

# A WORKFORCE STRATEGY FOR ALBERTA'S MANUFACTURING INDUSTRY



Building and Educating  
Tomorrow's Workforce  
*Alberta's 10 Year Strategy*



## FOREWORD

A Workforce Strategy for Alberta's Manufacturing Industry was developed by manufacturing representatives, labour groups representing sector workers and the Government of Alberta. Invited representatives provided input on the actions found in this document during focus groups held in June and July 2006. Industry associations and labour groups finalized the document at meetings held in March and April 2007. These groups have self-identified priority actions they are currently engaged in as well as anticipated actions in the future. The following organizations were consulted and/or directly participated in the development of this strategy:

- Agrium Inc.
- Alberta Building Trades Council of Unions
- Alberta Federation of Labour
- Alberta Food Processors Association
- Alberta Pressure Vessel Manufacturers' Association
- Alta Steel
- ATCO Structures Inc.
- BioAlberta
- Blue Falls Manufacturing Ltd.
- Calgary Economic Development
- Canadian Manufacturers and Exporters – Alberta
- Canadian Plastics Industry Association
- Cessco Fabricating and Engineering Limited
- Christian Labour Association of Canada
- Dynamic Source Manufacturing
- Edmonton Economic Development Corporation
- Fibrex Glass Corporation
- Forest Industry Suppliers and Logging Association
- G.E. Harris Energy Systems Canada Inc.
- Gienow Windows & Doors
- Metal Fabricators and Welding Ltd.
- Modular/Manufactured Housing Association of Alberta and Saskatchewan
- SMART Technologies Inc.
- Standen's Limited
- Tesco Corporation
- Vantage Food Inc.
- Waiward Steel Fabricators Ltd.
- Westbridge PET Containers
- Western Archrib
- XL Foods Inc.



## BACKGROUND

Alberta is a leader in economic growth in Canada and the world. However, Alberta is faced with labour and skill shortages, which if not addressed, will constrain our province's continued economic growth and prosperity.

*Building and Educating Tomorrow's Workforce* (BETW) is Alberta's 10 year labour force development strategy. This strategy identifies 17 government-led priority actions to ensure Alberta has more workers, better trained people and innovative workplaces. These government actions address labour force issues across several industry sectors. Lead government ministries are identified for each priority action.

Meeting Alberta's labour force challenges over the next decade requires the participation and involvement of all stakeholders. Strong collaboration and partnerships between government and various stakeholder groups are key to successful implementation of this strategy. Stakeholders include industry, labour groups, professional organizations, volunteer and community agencies, education and training providers, Aboriginal groups and where appropriate, other orders of government. Each stakeholder has an important role to play. Industry sectors will need their own actions and initiatives to address their unique economic pressures and challenges.

## INDUSTRY WORKFORCE STRATEGIES

Industry is committed to playing a lead role in building and educating their workforce over the next 10 years. The Alberta government is working with industry stakeholders to develop workforce strategies specific to each sector. These strategies will provide industry associations and individual employers with a framework of industry-led actions to build the labour force needed to support continued growth over the long term. It is also a starting point for industry leads to initiate discussion with their members as to what concrete actions are most important and require immediate action.

As the workforce strategy is a framework to help industry identify actions and initiatives, industry may choose to enhance, add or delete some of the priority actions listed in the document. It is industry's responsibility to implement these actions. Government's role will be to facilitate and enable industry to implement the workforce strategy.

High levels of co-operation and collaboration among stakeholders within an industry sector will be required for successful implementation of the workforce strategies. Creative solutions and a synergistic approach to implementing initiatives work best when stakeholders come together in partnership. Therefore, government is working with industry to bring stakeholders together on common projects and initiatives.

Albertans are the long-term beneficiaries of this important collaboration to build Alberta's workforce over the next decade.



# PROFILE OF ALBERTA'S MANUFACTURING INDUSTRY

## Industry Definition

Alberta's manufacturing industry includes businesses engaged in the mechanical, physical and chemical transformation of materials, substances or components into new products. Manufacturing is categorized as a value-added sector because it adds additional value to goods grown or raw materials extracted in Alberta. The sector produces food, beverage, clothing, petroleum, chemical, plastic, rubber, metal, wood, computer and electronic products.

