

## **North Vancouver Chamber Policy Resolution – 2020**

# **Retraining Underemployed Workforce to Meet Opportunities in the BC Tech Sector**

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### **OPENING STATEMENT**

BC's growing tech industry is a key source of innovation, GDP, job growth, and economic diversity. While the BC Tech sector is growing and challenged to find staff, there are sectors and demographics in BC that have technical people who are underemployed.

New economic immigrants with technical skills cannot get access to job opportunities that align with their specialized expertise. In addition, the BC forestry resource industries are undergoing a structural change. While the Forestry sector will always be a vibrant part of the BC economy, market conditions and uncertainty weigh on employment opportunities.

This resolution seeks to improve the availability of technical people to the BC Tech sector by recommending funding for retraining and skill enrichment that will help more fully utilize individuals with technical aptitude to support our changing economy.

### **BACKGROUND**

#### **BC Tech Sector's Employment Needs Unmet**

The BC Tech sector continues to be one of the most significant contributors to the BC provincial GDP at \$17.2B in 2016 GDP grew 13.7% over the last two years. Since 2011, more than 14,000 jobs have been added to the BC tech sector, growing its workforce to more than 106,000 people as of 2016. The tech sector is currently responsible for 7% of the BC industrial economy.

The BC Tech Association has, however, noted there is a shortage of talent and an immediate need to increase the tech talent pool to fulfill BC's enormous economic growth potential. This is supported by consulting firm KPMG, who indicated in their 2018 BC Technology Report Card that while the tech sector continues to create jobs, the availability of talent is a significant challenge as competition for tech skills intensifies both nationally and globally.

The BC Tech Association clearly notes that some of the job shortages cannot simply be filled by those with skills taught in schools but rather by those with skills learned through work experience. These are well paid family supporting jobs that go unfilled today with growth projections well into the future.

## **Segments of BC Economy Facing Underemployment**

While parts of the BC economy are strong, there are subsets of the provincial workforce who are underemployed and yet have the education, background, aptitude and inclination to fit into the growing tech economy. These are people already living in and contributing to our communities who could, if identified, be productively employed in a way that would support local and province wide economic development.

Two subsets of the provincial workforce where opportunity exists for those with technical aptitude who are not working or are underemployed include new immigrants and displaced forest sector workers.

### **1. New Immigrants with technical skills.**

The new economic immigrant population in BC have technical skills but often bring expertise that is highly specific and yet not in demand in Canada.

Some of the barriers to employment include:

- lack of “Canadian work experience”
- challenges in assessment and recognition of foreign credentials (including accreditation with professional regulatory bodies)
- lack of industry-specific (or work-place specific) language training
- bias in employer recruitment, screening & hiring processes that discriminate against immigrant professionals
- limited mentorship and job shadowing programs to connect immigrants with local employers.

Many of these barriers are being addressed in programs supported by WorkBC, IECBC (Immigrant Employment Council of BC), and other supporting provincial organizations. But, with many individuals there remains a barrier. The barrier is not an issue of language skills, qualification recognition or local market knowledge, but rather a unique mismatch of the very specific employable work experience they possess.

As a result, these individuals often end up unemployed or underemployed for several months or years following arrival in Canada. For example, an Iranian engineer with specific oil refinery civil engineering experience: these skills are not in high demand in BC engineering firms who need individuals who are immediately billable and profitable for their firms. However, these new immigrants have the strong technical skills and inclination that, with a minimal amount of technical retraining, would allow these workers to switch careers and enter the job market of BC Tech sector employers.

There are existing costs to this unemployment or underemployment – they are considerable to the individuals, and to our society overall. From Vancouver LIP “Inclusive Workplaces”

conversation starter: “working in low paying jobs, immigrants struggle financially and find it difficult to provide for their children. These people are also more likely to experience health problems, suffer from lower self-esteem and face discrimination”.

*“Diversity and inclusion isn’t an HR issue, it’s an economic and shareholder value issue. Diverse inclusive teams deliver better results, anticipate and resolve problems faster and see opportunities others miss, driving competitive advantage”* Helen Sheridan , Vice President HR, STEMCELL

## **2. BC Forest Sector: Challenges Now and Ahead**

The news is full of changes in the BC forest industry: “We are in a crisis – we know things are broken,” Mayor of Mackenzie Joan Atkinson is quoted in a September 12, 2019 Business in Vancouver article.

