

VI/Coastal Region Manufacturing Labour Market Partnership: Summary of Key Labour Market Issues



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Introduction

Beginning in the fall of 2015, Harbour Digital Media (HDM) collaborated with manufacturers on Vancouver Island and with the support of the Ministry of Jobs, Tourism, and Skills Training established a labour market partnership (LMP) for the Vancouver Island/Coastal region. During Phase 1 of this partnership, the Vancouver Island Manufacturing sector Advisory Board (VIMAB) was established as a part of the engagement strategy for the sector. The Advisory Board consists of manufacturers from a number of manufacturing sub-sectors including food, metal, fabricated metal, machinery, electrical, plastics, and transportation manufacturing.

Phase 2 of the LMP for the region took place during the spring of 2016. This phase involved the analysis of existing labour market information, a brief review of some pertinent research literature related to skills and training issues, and the collection of data from employers in the region using an online survey tool and through a series of interviews with key manufacturing sector executives and managers.

A database of 169 manufacturing companies (with 10 or more employees) was developed to undertake the online survey research. A total of 64 responses were received representing a completion rate of 40.25%. One hour interviews with 16 key company executives and senior managers were conducted between April 25 and June 7, 2016. The companies involved in these interviews represented a cross-section of the manufacturing sector in the region.

This summary report provides highlights of the key labour market issues that emerged from research conducted during Phase 2.

Labour Market Issues Identified

Based on the research conducted, the following labour market issues were identified for the manufacturing sector in the VI/Coastal region:

1. Skill Shortages

The region's manufacturers identified a number of positions with skills that are difficult to fill (see the Appendix for a list of difficult to fill positions). Among the positions most often identified were machine operators (CNC and PLC), qualified tradespersons (metal fabrication, machinists, heavy equipment operators), and engineers with various specializations to name a few. Manufacturers in the region are also challenged to find individuals with LEAN training or backgrounds and other specialized skills related to electronics and a range of positions requiring soft skills (i.e. communication, collaboration, teamwork, and cross-cultural negotiation).

There was also a general concern expressed by companies that there are few qualified candidates in the region with sufficient technical experience and education (e.g. electrical and mechanical engineering and the operation of CNC and PLC equipment as noted above) to effectively operate within local manufacturing environments.

2. Quality and Availability of Training

Manufacturers responding to the survey and providing comments through the interview process are generally dissatisfied with the quality and availability of training in the region and more broadly in the province. Manufacturers question the quality of graduates of BC's educational institutions and their readiness to work on the job in a manufacturing environment. As a result employers find themselves having to invest a great deal of time and money for internal training which has an impact on productivity and, in some cases, on profitability. Manufacturers cite a lack of collaboration on the part of BC's educational institutions as a part of the problem and are concerned that institutions are not working with industry to understand their needs and customize programs to address these needs.

It is important to note that in this phase of the labour market partnership sector partners did not raise these issues with representatives from post-secondary institutions directly. Given the importance of this issue to both the region's manufacturers and post-secondary institutions, efforts to achieve greater communication and collaboration between industry and the post-secondary education system will be initiated as a part of the work undertaken in Phase 3 (strategy development) and Phase 4 (implementation).

3. The Changing Nature of the Workforce

Manufacturing companies in the region are feeling the impacts of working with a mix of generations from 20 year olds to those beyond 65 and this presents significant operational and training challenges. The ability of companies to adapt to the shifting expectations of a diverse workforce while at the same time maintaining a culture that values high levels of performance and quality is also a challenge. Attracting and retaining workers was also mentioned as a significant issue that is impacting VI/Coastal manufacturers.

While the data collected as a part of Phase 2 suggests that VI/Coastal region manufacturers are not entirely satisfied with post-secondary programs in the region companies acknowledge the importance of defining their needs in ways which enable post-secondary institutions to respond to their needs.

Regional manufacturers are very interested in working with BC institutions and involving them in the design of offerings that address specific high priority needs. Companies recognize the importance of speaking with a single voice so that post-secondary institutions are not trying to respond to individual company needs. It has been difficult for institutions to adapt their programs to meet the needs of individual companies since typically the volume that is necessary to justify the development of customized training solutions has not been present.

4. Industry Collaboration

To overcome the barriers that were identified through this LMI research project and to help the manufacturing sector in the region grow and become more productive, it is important for manufacturers, the region's post-secondary institutions, and government to collaborate to address the important skills gaps that have been identified. Collaboration needs to look different than it has in the past. Industry must be seen as an equal partner with institutions. Government has (through initiatives such as the Canada-BC Job Grant Program) played an important role in providing support and removing barriers that inhibit the creation of training programs that will address high priority skills issues identified by industry. These efforts need to continue and expand.

Manufacturers in the region are action oriented and want to move forward on addressing the issues raised. They suggested a number of strategies in three areas: improving the quality of training, supporting and promoting regional manufacturers, and increasing collaboration among regional manufacturers.

Preliminary strategies identified through this LMI research project including the potential development of a Manufacturing Centre of Excellence can be used to create the collaborative framework that is needed by the manufacturing sector in the region. Structures, mechanisms and details concerning how to move forward on strategies will be undertaken as a part of Phase 3 of the LMP with the VI/Coastal manufacturing sector.

Appendix: Difficult to Fill Positions

| Skill Categories | Difficult to Fill Positions |
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| Journeypersons in the Trades | <ul style="list-style-type: none"> • Journeyperson metal fabricators • Carpenters • Millwright • Electricians • Steel Fabricators • Toolmakers • Upholsterers |
| Senior Managers | <ul style="list-style-type: none"> • Experienced Plant Supervisors • Senior managers |
| Production Supervisors | <ul style="list-style-type: none"> • Production Managers |
| Technicians | <ul style="list-style-type: none"> • Administrative Technical Support • Sewing machine repair and seamstress • CCTV Installation Technicians • Sign manufacturer • Shop Manufacturer |
| Engineers | <ul style="list-style-type: none"> • Qualified Refrigeration Engineers and Refrigeration Mechanics • Electrical engineers • Quality Engineers • Aerospace avionics design engineers • Embedded software (firmware) developers (software engineers) • Power Engineer Supervisors/Managers |
| Supply Chain Workers | <ul style="list-style-type: none"> • Supply chain specialists • Supply Chain managers |
| Machine Operators and Assemblers | <ul style="list-style-type: none"> • Machinists and mechanical technologists • Machine Operators • Fabricators • AutoCAD operators |
| Sales and Customer Service Representatives | <ul style="list-style-type: none"> • Sales people • Customer Service Representatives |
| Labourers | <ul style="list-style-type: none"> • Log Scalers |
| Logistics Specialists | <ul style="list-style-type: none"> • Logistics specialists |
| Administration | <ul style="list-style-type: none"> • Administrative support • Quality Assurance/Food Safety Manager • Project managers |