## Importance to the Provincial Economy

Manufacturing plays a vital role in Alberta's economy. It is the fourth largest industry in the province's economy in terms of gross domestic product (GDP) contribution<sup>1</sup> and is growing rapidly. In 2006, the value of Alberta's manufacturing shipments climbed to \$64.4 billion, a seven per cent increase over the previous year.<sup>2</sup> This followed a doubling of manufacturing shipments from 1996 to 2005.<sup>3</sup> Higher prices and output levels have driven this rise in value of the province's manufacturing shipments over the past decade. A significant proportion of the products manufactured in the province – approximately 32 per cent – are exported internationally.<sup>4</sup>

The influence of Alberta's manufacturing industry extends to other parts of the economy. For example, innovations in industrial machinery and equipment and information and communication technologies contribute to productivity improvements in other sectors. Government recognizes the importance of the manufacturing industry to Alberta's long-term economic competitiveness. It is identified in the province's economic development strategy, *Securing Tomorrow's Prosperity*.

## Employment

Manufacturing is the fifth largest industry in the province in terms of employment. Approximately 137,500 people or 7.4 per cent of Alberta's labour force were employed in the industry in 2006.<sup>5</sup> At 2.2 per cent, the unemployment rate was 1.2 percentage points below the 2006 provincial average unemployment rate of 3.4 per cent.<sup>6</sup>

Significantly more men than women work in Alberta's manufacturing industry. In 2006, men accounted for about 76 per cent of the industry's labour force, compared to 55 per cent of Alberta's overall labour force.

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<sup>1</sup> This ranking is based on current dollar GDP at basic prices by industry from Alberta Finance. Care must be taken when interpreting this industry ranking as differing industry categorization may lead to different rankings.

<sup>2</sup> *Canadian Manufacturing Shipments*, CANSIM, Statistics Canada, 2007

<sup>3</sup> Based on Statistics Canada historical data on Manufacturing Shipments.

<sup>4</sup> Calculation based on manufacturing exports and manufacturing shipments data from Statistics Canada.

<sup>5</sup> *2006 Annual Alberta Labour Market Review*, Alberta Employment, Immigration and Industry

<sup>6</sup> *Labour Force Survey*, Statistics Canada, 2006



While there is a wide range of salary levels within the sector, the average hourly wage of \$22.28 is slightly higher – about five per cent – than the average across all sectors in the province.<sup>7</sup>

## Employment in the Manufacturing Sub Sectors

Alberta's manufacturing industry encompasses diverse sub sectors, including:

- **Chemicals and petrochemicals.** In terms of the value of goods produced, this industry is the largest and one of the fastest growing manufacturing industries in Alberta. In 2006, this industry represented 44 per cent or \$28.4 billion of the total value of Alberta's manufacturing shipments.<sup>8</sup> The value of chemical and petrochemical shipments grew by 79 per cent between 2002 and 2006.<sup>9</sup> Unlike other manufacturing industries in the province, several large multinational companies dominate the chemicals and petrochemicals industry. As long as the world price of oil remains moderately high, this sub sector is expected to continue to grow primarily in polyethylene and the production of linear alpha olefins. In 2006, approximately 12,200 persons were employed in this industry.<sup>10</sup>
- **Industrial machinery and equipment.** Alberta's industrial machinery and equipment (IME) industry manufactures primary metals, fabricated metal products, machinery and transportation equipment. This sector accounted for approximately 21 per cent or \$13.2 billion of Alberta's total manufacturing shipments in 2006.<sup>11</sup> The IME sector has experienced strong growth in recent years driven in large part by the high level of activity in Alberta's oil and gas sector, and in 2006, employment in this industry was about 42,500.<sup>12</sup>

Alberta's IME sector consists of many small firms. A Conference Board of Canada document released in 2005 reported that 43 per cent of the businesses involved in machinery manufacturing and 35 per cent of those involved in fabricating metal products have fewer than five employees. Only two Alberta metal fabrication companies employ more than 500 workers.<sup>13</sup>

- **Food and beverage manufacturing.** Alberta's food and beverage manufacturing sector also plays an important role in the provincial economy, contributing about 15 per cent or \$9.6 billion of the value of the province's total manufacturing shipments in 2006.<sup>14</sup> Alberta is the largest processor of beef products in Canada and meat processing (i.e. poultry) accounts for over half of the food and beverage production in the province.<sup>15</sup>

