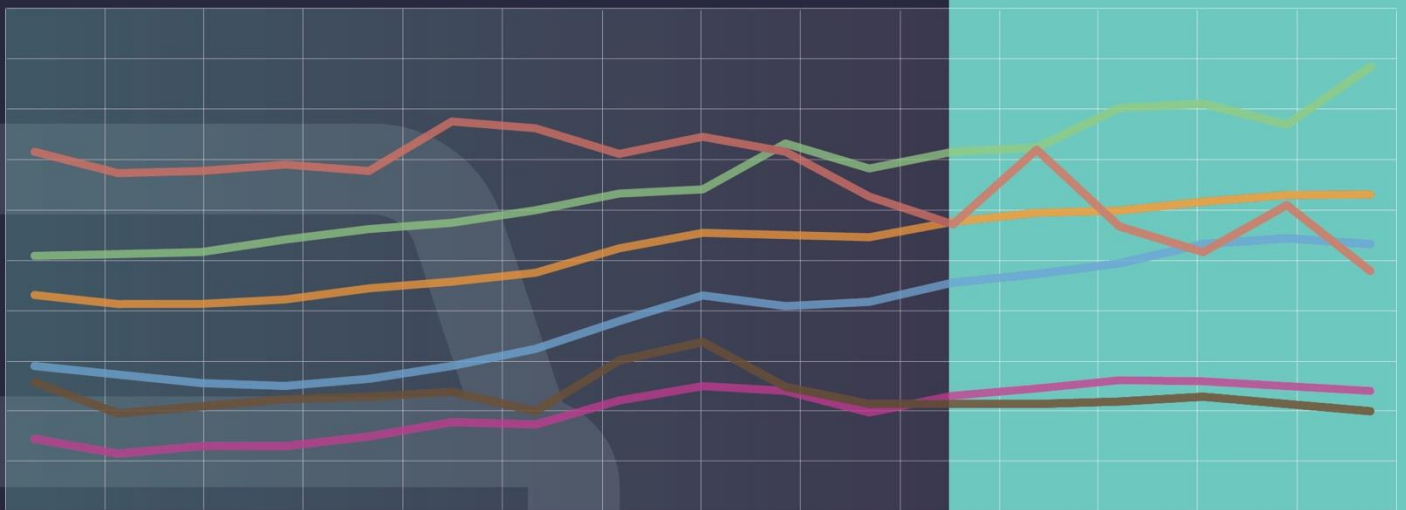


AUTOMOTIVE INDUSTRY LABOUR MARKET ANALYSIS

Promoting Apprenticeship: Challenging Perceptions Held
By Youth; and Gov't Support for Apprentices and
Employers



The project is a collaboration of the Canadian Skills
Training and Employment Coalition, Prism Economics and
Analysis, and the Automotive Policy Research Centre.

THIS PAPER was prepared for the Auto Labour Market Information (LMI) Project, now known as the Future of *Canadian Automotive Labourforce (FOCAL) Initiative*.

The goal of the project is to help stakeholders better understand the automotive labour market. The Project will create industry-validated, regional, occupational supply and demand analyses and forecasts and skill profiles for skilled trades and other key skilled occupations in the broader automotive sector including vehicle assemblers, parts manufacturers and technology companies that supply the industry. The project will also examine various labour market trends in the sector and facilitate discussions among stakeholders about how to address any forecasted skills shortages and other labour market challenges. The planned outcome of the project is enhanced regional labour market information that will support colleges, employers, policy makers and other stakeholders in taking practical steps to address skills shortages and other labour market challenges in the automotive sector.

This project is funded by the Government of Canada's Sectoral Initiatives Program. The opinions and interpretations in this publication are those of the author(s) and do not necessarily reflect those of the Government of Canada.

(FOCAL) Initiative, futureautolabourforce.ca

Canadian Skills Training and Employment Coalition, cstec.ca

Prism Economics and Analysis, prismeconomics.com

Automotive Policy Research Centre, automotivepolicy.ca

June, 2020



TABLE OF CONTENTS

Introduction, [page 4](#)

Section 1: Findings from Focus Groups, [page 5](#)

Section 2: What FOCAL Has to Say, [page 10](#)

Section 3: Existing Programs, [page 14](#)

Conclusion, [page 26](#)

References: [Page 27](#)

INTRODUCTION

The automotive production sector has faced significant challenges in attracting and retaining young workers in skilled trades occupations. Previous research conducted by FOCAL, including our [Labour Market Forecasts](#) and two of our Trend Reports: [Youth Employment in Canada's Automotive Manufacturing Industry – An Overview of Demographics, Attitudes and Employer Commentary](#) and [An Examination of the Use of Intermediaries: Increasing Skilled Trades in Automotive Manufacturing](#), have highlighted existing shortfalls in the supply of young, qualified workers to fill positions in these areas.

