

Attracting & Retaining Skilled Labour in the
Face of Strong Competing Demand:
The Role of Community Colleges and
Universities in Atlantic Canada

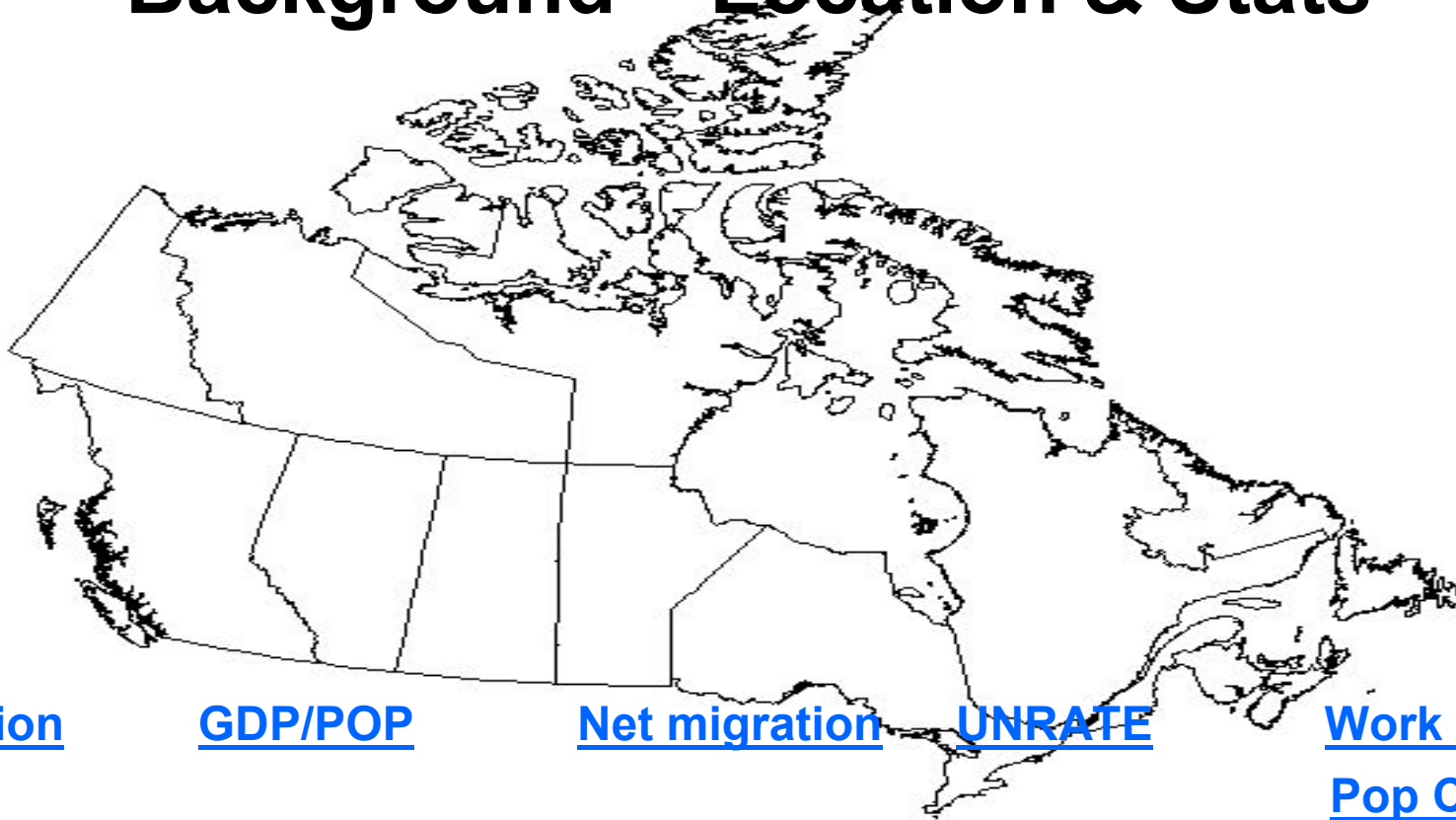
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Presentation Outline

