

## **Addressing Ontario's Skills Gap at the Secondary School Level Submitted by the Timmins Chamber of Commerce**

Co-sponsored by the Huron Chamber of Commerce – Goderich, Central and North Huron, the Newmarket and Vaughan Chamber, Greater Sudbury Chamber of Commerce, and the North Bay and District Chamber of Commerce

**Adopted by the Ontario Chamber of Commerce – May 2019**

### **ISSUE:**

Widespread concerns have been expressed over the potential supply of workers in the trades. Currently, Ontario is facing a skills gap as the number of young tradespersons has dropped and fewer still are enrolling in college programs to replace an aging workforce.<sup>1</sup> With stigmas surrounding trades work and fewer secondary schools offering skilled workshop programs, Ontario is in need of a service skills strategy to promote career pathways in the skilled trades.

### **BACKGROUND:**

Employing just over 925,000, the trades industry is one of Ontario's largest employers.<sup>2</sup> In the next few years, it is estimated that 60,000 workers will be required to replace those retiring, who will take essential technical, supervisory, and management skills with them. Furthermore, an additional 75,000 workers will be needed to fill positions related to new projects.<sup>3</sup> The construction and maintenance industry will also need to hire, train, and retain almost 103,900 additional workers as just over 90,000 of Ontario's current construction labour force are expected to retire.<sup>4</sup>

Available work in support services levelled out in 2017, and unemployment rates in mining, quarrying, and oil and gas extraction returned to historically low levels in 2017.<sup>5</sup> There will be a 47 percent gap for technical occupations, 56 percent for supervisors and foremen, 18 percent for skilled trades and 10 percent for production workers. The industry will need to hire roughly 18,000 people in these occupations from 2018 to 2027, but is only expected to secure 8,500 new entrants, leaving a total gap of 9,500 – meaning about half of all vacancies will go unfilled.<sup>6</sup>

However, enrollment trends are exacerbating this issue: Ontario's colleges are seeing a decline in enrollment in the trades as only 26 percent of young adults are considering a career in the skilled trades.<sup>7</sup> There are stigmas that present barriers when attracting youth to the trades- the perception that the sector offers limited opportunities for learning, growth and social mobility impacts their decisions in choosing career pathways in the trades. Having long been perpetuated by parents, students are still adhering to a "university-first" culture much to the detriment of

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<sup>1</sup> <http://www.mining.com/mining-jobs-canada-go-begging-mihr-report/>

<sup>2</sup> <https://www.ontario.ca/page/labour-market-report-december-2018>

<sup>3</sup> [https://www.rainbowschools.ca/wp-content/uploads/2016/04/SHSM\\_Construction.pdf](https://www.rainbowschools.ca/wp-content/uploads/2016/04/SHSM_Construction.pdf)

<sup>4</sup> Buildforce Canada, "Construction & Maintenance Looking Forward", Jan. 2019

<sup>5</sup> <https://www.northernontariobusiness.com/industry-news/mining/thousands-of-mining-workers-needed-to-meet-demand-in-next-decade-report-1125120>

<sup>6</sup> Ibid.

<sup>7</sup> <http://rescon.com/reports/files/DAWSON-REPORT-OHBA-report.pdf>

Ontario's economic requirements. Ontario needs tradespeople who can build, repair and maintain its infrastructure and systems.<sup>8,9</sup>

Furthermore, enrolment in undergraduate mining engineering programs dropped 12 per cent between 2015 and 2016 – the largest decline of all engineering programs. The evidence shows that there are skills gaps in important areas of the economy, owing largely to changes to the province's industrial and technological profile. Moreover, given longer-term demographic trends, skills gaps will widen and labour shortages will continue to emerge.

That skills gap comes at a significant cost for Ontario, costing the provincial economy up to \$24.3 billion in forgone GDP and \$3.7 billion in provincial tax revenues- a result of too many young Ontarians being encouraged to pursue a university education over a career in the skilled trades.<sup>10</sup>

The province cannot afford a failure to maximize its human capital potential through insufficient or poorly aligned training and education. Even with Ontarians' high level of post-secondary education, more is needed, along with better efforts to align skills development with skills requirements and encourage secondary school students to choose career pathways in the skilled trades. Failure to take action on skills gaps will have enormous impacts on the economy, firm performance, and economic well-being.

Historically, the Province has provided support to employers with internships for hiring secondary student through the Northern Ontario Heritage Fund internship programs which was efficient in encouraging employers to help individuals build skills.<sup>11</sup>

Ontario needs to act proactively to mitigate future labour market pressures. Generating new interest in the trades in Ontario is crucial, as an aging workforce looks to retirement.

## **RECOMMENDATIONS:**

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Develop and implement strategies and initiatives that enhance exposure to the trades at the secondary school level.
2. Work with Ontario's employer community and post-secondary institutions to determine and promote in-demand skilled trades to secondary schools.
3. Develop trades camps for youth in partnership with secondary schools and local colleges to further enhance exposure to the trades.
4. Provide financial assistance and insurance for employers who take secondary school students on trades-related placements.

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<sup>8</sup> Canadian Apprenticeship Forum, "Making Apprenticeship a National Skills Priority", Aug. 2018. [http://caf-fca.org/wp-content/uploads/2018/08/FINA\\_Aug2018.pdf](http://caf-fca.org/wp-content/uploads/2018/08/FINA_Aug2018.pdf)

<sup>9</sup> [https://www.collegeoftrades.ca/wp-content/uploads/Trades\\_Today\\_Spring\\_2016\\_Web\\_Final-2.pdf](https://www.collegeoftrades.ca/wp-content/uploads/Trades_Today_Spring_2016_Web_Final-2.pdf)

<sup>10</sup> [https://www.collegesontario.org/Need\\_to\\_Make\\_Skills\\_Work\\_Report\\_June\\_2013.pdf](https://www.collegesontario.org/Need_to_Make_Skills_Work_Report_June_2013.pdf)

<sup>11</sup> Ontario College of Trades, "Trades Play a Leading Role", 2016