These reports also articulated some of the possible reasons that the sector faces these challenges. Among the general population, issues included: negative perceptions of the industries, concerns about work-life balance, fear of off-shoring of jobs, concerns about jobs security. Among employers, some issues expressed have included: low training rates among companies that use apprentices; difficulties in navigating the apprenticeship system; low completion rates among apprentices; and difficulties in competing for needed apprentices against larger organisations and employers in other sectors. These and other sector specific issues have been found to be especially prevalent among the sectors's small and medium-sized employers (SME's).

To augment and further validate these findings, FOCAL retained the services of The Vector Research and Development Inc. (Vector) to conduct a series of focus groups. Findings from these focus groups have reinforced concerns about the trajectory of youth participation in the skilled trades and automotive production sector that have been previously identified in FOCAL research. This paper reports on the results of these focus groups and provides a brief overview of programs that have been put in place by the federal and Ontario provincial governments to support the apprenticeship process.

SECTION 1: FINDINGS FROM FOCUS GROUPS

The Focus Groups

Vector, with FOCAL staff, conducted two focus groups on the subject of youth attitudes about skilled trades, employment in the automotive production sector, and the related apprenticeship process.

Two focus groups were conducted on the 7th and 8th of July, 2021. One group consisted of 16–19-year-olds, and the second group consisted of 20 to 24-year-olds. The two groups had an even split with respect to gender. The 20 participants were drawn from regions of the province where automotive manufacturing is relatively concentrated. Youth that had direct connections to the automotive production sector were screened out in advance.

The focus groups asked participants for their thoughts and opinions on employment and careers in the automotive production sector, their knowledge of the apprenticeship system in Ontario, and the extent to which either had influenced their career plans.

As is generally understood, focus group research is qualitative. As such, it differs from quantitative research such as polls using randomized samples or surveys designed to measure public opinion. Focus group findings are treated as ‘directional’ and cannot be projected to the wider population. However, focus group research is extensively used in order to generate ideas and thinking. The findings from these two focus groups tend to parallel findings summarized in earlier FOCAL research. The focus groups participants gave responses which largely comported with previous studies cited by FOCAL which have concluded that youth have concerns about job security and work/life balance in the manufacturing sector broadly and in the automotive production sector specifically. These results indicate that the sector is facing and will continue to face challenges in getting youth to understand the opportunities which are available to them.

Continuing Image Problems

The perceptions expressed by participants in the recent focus groups imply continued challenges in the recruitment of youth for jobs in the skilled trades and automotive production sector.

When asked for their opinions on the nature of work in the parts manufacturing and vehicle assembly sectors, many of the comments were negative. Participants described the potential positions with terms such as “boring”, “dirty”, and “difficult”. They also voiced concerns that tasks assigned to them would be repetitive and lacking in personal agency.

Furthermore, these perceptions seemed to be viewed as an inherent part of the work itself. Some participants, while aware of the possibility for good benefits packages as part of the work, seemed to perceive of them as a necessity to attract workers who would not otherwise take employment in the sector, rather than as a positive part of the jobs unto themselves. This mentality extended to beliefs about ultimate recruitment success. Despite being generally uninformed about apprenticeship, participants expressed a belief that a lack of interest in the skilled trades and automotive production sector careers was due to the nature of the jobs themselves being unattractive rather than being rooted in misinformation or lack of understanding.

Perceptions of “blue collar” workers and professions being predominately male were also raised among participants. Additionally, stereotypes relating to trades being geared towards those who could not attend college or university, rather than as a co-equal alternative to them were brought forward. Overall, a belief that these were jobs for “other people” seemed pervasive.

These impressions accompanied views expressed by focus group participants that jobs in the automotive production sector and skilled trades were of lesser importance. Participants placed an emphasis on jobs which provide “meaning” rather than ‘only’ a paycheque. “Meaning” was understood by participants to refer to a sense of personal fulfillment beyond the provision of pay for the services that they provided. Towards the

younger end of the spectrum of focus group participants, there was a belief that, despite their abundance, these jobs should not be taken as they are a suboptimal choice.

