

Prepared by Merit Contractors and Alberta Construction Association

Both the federal and provincial government have expressed a desire to promote the development of apprentices in relation to public construction projects.

Dialogue with industry has reinforced the following observations:

- The rationale for this initiative is unclear. It would be preferable for a broader review of the use of apprentices across the entire industry, not just one segment or market. We may find that there are other segments for which more progress is needed and attainable. For example, Apprenticeship may be able to identify those trade sectors where apprenticeship participation is low, irrespective of the market in which they are employed.
- There is no data or statistical analysis to verify current use of apprentices on public construction projects in Alberta. Collecting meaningful data is challenged by different forms of project delivery, the number of levels of subcontractors involved, and that not all employees are in apprenticeable trades
- Where data is available, what has been learned? For example, while there are limitations to what this data can reveal, what has been the impact of Federal employer tax credits that apply for first and second year apprentices in Red Seal trades?
- The Alberta government's first goal is to raise awareness of the value of developing apprentices, then to incent firms to do so
- There are numerous potential unintended consequences of quotas that would distort competitive bidding and negatively impact standard contracting and staffing practices, negatively impact the workforce and existing journeypeople, and reduce productivity that could increase the cost to taxpayers
- Administration is potentially burdensome

The proposal would achieve the following:

- Gather data and establish a base line
- Raise awareness
- Gain insight as to barriers to apprentice development
- Avoid unintended consequences
- Minimize administrative burden

Proposal:

1. Consult with industry to identify one or more industry sectors for a pilot.
2. In the first year of the pilot, the appropriate industry associations could poll their members to establish a baseline across various market segments utilizing that trade. Consultations with industry could then take place to determine next steps.
3. a sample of representative projects , AB Infrastructure (PWGSC, etc) would submit the list of successful contractors from the pilot sector to Apprenticeship
4. For each pilot sector contractor on each project list submitted, Apprenticeship would check its apprentice registrations database to confirm if the contractor is currently using apprentices in its overall workforce.
5. For contractors that are not, Apprenticeship will review existing data sources and then write the contractor to enquire if the contractor has supported apprenticeship in any of the following ways:
  - employed apprentices within the last 5 years
  - subcontract trades that employed apprentices now
  - employ RAP students
  - contributed funds to apprentice scholarships
  - participate in Merit, CLAC, union apprentice tuition reimbursement programs
  - donate equipment and materials to apprenticeship programs at colleges or technical institutes
  - donate personnel to participate on Apprenticeship Local or Provincial Advisory Committees
6. For contractors that have not supported apprenticeship in any of the ways itemized in point 3, Apprenticeship will meet with the contractor to determine reasons why, potential barriers, and ideas to increase use of apprentices.
7. This work could be undertaken over a launch period of several years to account for variations in the business cycle.
8. At the conclusion of the launch period, Apprenticeship hold further consultations with industry to review data, barriers to increasing use of apprentices and determine next steps.