

Building a Sustainable Workforce: Apprenticeship in the Canadian Automotive Industry

The automotive manufacturing sector is struggling in the face of challenging economic conditions. Pressure from lower-cost foreign competitors is hitting many of its small- and medium-sized enterprises (SMEs) hard.

Given everything they're dealing with, employers may not be giving much thought to the question of apprenticeship training. As might be assumed, the recent industry downturn has deterred many SMEs from taking on apprentices. More than half agreed that current economic circumstances make it difficult to hire or train apprentices; half of employers said the costs of training and supervision pose a major barrier to hiring or training apprentices. Most agreed that a recovery in the industry would likely lead them to hire or train new apprentices.

Apprenticeship is the key to meeting those long-term human resource needs. Employers identify a range of benefits associated with hiring and training apprentices, and they generally agree that apprenticeship is essential to the success of the automotive industry in Canada. Those benefits include workers learning company-specific equipment and work processes, encouraging professional development within their firms and energizing the work environment by adding new ideas and a youthful perspective. Eighty-five percent of employers agree that hiring or training apprentices is a good way to ensure their firms have a long-term supply of skilled labour, and 60% agreed that the benefits of hiring or training outweighs the costs.

While automotive SMEs recognize the benefits of apprenticeship—to their firms and to the long-term sustainability of the industry—they tend to focus on its cost rather than on the net financial benefits it can bring. Those benefits include access to a range of government incentives for hiring apprentices.

The Council for Automotive Human Resources (CAHR) launched the *Advanced Manufacturing's Specialty-Skilled Training Models* project. Focusing on small- and medium-sized enterprises, the model is intended to offer a specialty-skilled training model that can renew and revive recognizable apprenticeships among advanced manufacturing employers across the automotive industry. The model builds upon international best practices from across Canada, US, European Union and UK. Funding for this project was provided by the Ministry of Training, Colleges and Universities (MTCU).

If you are interested in learning more about how this training model might suit your business needs or participating in the launch of a pilot project, please contact Nancy Moore at nmoore@cahr-crha.ca.