Lack of Awareness

A general lack of awareness around automotive production sector jobs and the skilled trades was also identified as an issue within the focus groups. Most participants were unaware or uninformed regarding the apprenticeship system as an alternative to post-secondary education. Furthermore, none of the participants could readily explain how they would direct a friend that wanted to become an apprentice or tradesperson.

Participants were uniform in their assertion that their schools, careers courses, and guidance counsellors offered little to no information about apprenticeships. Participants also cited parents as potential sources of information on the subject, but also said that most parents did not mention the trades or discuss them with the participants.

Participants were also unaware of the breadth of job opportunities that can be accessed through apprenticeship programs. They were also unclear on the depth of individual options available to them, viewing positions as interchangeable without fully appreciating the opportunities for specialisation and deeper understanding.

This lack of awareness may have contributed to stereotypes about skilled trades employment in the automotive production sector. As mentioned in the previous section, there appear to be broadly negative sentiments among focus group participants despite a professed lack of knowledge on the subject. The idea that careers in the skilled trades do not offer sufficient “meaning” or that they involve work that is almost exclusively unpleasant do not appear to be the result of deep engagement with the professions, but rather general and uninformed impressions.

If these attitudes are the result of being misinformed, then it is possible that the impressions are weakly held. Exposure to more information on apprenticeships, especially earlier on in their education, was cited by focus group participants as a means to generate greater interest among younger people.

An 'All or Nothing' Emphasis on University

Focus group participants were very transparent about feeling pressured to attend university or college as compared to other options. One participant offered what appeared to be something of a consensus opinion: that his parents viewed university attendance as the only option for post-secondary training or education.

The schools attended by focus group participants were described as being similarly forthright in their preferred outcomes. Guidance counsellors were said to promote university and college almost exclusively, with discussion or education on alternatives rarely or never being broached. Careers courses at the high school level were said to have operated similarly, devoting most of their time and resources to discussing university and college. The benefits of apprenticeship education or a career in the skilled trades was said to have been mentioned only in passing or not at all.

There was also broader recognition among focus group participants that society places a significant premium on university and college education and the jobs to which they lead when compared to the trades and apprenticeships. The implication appeared to be that participants felt persistent pressure to attend a post-secondary institution and may have felt encouraged to explicitly avoid the trades and the apprenticeship system.

The Need for Outreach

Participants noted that they expected prospective employers and institutions to seek them out and explain potential opportunities to them rather than needing to seek out such information for themselves. Colleges and universities were said to already be prolific in their outreach efforts, while representatives of the skilled trades and automotive production sectors were not. This, in combination with the previously stated observation that neither schools nor parents are likely to introduce younger generations to the skilled trades poses a concern for future recruitment efforts.

Vector's Recommendations

Vector's report to FOCAL makes several recommendations.

Broadly speaking, Vector emphasises the importance of reaching out to those under the age of 25. It advocates for a reversal of the traditional way of filling positions.

Specifically: rather than posting positions and waiting for them to be filled, Vector recommends that employers in the sector more actively seek out individuals as early as high school in order to make inroads in the recruitment of young talent. Vector also recommends extending these efforts to parents, noting that because guidance counsellors and teachers have expressed their own preferences in steering students, that employers must take active steps to create their own connections with the parents of students.

Vector also recommends that employers and journeypersons take steps to make themselves appear more in line with the sensibilities of Generation Z. They recommend inviting students to visit employers and to attend social events which can familiarise younger generations with employers in the sector and their work opportunities. These sorts of outreach initiatives can serve to dispel negative preconceptions about the skilled trades occupations in the automotive production sector.

It also recommends that employers take "word of mouth" and the influence it plays on career decisions more seriously. Vector offers the idea of engaging both retired skilled tradespeople and current skilled trades employees as ambassadors for the industry and as sources of new ideas for outreach going forward.

FOCAL has not consulted with industry on these recommendations and therefore includes them in this report only to inform the reader. FOCAL is merely reporting and not endorsing these recommendations.

SECTION 2: WHAT FOCAL HAS TO SAY

General Impressions

The findings of the focus groups align with the FOCAL's other research. According to FOCAL's report *Youth Employment in Canada's Automotive Manufacturing Industry – An Overview of Demographics, Attitudes and Employer Commentary*, a pronounced recruitment gap in the automotive production sector and concerns about the apprenticeship system are evident concerns for employers in the sector.