<sup>7</sup> *Labour Force Survey*, Statistics Canada, 2006

<sup>8</sup> *Canadian Manufacturing Shipments*, CANSIM, Statistics Canada, 2007

<sup>9</sup> *Ibid*

<sup>10</sup> *Guide to the Labour Force Survey 2006*, Statistics Canada

<sup>11</sup> *Canadian Manufacturing Shipments*, CANSIM, Statistics Canada, 2007

<sup>12</sup> *Guide to the Labour Force Survey 2006*, Statistics Canada

<sup>13</sup> *Alberta Industrial Outlook: Fabricated Metal Products and Alberta Industrial Outlook: Machinery Manufacturing*, Conference Board of Canada, November 2005

<sup>14</sup> *Canadian Manufacturing Shipments*, CANSIM, Statistics Canada, 2007

<sup>15</sup> *Alberta Advantage: Meat Sector Profile*, Alberta Agriculture, Food and Rural Development, 2003



In 2006, about 27,000 Albertans were employed in food and beverage manufacturing, of which almost 11,000 were employed in meat products manufacturing.<sup>16</sup>

- **Forest, wood and building products.** The third largest manufacturing sub sector in Alberta is wood product manufacturing which includes sawmills, pulp and newsprint mills, panel-board mills, modular structure manufacturers, and an array of businesses that produce engineered wood products and architectural millworks. In 2006, the value of Alberta's wood product manufacturing shipments was roughly \$3.3 billion.<sup>17</sup> This sector employed about 11,800 people in Alberta in 2006.<sup>18</sup>
- **Emerging industries.** Alberta's public and private sector commitment to research and development has contributed to the establishment of a critical mass of knowledge industries such as information and communication technologies, health and bio industries, environmental technologies and nano-technology. Through the development and application of new technologies, these industries are contributing to increased productivity in other sectors of Alberta's economy, including our traditional resource-based industries.

These emerging industries are comprised primarily of small and medium-sized businesses which employ many young and highly trained workers based primarily in Edmonton and Calgary.

## Outlook

Employment in Alberta's manufacturing industry is expected to grow on average by 1.7 per cent annually from 2006 to 2011.<sup>19</sup> The industry is projected to outperform the Canadian average<sup>20</sup> despite pressures such as high energy prices, a strong Canadian dollar and Alberta's tight labour market.

Alberta's strong oil and gas and construction sectors will keep demand for metal products and machinery at a high level over the next several years. The chemicals and petrochemicals manufacturing sector is also expected to remain strong.

There is considerable work underway to expand the production and export of value-added agricultural products in the province. Alberta's meat processing sector is recovering from the bovine spongiform encephalopathy crisis. Meat products are expected to continue to account for a significant share of the food and beverage manufacturing sector.

While Alberta's forest, wood and building products sector will continue to benefit from a strong construction industry, the effects of the mountain pine beetle infestation is cause for concern. The mountain pine beetle is projected to impact and likely kill many of the pine trees throughout Alberta's boreal forest.

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<sup>16</sup> *Employment by Industry Based on the 2002 NAICS Classification System*, Statistics Canada

<sup>17</sup> *Canadian Manufacturing Shipments*, CANSIM, Statistics Canada, 2007

<sup>18</sup> *Employment by Industry Based on the 2002 NAICS Classification System*, Statistics Canada

<sup>19</sup> *Alberta Modified Occupational Projection System Outlook 2006- 2011*, Alberta Employment, Immigration and Industry, January 2007

<sup>20</sup> *Provincial Outlook Long-term Economic Forecast*, Conference Board of Canada, 2007



Despite positive short-term efforts by industry and government to prevent the spread through altering timber harvest plans, the long-term prognosis will include a flooded market place and an overall reduction in available merchantable timber.

The outlook for Alberta's emerging industries is promising. Key to the growth of these industries will be the global demand for their products and their rate of research and product development.

Employment in Alberta's manufacturing industry is expected to increase by over 11,700 to reach a total of approximately 148,500 workers by 2011. The industry alone will account for five per cent of all new jobs in the province.<sup>21</sup> At the same time, there will continue to be a push towards LEAN manufacturing (i.e. less time, inventory and space, and fewer workers) and the adoption of innovative technologies (i.e. robotics).

