



REPORT ON INDUSTRY FOCUS GROUPS ON THE PROFESSIONALIZATION ACTION PLAN FOR NOVA SCOTIA

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Prepared by:



53 Leary's Cove Road
East Dover, NS B3Z 3W7
902.852.2151 fax.902.852.3193
www.ahbrsc.com

and

PRAXIS Research &
Consulting Inc.



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INTRODUCTION

1.0 INTRODUCTION

1.1 Objectives

Since it was established as a human resources sector council in 2000, the Atlantic Home Building and Renovation Sector Council (AHB&RSC) has carried out extensive research and consultations on ways to improve training and professional certification in the residential construction industry in Nova Scotia. In the spring of 2005 the AHB&RSC has put forward a Professionalization Action Plan to address the compelling human resource challenges in the sector. It was comprised of two principal change elements:

1. The introduction of mandatory licensing of residential construction contractors; and
2. The implementation of a new training and certification system based on a core program in generic residential construction knowledge and skills, and professional qualification in four trades specialization areas:
 - a. Foundations
 - b. Framing
 - c. Interior finishing
 - d. Exterior finishing

The draft plan proposes that industry participants wishing to achieve full journeyman qualifications would complete the core course and all four trades specializations. The four specialization areas encompass all the specific knowledge and skills set out in the current Human Resources and Skills Development Canada (HRSDC) occupational profile for the carpenter trade.

The Professionalization Action Plan addresses other elements including a prior learning and assessment program to certify experienced workers and continuing consultations on the issue of mandatory certification of carpenters.

The Action Plan was approved by the Project Advisory Committee established to oversee the planning process, with members representing a cross section of industry stakeholders. It was subsequently reviewed and validated by approximately 100 industry representatives who participated in focus group meetings in Stellarton, Kentville, Bridgewater, Sydney and Halifax. This report describes the conduct of the focus groups and the principal outcomes.



2.0 Conduct of the Focus Groups

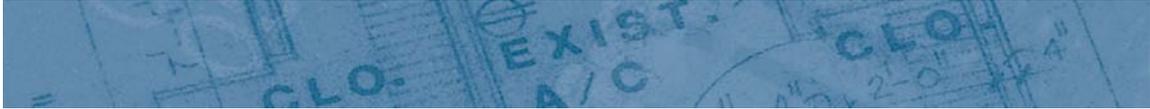
2.1 Organization & Recruitment

The focus groups were organized by the AHB&RSC. Council sent out notices of meetings and invitations to participants using its own database of industry stakeholders (employers and employees). In addition, advertisements were placed in local newspapers inviting participation by interested builders (see Appendix 1 for sample text). The meetings were held in the early evening at convenient locations with refreshments provided.

2.2 Participation

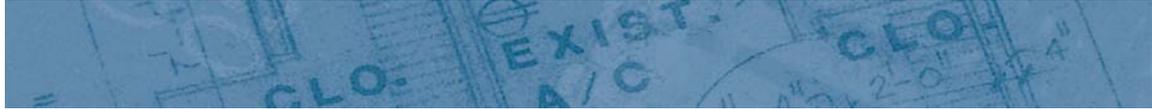
The following table describes the date and location of the focus group meetings and the numbers of participants.

Date	Location	# of Participants	Comments
9/28/05	Stellarton – Museum of Industry	13	Mix of small employers and trades workers
10/5/05	Kentville – Wandlyn Inn	13	Mix of small and medium-sized company representatives and trades workers
10/6/05	Sydney – Delta Hotel	7	Mix of small employers and trades workers
10/7/05	Sydney – Carpenters Union Hall	15	Atlantic Conference of Carpenters (with representatives of carpenters' unions from Atlantic Provinces and at the national level)
10/11/05	Bridgewater – Wandlyn Hotel	13	Mix of small and medium-sized company representatives and trades workers
10/13/05	Halifax – Holiday Inn Express	28	Two sessions: mix of small, medium and large-sized company representatives and trades workers