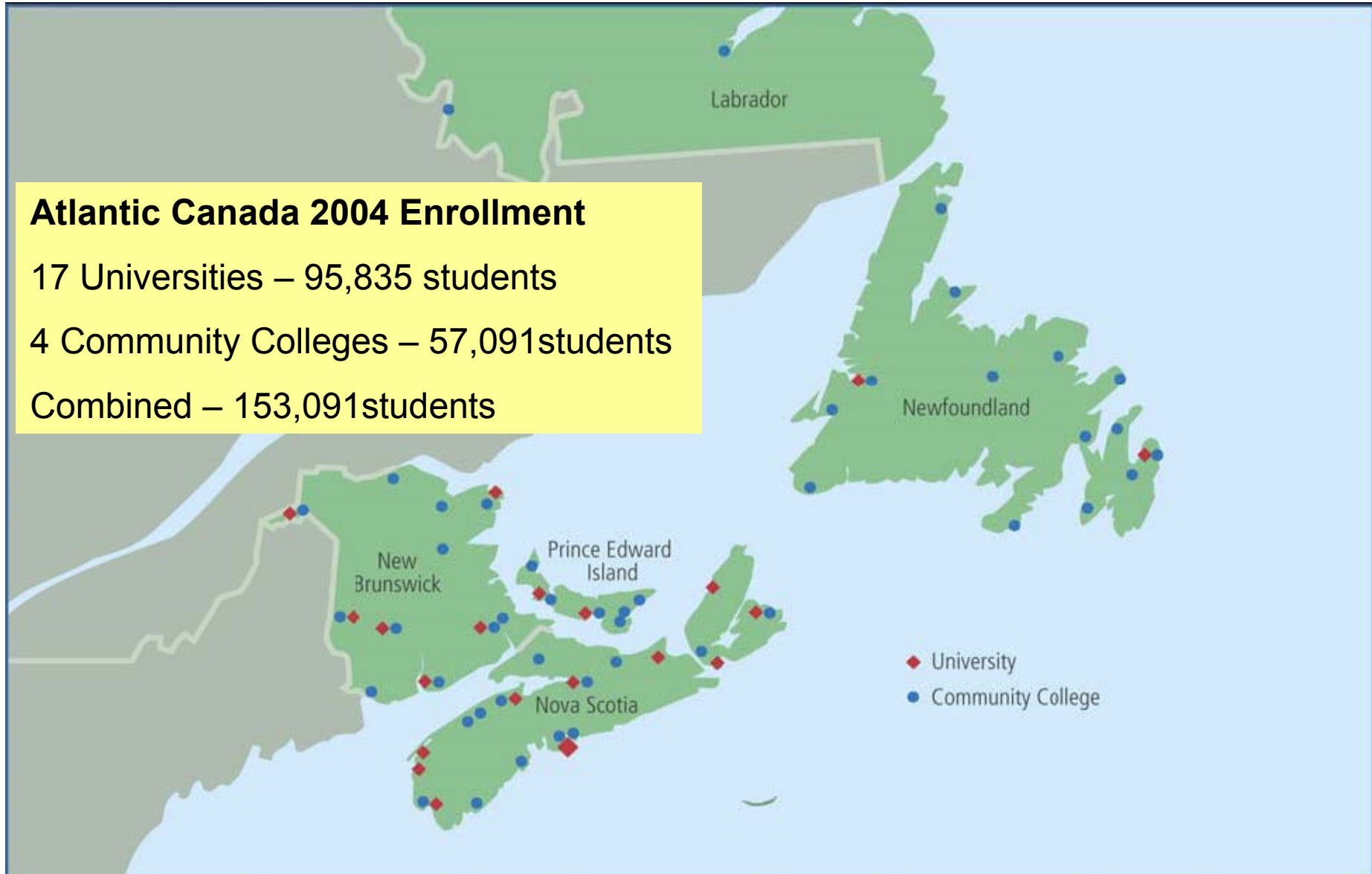
- Introduction
- Background
 - HEIs in Atlantic Canada (AC)
 - Relevant AC stats & location
- Evidence of skill shortage
- Consequence of skill shortage
- Drivers of skill shortage
- Coping strategies for skill shortage
- Role and action of HEIs in Atlantic Canada
- Conclusion

Background – Location & Stats



<u>Population</u>	<u>GDP/POP</u>	<u>Net migration</u>	<u>UNRATE</u>	<u>Work Age Pop Chg</u>
2005	2005	1981-05	2005	2006-21
Can. 32.3 M	\$42,413		6.8%	
NL 516,000	\$41,733 (98%)	-97,000	15.2%	-11%
PEI 138,000	\$30,014 (71%)	+1,000	10.8%	-1%
NS 938,000	\$33,530 (79%)	-9,000	8.4%	-5%
NB 752,000	\$31,552 (74%)	-24,000	9.7%	-6%

HEIs In Atlantic Canada



Evidence of Skill Shortage

- In excess of 60% of managers & labour leaders see skill shortages as serious problem & expected to get **WORSE** (*Workplace Partners Panel Viewpoint 2005 Survey*)
- 62 of 76 major industry associations in western Canada report shortages in their sector and 73 of 76 expect shortages within 5 years (*Can. West Foundation, 2005*)
- 56% of firms in Canada forced to hire people not entirely suitable for job & 30% had foregone business opportunities (*Can. Fed. of Independ. Business, 2003*)

Drivers of Skill Shortage

- Underdevelopment in Atlantic region has lead to out-migration to find career opportunities
- Traditional industries re-structuring, shedding workers
- Workers in traditional industries with limited formal education and skills not really transferable to areas of need

Drivers of Skill Shortage (cont'd)

- Canada-wide labour shortages, particularly in western Canada, generating huge wage offers & incentives for workers to move
- Net-out migration of young and educated workers
- Aging workforce
- Immigrants go elsewhere or don't stay in AC
- New jobs requiring more skills and higher education

Consequences of Skill Shortage

- Development opportunities go unfulfilled
- Increased wages in boom area spillover to other parts of country
- Higher labour costs reduce competitiveness of area
- Labour poaching across projects & provinces
- Consumers pay higher prices, reduced standard of living

Coping Strategies for Skill Shortage

- Allow workers to voluntarily work beyond normal retirement age (most provinces have changed mandatory retirement laws)
- Increase opportunities for skilled workers locally
- Make better use of international immigrants
- Increase HEI funding and capacity to increase knowledge base of new workers

Role and Action of HEIs in A.C.

- Increase HEI capacity
 - enhanced funding of HEIs
- Conduit for immigration
 - students come, integrate, establish roots, and more likely to stay
- Proactive training
 - identify potential large projects in medium term; determine labour requirements by NOC code; ascertain potential supply; determine skills gap; implement needed training
 - partner with industry (eg. Dexter Construction – heavy equipment program in NSCC)
- Change perception of trades
 - “second cousin” perception real but diminishing?

Conclusion

- Canada faces a skills shortage problem that is going to get worse
- Atlantic Canada has the same problem, but compounded by the out migration of skilled workers to western Canada
- Without action serious consequences for Atlantic Canada
- HEIs important role to play
 - Enhancing skill base of population
 - Conduit for immigration
 - Contribute to “creative communities” / learning regions