## Challenges and Issues

Alberta's manufacturing industry is facing a number of labour force challenges. These include:

- **Recruiting and retaining production workers.** The strong demand for labour is making it increasingly difficult for Alberta manufacturing firms to recruit and retain production workers. A large proportion of jobs require lower-skilled, entry-level workers. Manufacturers compete for these workers with oil and gas and construction companies, many of which are able to offer higher pay. Many manufacturers are facing eroding profit margins because of high energy costs, increased price competition from low-cost producers in other countries and competitive salaries offered in other industries.

The meat processing segment of Alberta's food and beverage sector is particularly reliant on workers with lower skill levels and has traditionally accepted high staff turnover as a cost of doing business. However, this approach is no longer sustainable in Alberta's labour market. Companies recognize they need strategies to retain workers with lower skill levels.

Generally, high staff turnover rates increase recruitment and staff training costs and reduce productivity. Employers report poor general employability skills and a lack of loyalty among many working youth, which intensifies the issue of employee recruitment and retention.

The adoption of new processing technologies that enhance production efficiencies and reduce the demand for unskilled labour are needed for the sustained growth of some segments of Alberta's manufacturing industry. An outcome may be a need to recognize occupations within manufacturing under apprenticeship and industry training, and develop these occupations as Red Seal trades.

- **Increased risk to workplace health and safety.** The drawing of less-experienced workers into manufacturing jobs also increases concerns about workplace health and safety.

<sup>21</sup> *Alberta Modified Canadian Occupational Projection System Outlook 2006-2011*, Alberta Employment, Immigration and Industry, January 2007



Inexperienced workers are at the greatest risk for workplace injuries. Large numbers of new immigrants and lower-skilled workers often lack the basic skills necessary to fully comprehend training, further compounding health and safety issues.

- **Attraction of skilled workers.** Technological advances are changing the type of work in Alberta's manufacturing industry. Workers require higher skill levels to perform increasingly complex tasks using new types of machinery. There is a growing need for technicians, technologists, skilled trades people, engineers and other highly qualified workers within this diverse industry.

Companies in emerging industries (i.e. information and communication technology, health and bio, environmental, and nanotechnology) need to compete nationally and globally for the highly qualified research, technical, marketing and managerial expertise required. A growing number of Alberta companies in other manufacturing industries are experiencing the need to look outside the province for skilled workers. When competing for skilled workers from other countries, Alberta manufacturers compete with companies operating in jurisdictions with less complex immigration requirements and fewer credential recognition impediments.

Over 40 per cent of respondents to a survey conducted by Canadian Manufacturers and Exporters indicated that skills shortages are seriously constraining their ability to improve business performance and growth. Seventeen per cent indicated that skill shortages pose a major constraint to the development and commercialization of new products.<sup>22</sup>

Some Alberta manufacturers are responding to the short supply of skilled labour by establishing relationships with firms outside the province for some production needs.

- **Increased pressure on small and medium-sized enterprises.** A large proportion of Alberta's manufacturing firms are small or medium-sized companies. About 87 per cent have fewer than 500 employees<sup>23</sup> and over one half are small-sized companies with less than 100 employees. Smaller firms are more likely to resort to production stoppages when they experience worker shortages. Other responses include increasing the workloads of existing staff, cutting back on staff training, and holding back on pursuing new business opportunities and adopting new technologies.
- **Maintain productivity levels.** Alberta's manufacturing industry has the highest productivity of all provinces, in large measure because of the highly productive chemicals and petrochemicals sector. In 2005, real GDP per hour worked was \$52.63 compared to \$40.63 and \$37.32 for the Albertan and Canadian average respectively.<sup>24</sup> Labour shortages and rising wage costs are increasing the urgency of manufacturers to invest in new technologies and implement new processes in order to bolster productivity and remain competitive. Adoption of innovative technology that reduces the demand for labour is required to sustain and increase the global competitiveness of Alberta manufacturers. In addition, to maintain and improve current productivity levels and generate innovation within the

<sup>22</sup> 2003 *National Membership Survey, Manufacturing Challenges in Canada*, Canadian Manufacturers and Exporters

<sup>23</sup> *Labour Force Survey*, Statistics Canada, 2006 (Company size based on Industry Canada definitions)

<sup>24</sup> *Labour Productivity in Alberta*, Alberta Human Resources and Employment, October 2006





sector, manufacturers will need to invest in training to improve the skill level of employees.