2.3 Process

Rick Williams of PRAXIS Research facilitated the meetings, and Mary Kenny, Executive Director of the AHB&RSC, served as a resource person. All of the meetings, except that with the carpenters' union representatives in Sydney, followed the same agenda (see Appendix 2). The draft Action Plan, including a brief summary of the outcomes of prior research and consultations, was reviewed and discussed by means of handouts and a PowerPoint presentation. At the conclusion of each session the next steps for the Action Plan were described, and participants were asked to express their views whether they were in favour, opposed or undecided with regard to implementation of the plan.



3.0 Findings

In general, the greater part of the time in all the focus groups was taken up with the presentation of the Action Plan and explanation of the specific changes proposed in it. Some of the concepts were new to many participants, but only a few were controversial.

The PowerPoint presentation included a review of the research and consultations carried out by the AHB&RSC over the previous four years leading to the articulation of the draft Action Plan. There was general acknowledgement that the consultations had been extensive, that the survey research was informative and useful, and that the proposals in the Action Plan were grounded in overall industry concerns and human resource development needs and priorities.

The two fundamental findings drawn from the prior research and consultations – that the industry faces increasingly serious skills shortages, and that the underground economy is a serious constraint on both business viability and human resource development in the sector – were well accepted by all the groups.

The following are summaries of the main points of discussion on each of the elements of the proposed Action Plan.

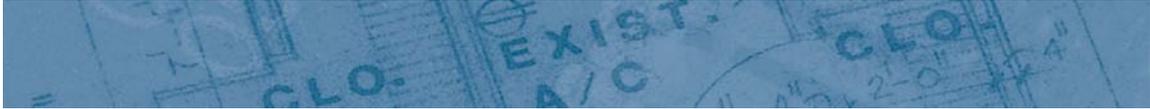
3.1 Advisory Committee to Provide Leadership

The proposal for the establishment of the Residential Construction Professionalization Advisory Committee (RCPAC) to oversee and coordinate the implementation of the Action Plan was well understood and accepted.

There were comments on the need to ensure effective representation for both contractors and trades workers, and to have members from all regions of the province.

3.2 Residential Construction Commission

The proposal for the establishment through provincial legislation of a Residential Construction Commission, modelled on the existing Real Estate Commission, with broad powers to implement mandatory licensing of contractors, and to set licensing criteria, was – after



extensive explanation and discussion – accepted by all groups.

A concern raised in most of the groups was the situation of builders who were well established in the industry for many years but did not have the training requirements proposed in the Action Plan. This issue was linked to the proposal in the Action Plan for a Prior Learning Assessment and Recognition (PLAR) program (see below).

The option of “grandfathering in” established builders simply on the basis of time in the industry was discussed. In general, the preference is for a more rigorous approach to ensuring that builders do in fact meet licensing standards.

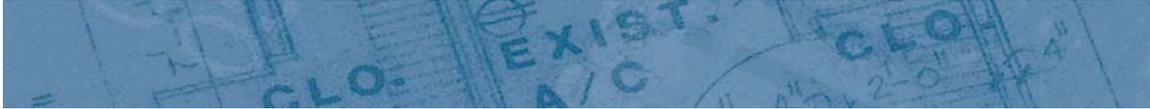
3.3 Licensing Authority

Recognizing that actual standards will be set by the Commission only after it has been set up with legislative and regulatory authority, and that there will be ongoing consultations as part of that process, the draft Action Plan suggests standards for licensing contractors which include:

1. Mandatory registration and payment of registration fees (to make the commission financially self-sufficient).
2. Mandatory training standards for the principal owner-operator or manager in each residential construction firm based on the current Atlantic Home Warranty training requirements and the Nova Scotia Home Builders’ Association’s Certified Residential Builder (CRB) program.
3. Mandatory membership in a 3rd-party warranty provider, and/or sufficient insurance to cover the potential health and safety and consumer protection liabilities associated with construction projects.