These challenges exist despite FOCAL research showing that near-term wage outcomes among those working in the automotive production sector skilled trades were better than those of the general population within the same age range. According to the previously mentioned report, "The youth average wage in vehicle manufacturing substantially outdoes the youth average wage for 'all industries' and the youth average wage in manufacturing. The youth average wage in parts manufacturing was also greater than the youth average wage for manufacturing as a whole." The *Changing Workplaces Review*, issued by the Ontario Ministry of Labour, offered a similar observation in its finding that youth working in automotive manufacturing were nearly twice as likely to be employed full-time when compared to youth working in other industries in 2017. This observation is notable because it implies that despite the existence of a clear economic incentive like superior pay, there are still issues with attracting youth to the sector.

Youth Employment in Canada's Automotive Manufacturing Industry – An Overview of Demographics, Attitudes and Employer Commentary cited other research about attitudes toward the sector, both among youth and older individuals. This included the emphasis on post-secondary education, which was found to be similarly common among the general population as it was reported by focus group participants. A study commissioned by the Ontario Chamber of Commerce (OCC) and cited in FOCAL's report noted that among youth aged 13 – 24, only 26% were considering a career in the skilled trades.

Further cause for concern is found in the observation that the share of youth working in automotive production lags behind the share of youth in the overall population. According to data gathered by the Canadian Skills Training and Employment Coalition and presented by FOCAL's report entitled *Youth Employment in Canada's Automotive Manufacturing Industry – An Overview of Demographics, Attitudes and Employer Commentary*, although 14% of the Ontario workforce is between the ages of 15 and 24, only 10% of motor vehicle manufacturing workers and only 9% of the parts manufacturing workforce are within this age cohort.

Perceptions of the industry's lack of diversity among focus group participants were not fundamentally incorrect. *An Examination of the Use of Intermediaries: Increasing Skilled Trades in Automotive Manufacturing* found that racialized groups and women were underrepresented in the apprenticeship system and automotive production sector. Difficulties in retaining members of these groups in apprenticeship programs and in the automotive production sector generally were cited as issues in this paper.

The image problems mentioned by focus group participants were also found to be reflected in the general population as documented in *Youth Employment in Canada's Automotive Manufacturing Industry – An Overview of Demographics, Attitudes and Employer Commentary*. Beliefs that manufacturing work in particular is "low-tech" and involves repetitive work with low mental stimulation were the norm in a survey cited in that paper. A majority of respondents in the cited survey also indicated they would prefer their children not enter the sector as a career and an even larger portion of those surveyed were of the impression that schools did not encourage children to join the field for a career. Majorities also felt that automotive production sector jobs were not secure, and a near majority felt that the sector would decline in the next 10 years.

It is likely that having peers working in the automotive sector has an influence on attitudes towards it and its employment prospects. According to research conducted by FOCAL in its report *Youth Employment in Canada's Automotive Manufacturing Industry – An Overview of Demographics, Attitudes and Employer Commentary*, it is becoming increasingly unlikely that youth will encounter peers working in the auto industry.

FOCAL's paper cites research showing that in 2016, while the automotive manufacturing sector employed only 11,000 workers under 25 in Ontario, the restaurant industry employed more than 200,000 workers under the age of 25.

Intermediaries

Intermediaries offer an opportunity to assist with many of the identified issues. In its report on the subject: *An Examination of the Use of Intermediaries: Increasing Skilled Trades in Automotive Manufacturing*, FOCAL reported on a number of examples of intermediaries assisting in revitalising the apprenticeship systems of areas in which they were implemented.

Intermediaries were found to have a variety of desirable impacts on those who made use of them. Some such impacts included: promoting diversity; reducing dropout rates; supporting outreach; assisting in navigating the bureaucracy that surrounds the apprenticeship system; supporting businesses with relevant apprentices; and providing support in the training of those apprentices.

These and other benefits of intermediary organizations are contingent on the legislative and economic landscape in which the intermediaries operate. However there is some cause for optimism. At time of writing, the Government of Canada is in the process of accepting applications for the Apprenticeship Service Program, which seeks to create an intermediary system in Canada to support the skilled trades.

Existing Programs Supporting Apprenticeship

While much of this report has focused on challenges related to promoting employment in the automotive production sector and in skilled trades, it is also important to identify efforts to promote apprenticeship. The potential introduction of intermediaries represents only one of several avenues of assistance to those operating within the apprenticeship space. As demonstrated by this report and efforts made by organisations like FOCAL, there is a growing awareness and acknowledgement of the issues facing those involved in the apprenticeship and skilled trades systems. There is also some

evidence to suggest that efforts to reverse negative trends are succeeding. According to *Youth Employment in Canada's Automotive Manufacturing Industry – An Overview of Demographics, Attitudes and Employer Commentary* the percentage of youth as a share of the automotive workforce has increased from 6% to 10% over the last decade. An increase was also documented in Canada's parts manufacturing industry as well. In support of these positive trends, there are an increasingly diverse array of programs and initiatives aimed at supporting businesses and individuals that are a part of the apprenticeship process at any stage. A list of such programs administered by the federal and Ontario provincial governments can be found below.