- **Need for industry-wide initiatives.** Despite the manufacturing industry's diversity, manufacturers share many similar challenges. There are opportunities for greater collaboration among industry associations and individual firms to address common, industry-wide challenges such as increasing the supply of both skilled and unskilled workers available to the sector, training, government support and productivity improvements.
- **Shortage of affordable housing.** The shortage of affordable housing in several Alberta communities is contributing to the challenge manufacturing companies face in recruiting workers. Potential workers are turning down job offers because of a shortage of affordable housing.
- **Shortage of social infrastructure.** Difficulties in finding adequate daycare, family doctors, services for recent immigrants, etc. also impacts manufacturers' ability to attract workers.
- **Lack of awareness of manufacturing career paths.** Awareness of career paths and opportunities in the manufacturing industry among youth is believed to be low. More could be done to inform youth and other Albertans of career opportunities in the industry.

## PRIORITY INDUSTRY ACTIONS

Industry has lead responsibility for implementing the priority actions in the manufacturing workforce strategy. Industry associations and labour groups are best positioned to implement the actions to address the labour force issues and challenges.

A number of organizations within the manufacturing industry have indicated their willingness to be a contributor to one or more priority actions. These organizations are either involved in or will undertake activities or projects.

All contributors are interested in developing a strong and viable manufacturing industry in Alberta. However, there are some priority actions that specific organizations do not wish to be associated with. Where this is the situation, the actions are noted and further information is provided at the end of each section.

The contributing organizations which will undertake specific priority actions include:

- Alberta Building Trades Council of Unions (ABTC)
- BioAlberta (BA)
- Canadian Manufacturers and Exporters (CME)
- Canadian Plastics Industry Association (CPIA)
- Forest Industry Suppliers and Logging Association (FISLA)
- Modular/Manufactured Housing Association of Alberta and Saskatchewan (MMHA)



## INFORM

Information sharing will play a vital role in addressing labour force pressures in Alberta's manufacturing industry. The Inform theme focuses on increased access to information to support informed decision-making on the part of employers, workers, youth entering the workforce and individuals considering employment in this industry.

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- 1.1 Support and encourage collaboration on industry-wide initiatives that address fundamental challenges facing Alberta's manufacturing industry. Encourage all companies and associations representing manufacturing industries to come together to build a stronger voice to promote the manufacturing industry.

*CME, CPIA, FISLA*

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- 1.2 Develop and implement a public awareness campaign to inform Albertans about the challenges Alberta manufacturers are facing.

*CME, FISLA*

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- 1.3 Engage high profile industry leaders to promote strategies and initiatives aimed at addressing the acute labour challenges facing Alberta's manufacturing industry.

*CME, FISLA*

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- 1.4 Support the development of communications initiatives to improve the image of the manufacturing industry and encourage more people to pursue careers in the industry.

*CME, CPIA, FISLA*

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- 1.5 Develop career promotional campaigns targeted at under-employed Albertans (i.e. women and Aboriginals) and youth (including recent high school graduates and Aboriginal youth, parents and career practitioners) to increase awareness of career opportunities and encourage more individuals to work in the industry.

*CME, CPIA, FISLA*

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- 1.6 Encourage students to participate in work experience programs in the manufacturing industry to gain exposure and familiarize themselves with the nature of manufacturing work (i.e. high school vocational training, post-secondary co-op placements, internships, high school work experience placements, etc.) so they consider careers in the manufacturing sector.

*BA, CME, CPIA*

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- 1.7 Lend support to programs that promote the trades and apprenticeship training (i.e. Skills Canada–Alberta).
- ABTC, CME, CPIA, FISLA*
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- 1.8 Inform potential and new apprentices including youth, under-employed Albertans, women, and Aboriginals of available supports for training.
- CME, CPIA, MMHA*
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- 1.9 Increase the sharing of information about effective worker attraction, development and retention practices among businesses in Alberta’s manufacturing industry.
- CME, CPIA, FISLA*
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## ATTRACT

The Attract theme relates to attracting workers from outside Alberta and Canada to meet some of the demand for labour in Alberta’s manufacturing industry.