There were no serious criticisms of these proposed standards, bearing in mind the concern mentioned above about the need for a PLAR option for older builders.

Participants raised concerns about the level of costs associated with registration fees and training programs. Some felt that small firms or owner-operators might be negatively impacted by such fees, and that they would find it difficult to pass on such fees to clients with low and fixed



incomes. This was seen as a particular issue for builders doing a great deal of small-scale renovation projects.

There was discussion on ways to enforce registration and collect the registration fees. There was general support for linkages with the building permit system. One approach would be to require builders to have up-to-date registration cards before building permits for projects of a prescribed scale and nature could be issued. An alternative approach would be to collect the overall revenue through a fee paid when acquiring a building permit. It was accepted that these options would need to be fully evaluated and costed out before a final decision could be made.

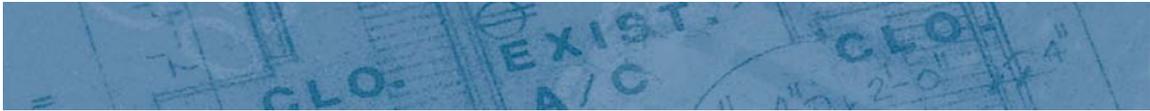
Questions were raised about how to regulate “self-builders” or hobby builders. Examples of regulatory strategies from Victoria State in Australia, and from other parts of Canada, were discussed. It was made clear that there is no intention to limit the activities of self-builders but, at the same time, there is a need to protect the public when self-built houses are subsequently sold on the open market.

There was also discussion on the fact that most renovation projects are not eligible for home warranty coverage, and that other means to provide consumer protection will need to be in place in this sector of the industry.

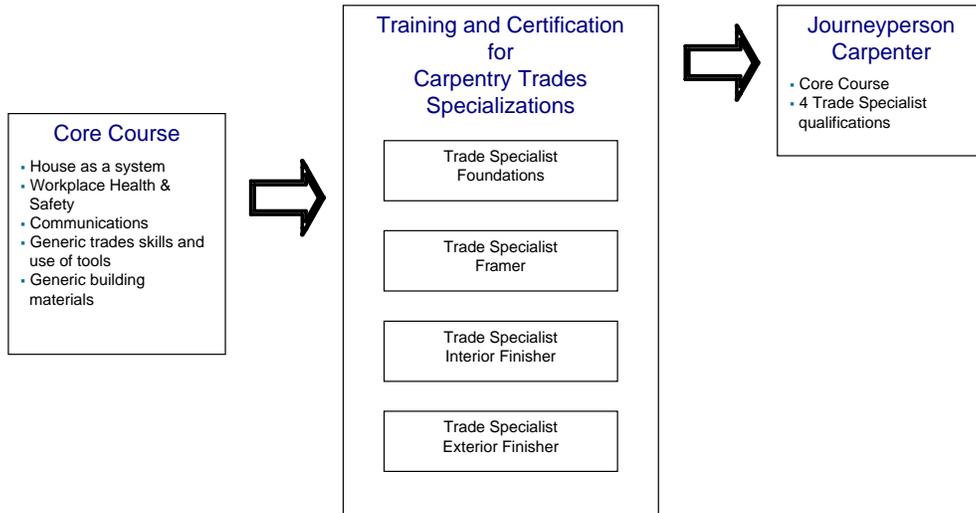
In general, there was support in principle for the overall approach primarily as a way to limit the activities of underground operators.

3.4 New Training and Certification System for Carpenters

The Action Plan includes a comprehensive new approach to training and certification of workers in the carpentry trades area. The rationale for the new approach is that the current apprenticeship program is not producing enough graduates to meet industry demands, and that graduates lack skills and aptitudes specific to residential construction. The objectives for the proposed changes are to make training more relevant to residential construction, to reduce the time required for trainees to become “job ready”, and to improve recruitment of new entrants to the trade.