SECTION 3: EXISTING PROGRAMS

List of Apprenticeship Support Programs (Government of Canada)

Name of Program	Beneficiary	Type of Benefit	Description	Eligibility	Total Potential Benefit
<i>Apprenticeship Job Creation Tax Credit</i>	Employer	Tax Credit	<p>A non-refundable investment tax credit for 10% of the eligible salaries and wages payable to eligible apprentices</p> <ul style="list-style-type: none"> An employer can claim a maximum of \$2,000 per year for each eligible apprentice An employer is eligible if they hire an eligible apprentice 	<p>An eligible apprentice is someone who is working in a prescribed trade in the first two years of their apprenticeship contract</p> <ul style="list-style-type: none"> The contract must be registered with a federal, provincial, or territorial government under an apprenticeship program designed to certify or license individuals in the trade Prescribed trades include those listed as Red Seal Trades <p>The tax credit, if not totally claimed, can be carried forward for up to 20 years</p>	\$2,000 per eligible apprentice
<i>Apprenticeship Service Program</i>	Employer	Funding/S support	<p>Intermediaries are selected to provide \$5,000 for the hiring of a new, first-year apprentice in construction or Red Seal trades</p> <ul style="list-style-type: none"> This amount is doubled if the apprentice is: A woman, an indigenous person, a newcomer, a person with a disability, a member of a racialized community (including Black Canadians), LGBTQ2+ <p>Intermediaries will also provide support to small and medium enterprises to increase participation in apprenticeship programs</p>	<p>An eligible organisation must be:</p> <ul style="list-style-type: none"> A union representing workers in a Red Seal trade or an organisation managing training funds for a Red Seal trade A not-for-profit organisation A for profit organisation An indigenous organisation A provincial or territorial institution, agency, or Crown Corporation <p>An organisation must also:</p>	\$5,000 - \$10,000 Other Support

				<ul style="list-style-type: none"> • Have been in operation for at least 5 years • Have existing networks with small or medium enterprises which employ journeypersons in construction or Red Seal trades • Have financial management experience in the last 5 years • Commit to acting as an intermediary until the 31st of March, 2024 	
<i>Apprenticeship Completion Grant</i>	Apprentice	Grant	<p>A one-time grant of \$2,000 for an apprentice who has:</p> <ul style="list-style-type: none"> • Successfully completed their apprenticeship training program, and • Has received their journeyperson certification in a designated Red Seal trade 	<p>An applicant must have successfully completed their Red Seal apprenticeship program</p> <ul style="list-style-type: none"> • Applicant must be: <ul style="list-style-type: none"> ○ A Canadian citizen ○ A permanent resident ○ A protected person • Applicant must also: <ul style="list-style-type: none"> ○ Demonstrate registration and completion with official provincial ACG supporting documents ○ Be a certified journeyperson who has completed their apprenticeship in a designated Red Seal trade • Applicant must not be: <ul style="list-style-type: none"> ○ A high school student <p>While attending school an applicant must:</p> <ul style="list-style-type: none"> • Be a registered apprentice enrolled in in adult learning classes 	\$2,000

				<ul style="list-style-type: none"> • Be a registered apprentice taking professional adult development course(s) • Be a Quebec apprentice completing vocational training <p>Applications must be submitted within 12 months of the progression of the apprentice</p>	
<i>Apprenticeship Incentive Grant</i>	Apprentice	Grant	<p>A grant of \$1,000 per level awarded to registered apprentices</p> <ul style="list-style-type: none"> • The first year or level of an apprenticeship must be completed before an employer can apply for the AIG <p>The grant can be applied for up to 2 times while in training (\$2,000)</p> <ul style="list-style-type: none"> • The second application can be made following the completion of the second year or level of training <p>The value of this grant is tripled for apprentices who identify as women</p> <ul style="list-style-type: none"> • \$3,000 per year or level of completion <p>\$6,000 for the two periods in which applications can be made</p>	<p>This grant is only applicable to those in the process of completing a Red Seal Trade</p> <ul style="list-style-type: none"> • Applicant must be: <ul style="list-style-type: none"> ○ A Canadian citizen ○ A permanent resident ○ A protected person • Applicant must also: <ul style="list-style-type: none"> ○ Demonstrate registration and completion with official provincial AIG <i>supporting documents</i> ○ Be registered with a provincial apprenticeship authority as an apprentice in a <i>designated Red Seal trade</i> • Applicant must not be: <ul style="list-style-type: none"> ○ A high school student <p>While attending school an applicant must:</p> <ul style="list-style-type: none"> • Be a registered apprentice enrolled in in adult learning classes • Be a registered apprentice taking professional adult development course(s) 	\$2,000 or \$6,000

