



6 June 2018



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British Columbia-Centric, but has ramifications for similar challenges elsewhere.

Addressing the forest industry labour shortfall

May 01, 2018

By David Elstone

May 1, 2018 - For the past decade, employers and forest industry stakeholders have increasingly been challenged to find well-trained, competent people to meet their staffing needs.

Current and pending shortages were officially compiled in 2013 for the B.C. Coast in the Truck Loggers Association-led BC Forest Sector Labour Market & Training Needs Analysis. In summary, the analysis projected 4,700 job openings would appear by 2022 (95 per cent of which were due to pending retirements), or about a quarter of the current coastal forest industry workforce listed in the British Columbia Coastal Forestry Human Resource Strategy. Approximately 12,500 job openings are expected in the B.C. industry by 2025 across the province.

Retirement-related turnover is the key factor supporting projected job vacancies over the next decade and is expected to reach 60 per cent in forestry and logging occupations in B.C. This issue is compounded by the fact that fewer young people are joining the forest industry as a career with just five per cent of workers 24 years of age or younger choosing forestry as a career, the labour market report found. The logging sector is particularly vulnerable to this trend given its physical nature and the remote and often seasonal or contract-based aspects of the work.

The most common pathway for worker training in the logging sector is through on-the-job work experience and workplace knowledge, which is passed down from more experienced, senior workers who tend to be the most productive on the crew. Unfortunately, taking top workers away from production to pass on valuable knowledge to the next generation reduces production and profitability. At a time when contractors are struggling to remain sustainable, this creates a disincentive to make training the next cohort of workers a priority. As a consequence, equipment including trucks are now sitting idle as contractors are left with no choice but to reduce their operations if they can't find a skilled worker.

Given that logging involves heavy machinery unique to forestry, a dangerous natural environment in a competitive business with razor thin or non-existent margins, the solution to the training problem can't be just sending new entrants to a school. Logging is all about learning on the job, not in a classroom.

In response to this dilemma, in 2016 the Truck Loggers Association (TLA) proposed a logging contractor training tax credit to ease the financial burden of on-the-job training for contractors. This approach



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would help ensure the next generation of workers acquires the necessary knowledge to be productive and safe, before the know-how is lost to retirement.

The previous provincial government engaged with the TLA to begin work on this idea. Together they established a framework for the training tax credit and had begun discussions with the Ministry of Finance to determine funding mechanisms.

There is overwhelming wide support from the TLA's 500-member companies for this type of training support. Anticipated benefits of this approach include incentivizing employers to free up resources for targeted skills training and encouraging increased hiring of younger trainees into the sector.

This approach to ensuring proper on-the-ground, industry specific training for new recruits is not new to this province and given the significant economic impact that the forest industry has on the province and especially in B.C.'s rural and First Nations communities, it should be a no-brainer.

The current government recognizes the need to recruit and train for the forest industry. In the Minister of Advanced Education, Skills and Training Melanie Mark's mandate letter, she is specifically tasked with "Developing more degree and certificate programs to increase the number of skilled workers in B.C.'s forestry sector, focusing on growing innovation and the manufactured wood products sector." While positive, funding for existing programs are lacking and more degree and certificate programs are not a substitute for on the ground training.

The TLA is asking the new government to review the work done thus far on this creative idea to resolve a major challenge for our industry and could become a template for similar programs across Canada. Logging contractors are the economic backbone of rural communities across the province. Talk to your mayor. Talk to your local MLA. Help them understand the need for support to ensure B.C.'s forest industry has the manpower to address growing markets while at the same time supporting rural communities.

David Elstone is the executive director of the Truck Loggers Association.

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