



■ APPRENTICESHIP:

WHAT YOU CAN LEARN FROM THE CARS 2009 LABOUR MARKET UPDATE STUDY!

The Canadian Automotive Repair and Service (CARS) Council continues to keep an ear to the ground to assess the rapid pace of change that pervades the automotive, truck and collision repair and service sector.

The most recent of these studies is the 2009 LMU study.

Key facts about apprenticeship in the repair and service sector:

- Almost one third of employers (31%) do not employ any apprentices, despite a proven return on investment and government programs and tax incentives for doing so.
- Of employers who do hire apprentices, 23% report difficulty retaining them, which contributes to an overall high turnover rate among apprentices.
- High turnover was attributed to unrealistic expectations on the part of apprentices and menial, unchallenging work;
- 66% of employers say they offer formal orientation to new apprentices; only 12% of apprentices report receiving one;
- 67% of journeypersons report a willingness to work with apprentices; and,
- 32% indicate they are 'somewhat willing'.

Barriers to mentorship include:

- Economic issues (e.g. flat-rate can be a disincentive for journeypersons to spend time with apprentices);
- Job security (e.g. journeypersons fear training a replacement); and,
- Morale (e.g. high turnover rate is a discouragement for investing time with apprentices).

New vehicle technologies making an impact:

New vehicle technologies are bringing exciting change to the automotive repair and service workplace at an unprecedented pace.

Driven by consumer demand, safety, fuel economy and environmental concerns, new technologies have also predicated immense changes in the requirements for new skills, knowledge and training for industry employees and apprentices.

The 2009 LMU study echoed the findings of previous industry studies that noted the two key factors challenging industry participants were the pace of change and the increasing intricacy of new vehicles. In addition, motive power formats and new onboard technologies, many of which are becoming electrical or electronic in nature, are becoming more and more prevalent.

The complexity of vehicles and the associated safety implications now require that technicians and apprentices become familiar with very complex electrical and electronic technologies and be able to understand and operate the more sophisticated technologies.

The importance of essential skills:

While the majority of employees working in the automotive repair and service sector are confident that they possess the knowledge and skills to perform their jobs, a significant number – some 35%, are less confident.

Research undertaken by CARS indicates that essential skills, or foundation skills, remain an area in which many industry workers could be improved. In fact, more than one half of employers say their employees need improvement in the following skills areas to effectively perform their job function:

- Problem solving;
- Continuous learning;
- Decision making;
- Job task planning and organization;
- Computer usage; and
- Critical thinking.

Government incentives:

The 2009 LMU illustrated the fact that few employers access available government assistance programs or tax incentives to facilitate the hiring of apprentices. Over 60% of employers reported that they did not use these incentives and another 9% of employers said they were not aware of the programs.

This is a surprising finding given the evidence in support of the documented Return On Investment (ROI) and potential for revenue growth attributable to the recruitment of apprentices.

CARS research confirmed that, of firms who employ apprentices, some 58% experienced revenue growth in 2008; and, of those who do not, only 49% saw revenue growth that year.

CARS 2009 LMU Study Highlights:

- The impact of new vehicle technologies
- Critical new skills needed now
- Barriers and constraints to business development
- Need for planning in recruitment and retention
- Need for sharing of HR 'best practices'
- The value of apprenticeship
- New training for new vehicle technologies
- Need for training in new business technologies

Additionally, the Canadian Apprenticeship Forum (CAF) in its study *Calculating the Return on Training Investment for Skilled Trades Employers in Canada: A Study of 16 Trades, Phase II, June 2009* has found that employers' costs for automotive service technician, motor vehicle body repairer and partsperson apprentices are greatly outweighed by the benefits received with a benefit-cost ratio on average of 1.69 for each dollar invested in an apprentice.

Labour market:

The 2009 CARS LMU paints a picture of a sector with an estimated 13,000 unfilled positions, of which about 37% are service technician positions. The report notes that 29% of industry employers surveyed say they have one or more unfilled positions within their shop. The study also reports that labour supply and demand will continue to be closely matched for the next five years thus demanding an investment in both technology and training as a long-term necessity.

For more information, go to www.cars-council.ca

In compiling the 2009 Labour Market Update, CARS conducted 2,181 employer surveys; 1,481 employee surveys; interviews with 48 post-secondary institutions; and, 12 roundtable discussions with employers, employees and educators/policy makers.