				<ul style="list-style-type: none"> Be a Quebec apprentice completing vocational training <p>Applications must be submitted within 12 months of the progression of the apprentice</p>	
<i>Canadian Apprenticeship Loan</i>	Apprentice	Loan	<p>An interest free loan of up to \$4,000 per training period that can be used for tuition, tools, equipment, living expenses, the coverage of foregone wages, or to support the apprentice’s family</p> <ul style="list-style-type: none"> Payments and interest are not charged until the apprentice completes or leaves their apprenticeship program Payments can also be modified through the Repayment Assistance Plan based on personal circumstances <ul style="list-style-type: none"> No payments are necessary until income reaches \$25,000 (varies based on family size) <p>The loan is available for up to 5 periods of technical training</p> <p>Interest free and payment free status is maintained for up to 6 years so long as the apprentice remains registered in a Red Seal Trade apprenticeship</p>	<p>The apprentice must be part of a Red Seal trade apprenticeship program</p> <p>The apprentice must be:</p> <ul style="list-style-type: none"> A Canadian citizen, permanent resident, or protected person Be enrolled in block release technical training or equivalent full-time technical training with an approved technical training provider Be able to pass a credit check <p>Apprentices are not eligible for the loan if:</p> <ul style="list-style-type: none"> They are a high school student They are an apprentice registered in the province of Quebec They are receiving a Canada Student Loan for the same technical training They have been told that they are restricted from receiving a Canada Apprentice Loan or a Canada Student Loan They have already received funding for 5 periods of technical training They have already received 6 years of interest-free status 	\$4,000 per training period

<p><i>Deduction for Tools</i></p>	<p>Apprentice</p>	<p>Deduction</p>	<p>A deduction equal to the lesser of:</p> <ul style="list-style-type: none"> • 1) \$500 • 2) the amount, if any, determined by the formula <ul style="list-style-type: none"> ○ A – \$1,245 where: <p>A = the lesser of:</p> <ol style="list-style-type: none"> 1) the total cost of eligible tools that you bought in 2020; <p>and</p> <ol style="list-style-type: none"> 2) your income from employment as a tradesperson for the year <p>plus, the amount you received in 2020 under the Apprenticeship Incentive Grant and the Apprenticeship Completion Grant programs;</p> <p>minus the amount of any Apprenticeship Incentive Grant and Apprenticeship Completion Grant overpayments that you had to repay in 2020.</p>	<p>The applicant must have been a tradesperson in the year for which they are claiming the tax deduction</p>	
-----------------------------------	-------------------	------------------	---	--	--

List of Apprenticeship Programs (Government of Ontario)

Name of Program	Beneficiary	Type of Benefit	Description	Eligibility	Total Potential Benefit
<i>Achievement Incentive Program</i>	Employer	Grant	<p>A grant of \$1,000 awarded for each level of in-class training completed by the chosen apprentice independent of employer funding of in-class training</p> <ul style="list-style-type: none"> Employers can receive the grant for a maximum of three (3) levels of completion totalling \$3,000 in grant funding <p>An additional payment of \$1,000 is awarded if the apprentice reaches the highest possible certification in their chosen trade (Certificate of Apprenticeship or Certificate of Qualification)</p> <p>Achievement Incentive Milestone: Level 1 In-class Training Incentive Amount: \$1,000 Mandatory Minimum Apprentice Registration Period: 12 Months</p> <p>Achievement Incentive Milestone: Level 2 In-class Training Incentive Amount: \$1,000 Mandatory Minimum Apprentice Registration Period: 18 Months</p> <p>Achievement Incentive Milestone: Level 3 In-class Training Incentive Amount: \$1,000 Mandatory Minimum Apprentice Registration Period: 24 Months</p>	<p>An employer must be:</p> <ul style="list-style-type: none"> An incorporated or unincorporated business that is subject to Ontario income taxes Have a federal or Ontario business number Have an address or permanent work site in Ontario Be an approved ministry sponsor for apprenticeship Have registered a training agreement with an apprentice in a prescribed trade regulated under OCTAA, and have that apprentice complete a level of in-class training or highest attainable trade certification <p>Additionally, sponsors must have held a Registered Training Agreement</p> <ul style="list-style-type: none"> For a minimum of 30 days Within 30 days of the in-class training start date Registered in the trade program (i.e., the apprentice’s initial trade program registration date) for the mandatory minimum apprentice registration period for each applicable milestone <p>Achievement Incentive grants can also be distributed through group sponsorships</p>	\$4,000

