screening candidates.”

In the discussion groups, employers said that support staff does help them track, record, and document the apprentices’ contributions to their organization. Being able to connect with officials who are knowledgeable about the process and requirements is important. Information on trade skill requirements at the various levels of an apprenticeship is useful for the employers to know so they can ensure the work experiences fit with the apprentices’ skills and capabilities. Some employers also suggested that providing support counselling in the field was worthwhile, because some apprentices need assistance with their life management and essential skills. Some employers said that if the support staff is not there, the paperwork burden becomes too excessive and can prohibit employers from taking on additional apprentices. According to the employers who participated in the discussions, this observation is especially true for small employers.

Enhance Employers’ Abilities to Retain their Employees:

Support mechanisms that help employers retain their apprentices and journeypersons are valuable, according to the employers who participated in the discussions. For employers in NFLD, YT, and Aboriginal communities in NS, thinking about how to retain apprentices in their provinces/territories or on reserves was of particular concern.

Some employers noted that it is frustrating when students quit after the first year because they decide they do not like the trade, and the employer has already invested in their training. Some employers suggested effective career planning for apprentices is helpful.

Any measures that would help employers retain their apprentices on an ongoing basis without having to lay them off would be useful. In particular, this challenge was identified by employers in NFLD and the YT. Employers who tend to have seasonal work were especially affected. Employers noted that it can be difficult to get apprentices back if they are laid off at the end of a short-term contract because the apprentices move onto other contractors or they re-locate to a different region and the original employer cannot get them back. Employers said that certain non-participating employers were reluctant to take on apprentices because they could not guarantee 4 years of work.

Employers who participated in the discussions did identify poaching as an issue. Some employers perceived that small to medium sized businesses are undertaking a higher percentage of the training, and then risk losing the apprentices to larger employers. If ways can be found to enhance the training culture in order to reduce poaching, this would support the employers that are investing in training. Some employers suggested that meeting with the decision makers of non-participating

companies and organizations to talk to them about the advantages of participating in apprenticeship training may be one way to reduce poaching.

Educate Public Sector Employers:

Employers said that federal, provincial, and municipal governments need a strategy to promote apprenticeship among government departments in order to motivate them to hire and train their own apprentices. Some of the public sector employers that attended the events recognized that a longer term strategy needs to be undertaken otherwise public sector employers will not have the skilled talent they need to replace retiring journeypersons.

Examine Journeyperson/Apprentice Ratios:

Some employers said that any consideration of adjustments to the journeyperson/apprentice ratios would help them to increase participation in apprenticeship training. For example, employers in the cooking trade in NS and YT found that balancing apprentices to journeypersons through the year is tough due to a shortage of cooks in the industry who have their certificates of qualification.

Enhance Health and Safety Training:

Supports in terms of additional health and safety training for apprentices would assist employers. Employers noted that apprentices who have difficulties reading the health and safety materials need to be provided with assistance.

FOOD FOR THOUGHT: QUESTIONS FROM EMPLOYERS

- ⇒ What is the business case for the very small owner with one or two employees specifically?
- ⇒ How can employers be helped to retain their apprentices when they have short term or seasonal contracts?
- ⇒ How can the public sector be more effectively engaged in apprenticeship training?

C. UNDERSTANDING EMPLOYERS

Although the majority of employers who attended the events understood the value of apprenticeship training, work can still be done to engage employers more broadly. Participants were asked to suggest avenues for further research and communication. The following approaches and activities were suggested by employers:

Benchmarking:

- ⇒ Analyze the underlying reasons why Canadian businesses invest less money in human resource development than other countries in the world and determine how this affects apprenticeship participation.
- ⇒ Determine if the 16.8% participation rate is a “natural level.” Perhaps the rate of participating employers will never go beyond a certain level due to the nature of the changing economy.

Understand non-participating employers and sectors:

- ⇒ Meet with the decision makers of non-participating larger companies to understand at a deeper level their reasons for non-participating.

- ⇒ Go to individual employers who are not participating and ask them why they are not.
- ⇒ Educate employers on where they are going to be down the road in terms of their future human resource challenges.

