



The B.C. Skills Force Initiative

**A Strategy for Resolving
B.C.'s Skills Shortages**





Small Business in B.C.

- 98% of all B.C. businesses
(i.e., fewer than 50 employees)
- Employ 1,025,000 people and
57% of all private sector jobs
- Generate 27% of our GDP
and 40% of our exports



The Skills Challenge

- Skills shortages a serious problem
- Solutions needed to ensure economic prosperity and social health
- Uncertain future ahead unless something is done



Closing the Skills Gap

- In 2002, BC Chamber of Commerce ***“Closing the Skills Gap”*** report
- Underscored importance of the skills shortage issue and called for action and change



A Partnership Approach

- April 2005, BC Chamber & Community Futures Association undertake the “***B.C. Skills Force Initiative***”
- Focus is twofold:
 - Understand the skills shortage issues impacting small businesses
 - Help businesses resolve problems



Province-wide Focus

- Focus cross sectoral - outside metropolitan centres
- Funding = Service Canada, Ministry of Small Business and Revenue, Ministry of Economic Development, Industry Training Authority and Western Economic Diversification





Action Oriented Process

- Engage the business community in a proactive process
- Enlist small business and other stakeholders in developing and implementing solutions to the problems of recruiting and retaining skilled workers



A Dialogue with Business

- 24 focus group sessions involving 350 business owners
- Over 2,200 telephone/web survey responses received from a sample of approximately 16,000 businesses



Vacancies in All Sectors

- 34% of businesses surveyed have difficult-to-fill job vacancies
- Vacancies across all sectors
- Most difficult to fill positions are in:
 - Construction
 - Manufacturing
 - Food & Accommodation
 - High Tech
 - Business Services



Common Issues Identified

Inadequate Skill Levels

- No qualified people available
- Feeling is educational/training institutions not adequately preparing workers
- Workforce entrants lack understanding of the small business environment



Common Issues Identified

On the Job Training

- Difficulty finding employees with appropriate mix of knowledge, skills, experience, and attitude/work ethic
- On-the-job training needed
- Employers lack the resources and capacity to train



Common Issues Identified

Lack of Skilled Trades Workers

- Serious lack of skilled trades workers
- Local training not available



Common Issues Identified

Lack of Communication

- Employers feel disconnected from educational system
- Feeling is educators lack an understanding of small business and the types of skills needed
- Employers lack information on available programs and services



Common Issues Identified

Wages/Benefits and Work Environment

- Employers can't afford top wages and comprehensive benefits packages
- Small Business employees have difficulty defining an attractive career path



Common Issues Identified

HR Management Capacity

- Employers need to develop the capacity to effectively recruit and retain qualified employees
- Require assistance in developing effective strategies



Common Issues Identified

Succession Planning

- Few employers have developed succession plans for employees
- Few owners have developed ownership succession plans



Impacts on Business

- Limiting production
- Reducing customer service
- Requiring business owners and staff to work longer
- Missing growth opportunities



Future Outlook

- Demographic time bomb - by 2012 our workforce is expected to shrink
- Need to fill an estimated one million job openings over the next 12 years
 - Half due to economic growth
 - Half due to retirement



Local Solutions Needed

- Common issues across province, but conditions vary from region to region
- Centralized decision-making not the solution
- Community-based advisory groups needed to facilitate consultation between business, government, educators and other service providers



Collaboration is Key

- No one group can resolve issues alone
- Business must take the lead – but educators, service providers and government have roles to play:
 - training assistance
 - streamlining immigration processes
 - raising awareness of labour market programs and services



Action Phase Underway

- Regional Skills Councils currently being assembled across BC
- Each is developing an action plan that will identify collaborative approaches to dealing with regional skills/labour shortages



Action Phase Underway

Regional Councils now established in:

- Northwest
- Okanagan/Similkameen
- Kootenay/Boundary
- East Kootenay/ Columbia
- Northeast



Action Phase Underway

Other Councils being established in:

- Vancouver Island / Sunshine Coast
- Thompson/Nicola Valley/Shuswap
- Central North
- Sea to Sky



Action Phase Underway

- Council make-up:
 - business organizations
 - educational institutions
 - training organizations
 - business service providers
 - First Nations
 - government
 - other relevant organizations



Action Phase Underway

Action includes, among other things:

- Finding ways of sharing information on existing programs and services
- Developing strategies for integrating non traditional sources of labour
- Assisting businesses to develop and implement effective HR recruitment and retention strategies



Action Phase Underway

Action includes, among other things:

- Assisting employers with succession planning
- Exploring ways of involving more youth in B.C.'s small businesses



Attracting Skills Workers

- Many communities have identified immigration as a key part of their economic development strategies
- But few mechanisms are in place for information sharing or collaboration across regions on retention issues
- Need to focus on becoming “welcoming communities”



Immigrant Integration

- Ministry of Attorney General support for developing regional immigrant integration strategies
- Key stakeholders will be engaged from four regions:
 - Kootenay/Boundary
 - Thompson/Nicola Valley/Shuswap
 - Northwest
 - Vancouver Island



Regional Strategies

- Engage stakeholders in assessing our capacity to attract and retain immigrants within each region
- Collect and share regional success stories and lessons learned
- Help develop regional immigrant integration strategies and produce a framework for use in other regions



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