			<p>Achievement Incentive Milestone: Highest Attainable Trade Certification Incentive Amount: \$1,000 Mandatory Minimum Apprenticeship Registration Period: N/A</p>	<ul style="list-style-type: none"> Group sponsors must complete their one-time application to the program Group sponsors must distribute the funds provided by the program to the employers of the apprentices in question 	
Apprenticeship Employer Signing Bonus	Employer	Grant	<p>A grant of \$2,000 paid out to an employer in two installments spaced 6 months apart</p> <ul style="list-style-type: none"> The first \$1,000 is awarded upon registration of the candidate as an apprentice The second \$1,000 is awarded six months later if the apprentice has continued to train and work with the same employer 	<p>An interested employer must contact their local Employment Ontario office for specific details, as this incentive exists on a case-by-case basis</p> <p>The bonus is generally offered to those signing apprentices who have not met all of the criteria necessary for their apprenticeship at the time of signing</p> <ul style="list-style-type: none"> Ex: an applicant who has not yet completed their high school education for a trade in which a graded 12 education is required <p>This grant is very rarely invoked, and is primarily used by those in the construction trades</p>	Between \$1,000 and \$2,000
Group Sponsorship Grant	Employer	Grant	<p>A grant of up to \$1,000,000 for groups of employers who come together to sponsor, hire, and train apprentices</p> <p>Grants are provided over a maximum period of three years</p>	<p>A sponsor is a person who is approved by the Ministry of Labour to enter into a registered training agreement with an apprentice</p> <ul style="list-style-type: none"> A sponsor does not need to directly provide the training, but must ensure that the appropriate training is given <p>A group sponsor is a sponsor comprised of two or more persons whose purpose is to act as a single sponsor to collectively provide training to apprentices with a greater</p>	\$1,000,000 divided amongst participants

				<p>breadth of skills and experience</p> <ul style="list-style-type: none"> Participants share apprenticeship management and training responsibilities <p>In order to qualify group sponsors must:</p> <ul style="list-style-type: none"> Be a legal entity authorised to operate in Ontario Be in full compliance with applicable laws Maintain appropriate workplace safety standards Provide the Ministry of Labour with proof of third party general liability insurance <p>Applicants must also demonstrate how the grant funds will support:</p> <ul style="list-style-type: none"> The development and implementation of a prospective group sponsor arrangement The expansion of a current services and programs provided by a new or existing group sponsor 	
<p><i>Career Ready Fund – Auto Stream (Not currently active)</i></p>	Employer	Grant	<p>A grant of either \$3,000 or \$5,000 to an employer that hires a recently graduated apprentice or a current university/college student for a role in an auto related sector that will provide experiential learning and last for a period of at least 10 weeks.</p> <p>Dollar amount depends on whether or not the applicant has a disability.</p>	<p>An applicant must meet the following requirements to be eligible to receive the Career Ready Fund – Auto Stream grant:</p> <p>Employers must:</p> <ul style="list-style-type: none"> Be an OEM with a minimum of 50% business revenue from the automotive sector Be an advanced manufacturer with a minimum of 30% revenue from the automotive sector Provide structured, purposeful 	\$3,000 or \$5,000

				<p>placement(s) for participants</p> <ul style="list-style-type: none"> • Be located in Ontario <p>The work experience must:</p> <ul style="list-style-type: none"> • Take place in a workplace or simulated workplace • Expose the student or recent graduate to the authentic demands of the job that improve their job ready and interpersonal skills and aid in the transition to the workforce • Be structured with purposeful and meaningful activities • Involve the application of college or university program knowledge/employability skills • Include student self-assessment and evaluation for the student’s performance and learning outcomes by the employer and/or university/college • The experience counts towards course credit, credential completion, OR is formally recognise by the college or university as meeting the previous experience criteria <p>Examples of experiential learning may include:</p> <ul style="list-style-type: none"> • Apprenticeships • Performance and artistic productions • Bootcamps/hackathons • Clinical placements • Co-ops • Field placements • Incubators and accelerators • Industry sponsored research projects 	
--	--	--	--	---	--