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- 2.1 Promote Alberta as a ‘destination of choice’ for interprovincial migrants and workers in other countries with the education and skills needed for the development of Alberta’s manufacturing industry.
- BA, CME, FISLA, MMHA*
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- 2.2 Continue to advocate for expansion to the Provincial Nominee Program to increase the number of nominees and allow for more allocations in both the skilled and unskilled categories (i.e. NOC C and D occupations that require at most a high school diploma or job-specific training).
- CME, FISLA, MMHA*
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- 2.3 Continue to advocate for streamlining the immigration program to make it more responsive to the labour and skill shortages faced by employers in Alberta’s manufacturing industry.
- CME, FISLA*
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- 2.4 Continue to advocate for streamlining, expansion and modification of the Temporary Foreign Workers program (i.e. increase the worker numbers and allow employers the flexibility to extend the length of stay for workers up to two years).
- CME, FISLA, MMHA*
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2.5 Explore partnership relationships where small employers can band together to reduce the transactional costs related to bringing in workers under the Temporary Foreign Worker program.

*FISLA*

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2.6 Examine the feasibility of an immigration model similar to Quebec to determine if it will meet the needs of Alberta and its manufacturing industry. If it is applicable, promote its adoption with federal and provincial governments.

*CME, FISLA*

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2.7 Partner with training institutions such as NAIT and SAIT to recruit and train potential workers overseas to meet Canadian certification standards before arriving in Canada.

*CME, FISLA*

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2.8 Continue to advocate for improved processes for credential and competency recognition for out-of-province and out-of-country workers seeking employment in Alberta's manufacturing industry (i.e. expansion of overseas foreign credential recognition, development and expanded use of Prior Learning Assessment and Recognition, expansion of the Red Seal national certification program).

*CME, FISLA*

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2.9 Increase sharing of information about effective approaches for identifying pools of potential workers elsewhere in Canada and internationally, and for bringing these workers to Alberta.

*CME, FISLA*

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2.10 Develop resources and create a resource database available to manufacturing employers to support activities related to the attraction and retention of immigrants, temporary foreign workers and interprovincial migrants.

*Lead contributors to be decided at a later date*

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2.11 Work with community organizations and local governments to develop strategies to address community barriers to workforce attraction (i.e. availability of affordable housing).

*FISLA, MMHA*

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2.12 Advocate for changes in the Employment Insurance program to encourage unemployed workers residing in areas of high unemployment to move to areas experiencing labour shortages (i.e. travel expenses, resettlement support, etc.).

*CME*

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**NOTE:** *Priority actions 2.4 and 2.5 are not supported by the Alberta Federation of Labour who is opposed to the Temporary Foreign Worker program.*



## DEVELOP A HIGH PERFORMANCE WORKFORCE

The Develop theme has two components. The first focuses on building capacity in Alberta's manufacturing workforce to support a transition to a more value-added and knowledge-based economy.

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- 3.1 Support programs that prepare under-represented groups (i.e. women, Aboriginals, immigrants, Albertans with disabilities, and underemployed persons) for employment in Alberta's manufacturing industry (i.e. pre-employment and pre-apprenticeship training).

*MMHA*

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- 3.2 Provide training on effective practices for integrating Aboriginals, women, mature workers and immigrants in manufacturing workplaces.

*FISLA in collaboration with Woodland Operation Learning Foundation*

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- 3.3 Encourage more vocational training opportunities in high schools to develop the skills for the manufacturing-related trades.

*FISLA, MMHA*

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- 3.4 Support expansion of the Registered Apprenticeship Program to encourage more youth to start apprenticeship training in high school.

*MMHA*

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- 3.5 Improve employer participation in apprenticeship training. Recognize small and large employers who demonstrate a long-term commitment to apprenticeship training.

*CME*

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- 3.6 Encourage increased use of competency-based assessment for trades certification that will facilitate and support interprovincial mobility of the trade.

*MMHA*

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- 3.7 Work with training providers to develop a pre-employment training program for entry-level workers in the manufacturing industry (i.e. general employability skills, workplace health and safety, etc.).

*CPIA*

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- 3.8 Increase support for individuals employed in Alberta's manufacturing industry to upgrade their knowledge and skills, including supervisory and management training (i.e. part-time training, mentoring, workplace-based training, including English as a Second Language training).

*CME, FISLA*



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3.9 Propose employer incentives to encourage and support training, including apprenticeship training (i.e. training grants, tax credits for employers, etc.).