Characteristics of Participating Companies:

- ⇒ Create a story about the participating employers and show non-participating companies how their business could accrue the same success if they began to hire apprentices.
- ⇒ Show non-participating employers that participating companies flourish and non-participating companies tend not to be as successful over the medium to the long-term. The link between apprenticeship and sustainability is key.
- ⇒ Make connections between apprenticeship and retention.
- ⇒ Link productivity and apprenticeship training. Employers were interested in the finding in the ROTI study that “home grown” journeypersons are more productive. They wanted to see, if possible, the productivity return for “homegrown” journeypersons.
- ⇒ Show how apprenticeship can help access the underutilized labour market.

D. COMMUNICATING WITH EMPLOYERS

Employers suggested the following communication strategies for reaching out to non-participating employers.

Employers’ Information Needs:

- ⇒ Information needs to be clear, to the point, and should explain terminology.
- ⇒ As much as possible, reduce multiple organizations contacting employers.
- ⇒ Develop clear messaging about what apprenticeship training is all about.
- ⇒ Develop a one page document to promote the business case for apprenticeship.
- ⇒ Tailor the message to the different needs/realities of small, medium, and large-sized enterprises. Small businesses, especially, need information that addresses their business realities.
- ⇒ Create information sources for employers that are a one stop shop. Provide one phone number and an informed staff member to assist with employers’ questions. It needs to be clear to employers who they should be contacting.
- ⇒ Engage in a long term advertising campaign about the benefits of apprenticeship training for employers.

E. STRATEGIES FOR ENHANCING EMPLOYER PARTICIPATION IN APPRENTICESHIP

After discussing the research and communication strategies that may be undertaken to reach out to employers, employers were asked to identify concrete strategies to encourage non-participating employers to participate in apprenticeship training. Some of their suggestions are listed below:

Educate Employers about Mentoring:

- ⇒ The process of taking on an apprentice needs to be demystified, according to some employers. Employers may not understand what is involved in mentoring and therefore may be reluctant to take on an apprentice.
- ⇒ Some employers suggested providing mentoring training for employers so they will feel confident that they can teach apprentices and develop a good working relationship with them.
- ⇒ Employers need to learn how they can best maximize the skills of the apprentices throughout a 4 year apprenticeship by understanding apprentices' capacities at various levels.

Inform Employers that Apprenticeship training is industry driven:

- ⇒ Industry designs the method of delivery in apprenticeship training. Non-participating employers may perceive that the training delivery is rigid when in reality there is some flexibility. There are a variety of training delivery options available, but sometimes employers may not be aware of them.

Provide Incentives to Employers:

- ⇒ Incentives were identified as an important way to maintain and enhance participation in apprenticeship training.
- ⇒ When asked what support mechanisms would most likely encourage employers to hire an apprentice or to hire more apprentices, "more tax incentives" was chosen. Other key support mechanisms employers identified have already been mentioned.
- ⇒ Employers suggested that clarification for non-participating employers may be needed on the federal/provincial/territorial incentives given that they each have different requirements.
- ⇒ It should be recognized that employers rely on accountants to inform them of savings and programs. Participants suggested targeting accounting associations to explain the tax benefits. Alternatively, participants said that one accountant could be enlisted to work with a number of employers. Connecting with accountants at the same time information is being sent out to employers is key so that all groups are getting the same message at the same time. A mail out should be followed up by a phone call. A consistent message is required to reduce confusion.
- ⇒ Expanding the tool allowance credit to include more trades was also considered a good idea by some employers.
- ⇒ It was suggested by the public sector employers that different incentives, other than tax credits, could enhance public sector participation. Public sector employers do not necessarily qualify for tax credits.