				<ul style="list-style-type: none"> • Job shadowing • Mandatory professional practice • Practicums • Service learning • Workplace simulations • Work-study programs 	
<p><i>Apprenticeship Completion Grant for Non-Red Seal Trades</i></p>	Apprentice	Grant	<p>A one-time grant of \$2,000 for an apprentice who has:</p> <ul style="list-style-type: none"> • Successfully completed their apprenticeship training program, and • Has received their journeyman certification in a designated Red Seal trade 	<p>An applicant must have successfully completed their non-Red Seal apprenticeship program</p> <ul style="list-style-type: none"> • Applicant must be: <ul style="list-style-type: none"> ○ A Canadian citizen ○ A permanent resident ○ A protected person • Applicant must also: <ul style="list-style-type: none"> ○ Demonstrate registration and completion with official provincial ACG <i>supporting documents</i> ○ Be a certified journeyman who has completed their apprenticeship in a <i>designated Red Seal trade</i> • Applicant must not be: <ul style="list-style-type: none"> ○ A high school student <p>While attending school an applicant must:</p> <ul style="list-style-type: none"> • Be a registered apprentice enrolled in in adult learning classes • Be a registered apprentice taking professional adult development course(s) 	\$2,000

				<ul style="list-style-type: none"> Be a Quebec apprentice completing vocational training <p>Applications must be submitted within 12 months of the progression of the apprentice</p>	
<i>Apprenticeship Scholarship</i>	Apprentice	Grant	<p>A grant of \$1,000 paid out to an apprentice that has left school prior to completing the necessary academic education for a registered trade</p> <ul style="list-style-type: none"> Made available after completing the necessary academic upgrading and finding work as an apprentice 	<p>An interested apprentice must contact their local Employment Ontario office for specific details, as this incentive exists on a case-by-case basis</p> <p>This grant is very rarely invoked, and is primarily used by those in the construction trades</p>	\$1,000
<i>Grant for Apprenticeship Learning</i>	Apprentice	Grant	<p>A grant of \$3,600 to support apprentice's who are engaged in full-time learning and do not qualify for Employment Insurance</p> <p>The grant application is sent to the apprentice by the Ministry of Labour following the completion of one level of classroom training</p>	<p>In order to qualify an apprentice must:</p> <ul style="list-style-type: none"> Be attending class on a full-time basis Have passed the level of classroom instruction at an approved facility Be registered as an apprentice with the ministry 	\$3,600
<i>Tools Grant</i>	Apprentice	Grant	<p>A non-repayable grant available to apprentices which varies based on the trade and sector with which the apprentice is currently engaged</p> <p>Trade Sector: Motive Power Dollar Amount Provided: \$1,000</p> <p>Trade Sector: Construction Dollar Amount Provided: \$600</p>	<p>Applicants must have:</p> <ul style="list-style-type: none"> Completed or been exempted from level one in-class training A registered training agreement Been registered as an apprentice for at least the last 12 months 	Between \$400 and \$1,000

			<p>Trade Sector: Industrial Dollar Amount Provided: \$600</p> <p>Trade Sector: Service Dollar Amount Provided: \$400</p>		
--	--	--	--	--	--

CONCLUSION

Based on findings made in the focus groups in combination with earlier research conducted by FOCAL, it seems likely that, without significant changes or interventions, issues of under recruitment of youth into skilled trades occupations in the automotive production sector are likely to persist.

Employers, as revealed during FOCAL's extensive engagement with sector stakeholders over the last three years, are feeling nervous about their ability to meet future demand for workers in the skilled trades. Based on both FOCAL's research and our focus group research, the anxiety felt by employers is well founded. Growing acknowledgement of the issue by federal and provincial governments has spurred the creation and the expansion of certain programs meant to address the issue, and this is cause for optimism. However, it will take significant and protracted efforts on the part of all stakeholders to truly confront this issue in the coming years for this very important sector in the Canadian economy.

REFERENCES

FOCAL Initiative, Youth Employment in Canada's Automotive Manufacturing Industry – An Overview of Demographics, Attitudes and Employer Commentary, June 2020

FOCAL Initiative, An Examination of the Use of Intermediaries: Increasing Skilled Trades in Automotive Manufacturing, May 2020

The Vector Poll, Young Ontarians Talk About Jobs in the Vehicle and Parts Industries, July 2021