*CME, FISLA*

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3.10 Develop strategies to target more Aboriginals to work in the manufacturing industry.

*FISLA*

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## DEVELOP A HIGH PERFORMANCE WORK ENVIRONMENT

The second component of the Develop theme relates to developing high performance work environments in Alberta's manufacturing industry. Examples include improving workplaces and work arrangements, increasing capital investment and technology adoption, and improving business processes.

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3.11 Support the creation of a forum for collaboration and cooperation among government, industry and educational institutions to foster the development of Alberta's manufacturing industry. Use the forum to:

- influence government policy;
- research leading manufacturing technologies and practices in use in other jurisdictions;
- promote the adoption of best practices in supply chain optimization, pro-active maintenance, human resource practices, project management, health and safety practices, etc., and
- support research and development and technology adoption by manufacturing companies.

*CME, FISLA (i.e. Master Logger Program)*

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3.12 Continue to strengthen linkages between the private sector and public research institutions to identify applied research opportunities relating to Alberta's manufacturing industry and opportunities to apply newly developed knowledge and technologies.

*CME, FISLA*

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3.13 Support the development of regional manufacturing clusters/networks to address common problems (i.e. training, labour shortages, productivity, etc.) facing manufacturing companies.

*FISLA, MMHA*



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3.14 Continue to promote the adoption of lean manufacturing practices within manufacturing companies in Alberta. Lean manufacturing practices improve quality, eliminate waste, and reduce delays and total costs to a product or service by reducing extra time, labour and material spent that doesn't add value in its production.

*CME, FISLA, MMHA*

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3.15 Propose more employer incentives to encourage adoption of new technologies by manufacturers (i.e. research and development credits, accelerated amortization of capital equipment, etc.).

*CME, FISLA*

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3.16 Continue efforts to promote effective workplace health and safety practices in the manufacturing industry, and identify and implement new approaches to further reduce work related injury and disease.

*CME, CPIA, FISLA, MMHA*

## RETAIN

The Retain theme relates to enhancing the attractiveness of working in Alberta's manufacturing industry so that workers – including mature workers, immigrants, Aboriginals and those who may experience difficulty maintaining employment – continue to work in the industry.

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4.1 Identify and encourage the application of effective practices to help employers improve the retention of a more diverse labour force (i.e. mature workers, Aboriginals, immigrants, women and under-employed Albertans).

*CME, FISLA, MMHA*

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4.2 Encourage employers to implement human resource practices that encourage mature workers to maintain employment (i.e. offer part-time or flexible work arrangements, involve mature workers in mentoring and training, etc.) to ensure retention of technical and corporate knowledge in Alberta's manufacturing industry.

*CME, MMHA*

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4.3 Explore the opportunity for a public-private partnership to address housing shortages in high growth areas and to increase the availability of affordable housing in Alberta.

*CME, FISLA, MMHA*

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4.4 Work with community organizations, including agencies representing the interests of under-represented groups, and local governments to create the necessary social and work environments for employee retention (i.e. day care facilities, affordable housing, public transit, services for people with disabilities, services for immigrants, etc.).

*CME, CPIA*

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4.5 Work collaboratively with community agencies representing the interests of under-represented groups to identify and develop strategies to attract and retain workers from under-represented groups.

*CME, CPIA*

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## MOVING FORWARD

Industry champions will work with their members to validate the actions found in this strategy. Based on feedback, they will select the concrete actions with the greatest and most immediate impact. The Government of Alberta will work with the industry champions in a facilitating and enabling role. It includes identifying situations where it is more effective and efficient to collaborate – within and across sector industries – on similar projects. Government will facilitate these opportunities, keep abreast of emerging issues and take further action as required.

Industry champions may face a number of challenges in implementing the workforce strategy, including:

- obtaining the active involvement of industry members and other stakeholders;
- working with stakeholders (i.e. associations, labour groups) within and across industries;
- eliminating fragmentation and duplication of initiatives within and across industries;
- selecting the actions and initiatives with the greatest impact to work on first;
- identifying gaps in the priority actions in order to address both current and evolving needs, and
- ensuring sustainability of the strategy over the long term.

Industry will work with government to monitor success of this strategy over the next 10 years. Industry champions are asked to report on their progress by sharing achievements and best practices. By industry and government working together, Alberta will continue to excel and all industries will benefit.