- ⇒ Employers suggested that another incentive could be that the wages of the mentor and the apprentice are paid for a short time so the employer can see the benefits. This approach will provide a no-risk opportunity to see the value of mentoring and apprenticeship training.
- ⇒ Employers noted that other financial incentives such as wage subsidies are useful if the requirements for obtaining the incentives are not too restrictive. Some wage subsidies programs require consent forms, but sometimes the apprentice has left so employers cannot access the personal information from the apprentice in order to receive the benefit. For tax purposes Revenue Canada needs exact details, but employers noted that sometimes they do not have the staff or time to complete the forms.
- ⇒ Understanding the impact of current incentive plans to training, both within Canada and in other jurisdictions, may assist policy makers in having a greater understanding of the benefits of various incentives.
- ⇒ Some employers noted that they would like to have more apprentices, but the employees that could be eligible are reluctant to register as apprentices because they do not want to leave their homes for their in school training. This challenge was identified particularly in the YT where some apprentices have to leave the territory in order to complete their training. Employers noted that even though there are financial supports for these apprentices, for some of them locating accommodations can be difficult. Life management issues can also be a challenge. Other employers observed that even though they understood that there was a great deal of value in becoming a fully qualified journey person, their employees were disinclined to obtain their certificates. If employees do not obtain their certification, employers pointed out that it limits their ability to take on more apprentices in the future because they do not have enough qualified journey person mentors available. Some employers said that an event where journey persons could speak to the benefits of certification would be useful for their employees.

Ensure Apprentices Understand their Value:

- ⇒ Employers suggested that apprentices need to understand their value to an organization. They also need to clearly understand their responsibilities as well.
- ⇒ Employers felt that apprentices need to be informed about wage subsidies and tax credits so they can show what they have to offer to an employer when trying to find a sponsor.

THINKING OUTSIDE THE BOX

- ⇒ Encourage consumers to request proof of a skilled labour force to support a training culture
- ⇒ Target accounting firms to explain tax benefits

Encourage Employers to Participate in Talking to their Peers:

- ⇒ Some employers said that an initial step in getting non-participating employers involved could be to encourage them to go to schools to discuss a career in the trades with youth.
- ⇒ When additional networking events occur, employers said they could be asked to bring along a non-participating employer with them to the event.
- ⇒ Participating employers could give presentations to non-participating employers on the business case for apprenticeship.
- ⇒ It was suggested that Sector Council representatives, who represent industry, can continue to promote the business case for apprenticeship to non-participating employers.

Build appreciation for skilled labour:

- ⇒ Employers in construction suggested that governments, as purchasers of construction products, could request proof of a skilled labour force to support a training culture.
- ⇒ Employers said that customers should be educated and should ask their construction provider if their employee has trade certification. Employers will participate in apprenticeship training if customers start demanding this level of qualification.

WHAT CAN EMPLOYERS DO?

- ⇒ Share the benefits of apprenticeship training with your colleagues
- ⇒ Bring employers who do not hire apprentices to an event with you
- ⇒ Give a presentation to your colleagues based on your experiences
- ⇒ Hire an apprentice

5.0 CONCLUSION

Canadian employers face major labour market challenges. The impending skills shortage, skills deficiencies, accessing talent, and insufficient long term human resource planning, all could potentially threaten Canada's economic prosperity. Unless these challenges are addressed, the impacts for employers could negatively impact their ability to grow their businesses, enhance their productivity, and remain competitive in the global market. Through its research on return on training investment and by consulting with employers directly about their business realities, CAF-FCA is aiming to help address these challenges with industry driven research.

This preliminary work CAF-FCA has done through its Employer Engagement Forums suggests that more research can be done to build upon the business case for apprenticeship. Through its ongoing research and by communicating directly with employers, CAF-FCA is aiming to promote the advantages of apprenticeship training and the benefits to long term human resource planning. This investment in developing human capital is essential to ensure Canada's companies are world class and globally competitive.

Next Steps

Building upon these findings, CAF-FCA's Employer Engagement Strategy from 2008 to 2011 is seeking to...

- ⇒ Expand employers' knowledge of apprenticeship as an effective way to meet their human resource needs.
- ⇒ Help employers in hiring untapped talent.
- ⇒ Increase employer investment in apprenticeship.
- ⇒ Improve access to practical tools that will facilitate the recruitment and retention of apprentices.
- ⇒ Provide a conduit for industry driven research and dialogue.
- ⇒ For more information contact info@caf-fca.org

APPENDIX A: EVALUATION QUESTIONS

EMPLOYER ENGAGEMENT FORUM EVALUATION FORM FOR EMPLOYERS

- ⇒ Your feedback is important to us. **If you are an employer**, please take the time to fill in this evaluation form throughout the session.
- ⇒ All information collected will be **completely anonymous**. The information gathered from these evaluation forms will be summarized into a report and will shape future work.