The proposed new training approach was set out in the following diagram:

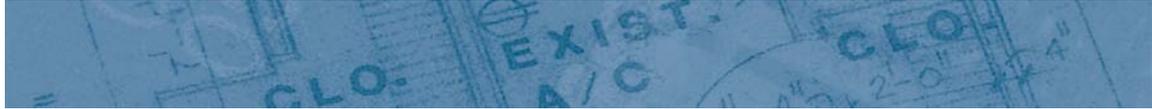


There were different views on the proposal for “trades specializations”. Several participants who were journeyman carpenters themselves worried about the risk of “watering down” or “deskilling” the traditional carpentry trade. This was also an important issue for the representatives of carpenters’ unions. It was explained that all of the skill areas that are in the existing carpentry curriculum would be included in the new model with an added emphasis on residential content. The traditional journeyman program would be maintained, but apprentices would also have the option to complete the journeyman training in modules. Individuals who chose to specialize in areas like framing or finish carpentry could become job ready in a shorter period and find rewarding employment quickly. With the new system employers should also have a better idea of the actual competencies of new recruits.

With some reservations among those concerned about protecting the journeyman carpenter status, the groups reached consensus on the value of moving forward with the design and testing of this new approach.

3.5 Mandatory Certification of Carpenters

The research and consultations made clear that there is widespread support in the industry, and among consumers, for mandatory certification of carpenters parallel to the existing



requirements for plumbers and electricians.

However, the proposed Action Plan suggests a cautious approach on this issue based on the reality that the training system now lacks credibility with industry in terms of the capacity to provide affordable and accessible training for the large number of workers who would be affected. There were also fears of a “backlash” against the proposal from employers who are already experiencing difficulties in finding qualified trades workers, and who are facing higher wage expectations.

The strategy is to move forward with mandatory licensing of contractors and with the implementation of changes in the training and certification system. Once these changes are accomplished, it is expected that there will be a climate of support for a new approach to regulating the carpentry trade.

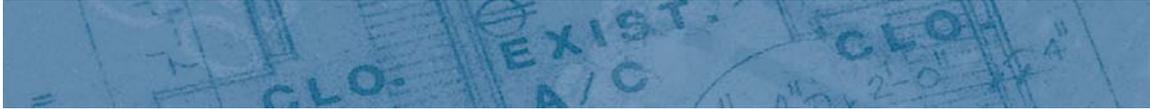
There was acceptance among all the focus groups for this gradual approach.

3.6 Prior Learning Assessment & Recognition

The AHB&RSC, and the Steering Committee for the professionalization Action Plan project, clearly recognize the need to provide an efficient and inexpensive way to certify builders who are already well-established professionals but who lack formal training and certification. It is clear that most builders in this category have the knowledge and skills to meet the certification standards, but it is unlikely that they will return to formal training or submit themselves to onerous testing.

Prior learning assessment and recognition is a well-established approach to dealing with this issue. Although PLAR is being used in many other sectors, there are not as yet working models for how it might be implemented in residential construction. The Action Plan therefore sets out the following principle as a basis for moving forward until such time as an appropriate program can be put in place:

For any and all mandatory training requirements that are put in place as part of the professionalization program for the residential construction industry, individuals in the industry will have the opportunity to meet the standard through