As summarized in a Sept 2019 KPMG report, the BC Forestry sector is under significant pressure:

- Annual cutting limits have been reduced
- The majority of forests infested with the pine-beetle have now been cleared
- Countervailing and antidumping duties, averaging 20% and imposed by the US Department of Commerce in December 2017
- Lower than expected demand from US housing starts
- Slowing economic growth in China has reduced its demand for softwood lumber.
- Recent forest fires in BC have further reduced supply, destroying millions of hectares of merchantable timber.

These forces have resulted in more than 20 temporary and permanent curtailments in 2019 alone in BC. These closures will have a deep impact on local economies, especially in Northern BC where 1 in 5 jobs are tied to the forestry sector. While the sawmills themselves may be primary economic drivers in these communities, the downstream effect on related businesses dependent on a forestry sector will be significant. Thousands of workers have been effected.

While forestry dependent communities find ways to adapt to this new landscape, impacted individuals formerly employed in the forest sector with technical backgrounds may see opportunity through specific retraining that would support future employment in the BC Tech sector.

The provincial government has responded to this crisis with a number of general community support programs – including Short Term Forest Employment Program featuring Forestry Worker Job Placement and Procurement Opportunities. But, there are gaps. Many of the workers and support staff with advanced trade skills and/or significant qualifications could be in a position to transition into the new tech economic with targeted training.

## RECOMMENDATIONS

1. **Create specific work-integrated learning opportunities through technical retraining programs** to enable mid-career employees with a technical aptitude to pivot, become work-ready, and rapidly enter the tech sector directly
  - Directed at both new immigrants and those facing job transitioning
  - In coding, software development, design, and project management
2. **Develop training programs that include both online and face-to-face; consider location and method of training offered with a lens to accessibility.**
  - Including programs offered in both urban and impacted rural communities throughout the province, and with multiple start times throughout the year.
3. **Include and integrate financial aid/loan support to individuals to whom cost is a barrier to access retraining/upskilling programs.**

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## References

**BC Tech** Submission to the Select Standing Committee on Finance and Government Services' Annual Budget Consultation June 2019 <https://wearebctech.com/bc-budget-submission-2020/>

**KPMG** – BC Technology Report Card – From Growth to Scale - Nov 2018  
<https://home.kpmg/ca/en/home/insights/2018/11/2018-british-columbia-technology-report-card.html>

**Forests, Lands, Natural Resource Operations and Rural Development** - Support programs for forestry workers now available  
<https://news.gov.bc.ca/releases/2019FLNR0253-002016>

**KPMG** – Cutting Against the Grain – Sept 2019 <https://assets.kpmg/content/dam/kpmg/ca/pdf/2019/12/forestry-pov-newsletter-en.pdf>

**BC Labour Market Trends** (Sept 2018) - interesting data on pages 16-18  
<https://www.amssa.org/wp-content/uploads/2018/10/Immigration-For-BCs-Future-Web-Version.pdf>

**Employer Challenges in Attracting and Integrating Immigrant Talent into BC's Tech Sector** - <https://iecbc.ca/wp-content/uploads/2018/05/IECBC-IT-Findings-FINAL.pdf>

**WorkBC Client Profile**  
<http://nsiip.ca/wp-content/uploads/2019/02/imm-work-force-one-pager-FINAL.pdf>

**Labour Market Integration Research** (led by Surrey LIP - though regionally focused in scope, there are some trends embedded in the research that could help us build a compelling case in this policy doc)  
<https://surreylip.ca/strategies-projects/labour-market-integration-research>

<https://surreylip.ca/sites/default/files/SLIP%20Final%20Report%20November%206%202015%20Low%20Res.pdf>

**HireImmigrants.ca**  
<http://www.hireimmigrants.ca/reports/>

**RBC Provincial Outlook – Dec 2019**  
<https://royal-bank-of-canada-2124.docs.contently.com/v/provincial-outlook-december-2019>

Pg.2 – “The forestry sector remains under pressure with outputs and exports falling...”

**Recent immigration statistics** (Q3 federal and provincial stats)

<https://www150.statcan.gc.ca/n1/pub/91-002-x/91-002-x2019003-eng.htm>

**Submitted by the North Vancouver Chamber**

**Supported by: Nanaimo Chamber of Commerce, Tumbler Ridge Chamber**