SECTION A: PLEASE ANSWER THE FOLLOWING QUESTIONS BEFORE THE MORNING SESSION BEGINS.

A1. Primary Trade Area:

- Transportation Service Construction Manufacturing
- Other: _____

A2. Business Location:

- Nova Scotia Quebec Ontario Manitoba Newfoundland NWT
- Yukon Nunavut New Brunswick Prince Edward Island BC Alberta
- Saskatchewan International Multi-Province

A3. Do you believe that apprenticeship training is a profitable investment for your business?

- Yes No Unsure

A4. Which one sentence **best describes** your current attitude toward hiring an apprentice?

- I am open to hiring an apprentice.
- I am not sure about the value of hiring an apprentice.
- I will most likely never hire an apprentice.

A5. Had you heard of the CAF-FCA prior to attending today's event?

- Yes No Unsure

A6. Had you read or heard about the findings of the CAF-FCA's report, "Apprenticeship-Building a skilled workforce for a strong bottom line: Return on Apprenticeship Training Investment for Employers-A Study of 15 Trades," (ROTI) prior to today?

- Yes No Unsure

A6a. If yes, where did you find out about the report?

CAF-FCA website Another website Employer Association website Employer Association

Another employer/colleague Other (please detail)

A7. What was your single biggest motivator in coming to today's event? *[check one box only]*

I wanted to learn more about the CAF-FCA's ROTI study.

I wanted to discuss training issues with other employers.

I wanted a chance to share my viewpoints.

Other motivator: _____

SECTION B: PLEASE ANSWER THE FOLLOWING QUESTIONS.

B1. Based on your experience, please indicate whether the following findings of CAF-FCA's ROTI study ring true.

B1a. On average, for each \$1 invested in an apprentice, a benefit of \$1.38 accrues to employers.

Yes No Don't Know

B1b. The apprentice's productive value exceeds the training costs by the end of the second year or earlier.

Yes No Don't Know

B1c. Hiring apprentices ensures that an organization has skilled labour and a lower turnover rate.

Yes No Don't Know

B1d. "Homegrown" journeypersons are more productive relative to an externally trained journeyperson.

Yes No Don't Know

B2. If CAF-FCA collected additional data from **a greater number of employers**, would you find this evidence more convincing?

Yes No Don't Know

B3. If CAF-FCA collected additional data that was **specific to your particular trade**, would you find this evidence more convincing?

- Yes No Don't Know

B4. What evidence would **most convince** you that apprenticeship training is a profitable investment?

- Additional survey results based on employer supplied data
 Results from employer discussion groups
 Employers speaking about the topic
 Economists speaking about the topic
 Other evidence: _____

B5. If additional information was collected, what is the likelihood that you would consider this information when deciding whether or not to hire an apprentice?

- It is likely I would use the information
 I may use the information
 It is unlikely that I would use the information

SECTION C: PLEASE ANSWER THE FOLLOWING QUESTIONS.

C1. How many workers do you currently employ?

- None (I am the only employee) 1 to 4 5 to 9 10 to 19 20 to 49 More than 50

C2. When trying to find new employees, what one hiring method do you currently use the most?
[please check one box only]

- Job Bank Direct advertisement (e.g., newspaper) Posting on company website
 Word of mouth Temporary foreign worker program Contacts through current employees
 Other method: _____

C3. How many apprentices do you currently have? _____

C3 a When trying to find apprentices, what one hiring method do you currently use the most?
[please check one box only]

- Job Bank Direct advertisement (e.g., newspaper) Posting on company website
- Word of mouth Contacts through current employees
- Other method: _____

C3b For those who employ apprentices, how important are the following reasons in terms of your hiring/support of apprentices?