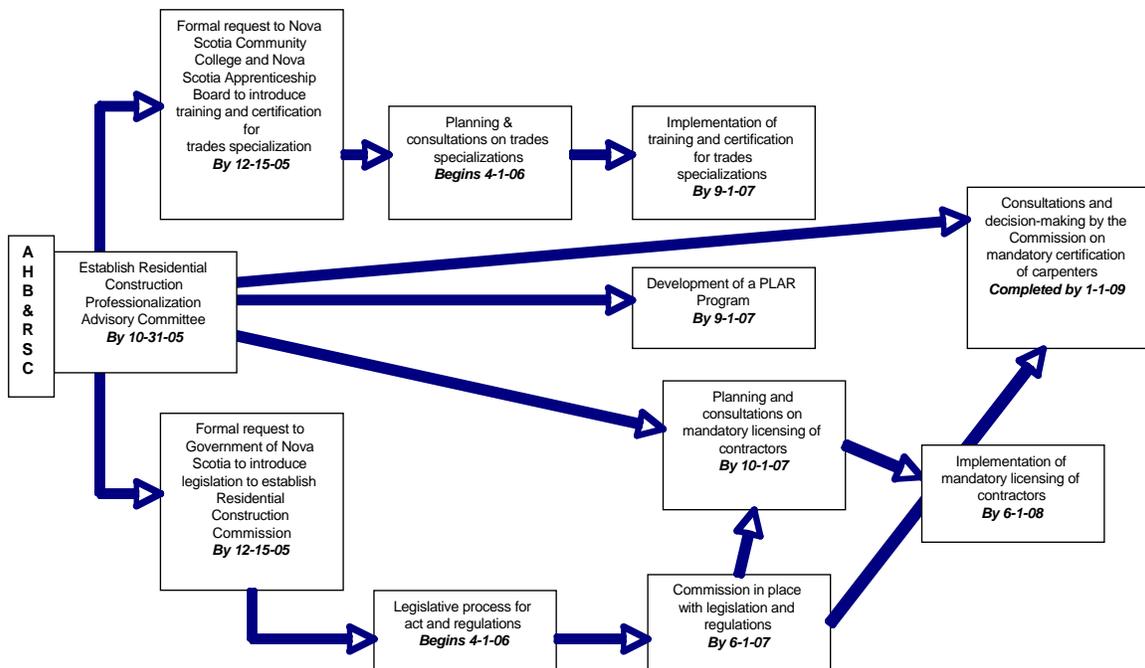


a prior learning assessment and recognition process at reasonable cost and an accessible location and time.

The focus groups all expressed a willingness to move forward on the basis of this principle.

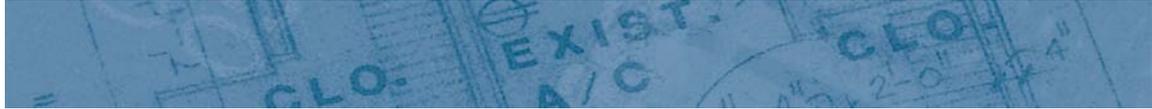
3.7 Next Steps

The Action Plan includes the following diagram setting out a timetable for implementation.



It was explained that this timetable is dependent on agreement of the provincial government to move forward with legislation and regulations, and could be affected by an election in 2005 among other things.

The groups all expressed support for the overall approach and the timeframe for implementation of the Action Plan.



4.0 Concluding Comments

There was excellent attendance and participation in all the focus groups. The attendees included an effective mix of younger and older industry members, of contractors and builders in differently sized firms in both new home construction and renovation, and of trades people at different stages in their careers. A third or more of the participants were not active members of the Home Builders' Association, did not regularly attend meetings of this nature, and came out of curiosity after seeing the newspaper ads. Their responses in the discussions provide insight into how the many builders and tradespeople in the province who have not yet been involved will respond to the professionalization initiative as it unfolds. The meetings with representatives of carpenters' unions were constructive and informative.

It is clear that the concepts and innovations set out in the proposed Action Plan are new and challenging for many industry stakeholders. It is equally clear, however, that when ample time is taken to explain the objectives and the approach, and to have full and open discussion, the great majority of participants see their relevance and value and are prepared to support the overall program as the Sector Council moves forward with implementation.



5.0 Appendix 1: Text of Sample Newspaper Advertisement for Focus Groups

See attached.



6.0 Appendix 2: Focus Group Agenda

1. Introductions
2. Goals of the meeting
3. Review of AHB&RSC proposals for improving the supply of skilled workers in residential construction
4. Discussion
5. Next steps
6. Adjourn