	Not at all important	A little important	Neutral	Important	Very important	Don't know
a. Sustains the trade and supply of workers						
b. Apprentices are trained to my own specifications and needs						
c. Meets future workplace needs						
d. It makes financial sense						
e. Skills/qualifications needed						
f. Difficulty finding skilled workers						
g. Gives a helping hand						
h. Apprentices become highly trained professionals						
i. It makes good business sense						
j. Other (please specify): _____						

[please now go to C7]

C4. If you do not have apprentices working for you presently, have you/your firm hired apprentices in the past?

- Yes *[go to C5]* No *[go to C6]* Don't Know *[go to C6]*

C5. If you have hired apprentices in the past and then stopped, what top three reasons made you stop hiring apprentices? Please number #1, #2, #3 for top three reasons.

- | | |
|---|---|
| <input type="checkbox"/> Fear of poaching | <input type="checkbox"/> Too costly |
| <input type="checkbox"/> Low business volume/not needed | <input type="checkbox"/> No apprentices available |
| <input type="checkbox"/> Too much paperwork | <input type="checkbox"/> No funding available |
| <input type="checkbox"/> Too time consuming for the journeyperson | <input type="checkbox"/> Apprentices were inadequately trained/prepared prior to apprenticeship |
| <input type="checkbox"/> Insufficient number of journeyed/trained supervisors for apprentices | <input type="checkbox"/> Feel that apprentices do not dedicate the time/effort required to complete an apprenticeship |
| <input type="checkbox"/> Other reason (please detail below) | <input type="checkbox"/> Other sources of labour are more accessible |
- _____

C6. If you have never hired an apprentice, why haven't you? Please indicate the top three reasons why you have not hired an apprentice. Please number #1, #2, #3 for top three reasons.

- | | |
|---|---|
| <input type="checkbox"/> Fear of poaching | <input type="checkbox"/> Too costly |
| <input type="checkbox"/> Not applicable in my business | <input type="checkbox"/> Unsure of future workload |
| <input type="checkbox"/> Too much paperwork | <input type="checkbox"/> No funding available |
| <input type="checkbox"/> Too time consuming for the journeyperson | <input type="checkbox"/> Apprentices are inadequately trained/prepared prior to apprenticeship |
| <input type="checkbox"/> Insufficient number of journeyed/trained supervisors for apprentices | <input type="checkbox"/> Feel that apprentices do not dedicate the time/effort required to complete an apprenticeship |
| <input type="checkbox"/> No apprentices available | <input type="checkbox"/> No apprenticeship program related to my business |
| <input type="checkbox"/> Other reason (please detail below) | <input type="checkbox"/> Other sources of labour are more accessible |
- _____

C7. What support mechanisms would most likely encourage you to hire an apprentice or to hire more apprentices?

- More liaison and co-ordination support
- More assistance with pre-screening candidates
- More tax incentives
- More accessible avenues to get in contact with potential apprentices
- Other _____

SECTION D: PLEASE ANSWER THE FOLLOWING QUESTIONS AT THE END OF THE EVENT.

D1. Was attending this event worthwhile?

- Yes No Unsure

D2. What was the **most valuable** part of this event for you?

- Presentation on the CAF-FCA's ROTI study Talks by Employer Champions
 Facilitated discussion with other employers
 Other: _____

D3. If CAF-FCA hosted an event about apprenticeship training in the future, would you attend?

- Yes No Don't Know

D4. After participating in today's event, which one of the following sentences best describes your attitude towards the business case for apprenticeship?

- I am now even further convinced that there is a business case for apprenticeship.
 I would need to see more evidence to be convinced there is a business case for apprenticeship.
 I am still not convinced there is a business case for apprenticeship.

D5. Which one of the following sentences best describes your attitude toward hiring an apprentice?

- I am further convinced there is a business case for apprenticeship. I will continue to hire apprentices.
 I am more open to hiring an apprentice than I was before I came to today's event.
 I am still not sure about the value about hiring an apprentice. I need to see more evidence that there is a business case for apprenticeship.
 I have not changed my position. I will most likely never hire an apprentice.