

RESEARCH SUMMARY

Characteristics of Apprenticeship Programs in the Atlantic Provinces

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This report, produced by the New Brunswick institute for Research, Data, and Training (NB-IRDT), presents a statistical description of individuals enrolled in apprenticeship programs in the Atlantic Provinces over the period of 2008-2013. Findings are based on a series of statistics generated by Statistics Canada from datasets which link the following data: the Registered Apprenticeship Information System (RAIS), T1 tax files and T4 statements of earnings.

Key Questions

Three dimensions of apprenticeship characteristics are explored:

- i) Demographic characteristics
- ii) Mobility of apprentices
- iii) Earnings of those continuing, completing, and discontinuing their program

Why Should We Care?

There has been a marked increase in the size of apprenticeship training programs in Canada over the past 20 years, with nearly triple the number of new apprenticeship registrations since the 1990s. This is partly in response to Canada's aging workforce and the need for skilled tradespeople to meet skill shortages. This is also a response to higher wages and the large number of opportunities offered in the resource sector.

As of 2013, there were 5,080 individuals enrolled in apprenticeship programs in New Brunswick (NB), 6,515 in Nova Scotia (NS), 6,773 in Newfoundland and Labrador (NL) and 1,126 in Prince Edward Island (PEI).

STATUS IN PROGRAM AT END OF CALENDAR YEAR

Continuer. Enrolled in the program as of the end of the calendar year.

Completer. Successfully completed the program by the end of the calendar.

Discontinuer. Terminated enrollment in the program before completion.

Program Characteristics

Enrollment. The number of apprentices enrolled in NB has been remarkably steady compared with the growth rates observed in NS and PEI over 2008-2013. In contrast, NL has experienced variable enrollment rates over the same period (likely correlated with energy prices).

Age and Sex. The age distribution of apprentices in NB, NS and PEI has been stable over the five years, with the highest proportion of apprentices in the youngest age category (i.e. less than 25 years of age). In NL, the proportion of apprentices less than 25 years of age increased from 25% in 2008 to 32% in 2013. Over 90% of apprentices in all Atlantic Provinces are male, with the highest proportion in NB.

Top Trades. Electrician has been the most common field of study for all four provinces, while automotive and carpentry rank in the top five for each province. Over the study period there were no major changes in the composition of enrolled apprentices by field in any province.



While carpentry and welding do not require compulsory licensing, they are among the most commonly undertaken apprenticeships and this would appear to indicate the value in the labour market of certification.



Mobility

Continuers. Approximately 95% of those studying in the Atlantic Provinces are also a resident in that province. These figures have not changed much over the sample period. For NL and PEI, the proportion of apprentices studying in their province of residence increased over the sample period, with a parallel shift away from studying in Alberta.

Completers. Two years after completion, only 5% of completers from NB, NS and NL were residing outside of their province of completion. However, although 95% reside in the same province, about 15% of those residents are employed in another province, typically Alberta. PEI results were not reported due to small sample size.

Discontinuers. About 15% of discontinuers were working out of province two years after discontinuing the program.

Apprentices in NL experience much more cyclicity in enrollment and discontinuation rates than NB, NS, and PEI - likely reflecting greater sensitivity to energy prices and closer integration with the AB labour market.

Earnings

Continuers. Those working in PEI generally earned the lowest in Atlantic Canada while those in NL earned the highest. Those working in NB and NS earn around \$35,000 per year. For Atlantic Canadians working elsewhere, earnings were variable, but generally higher.

Completers. Annual earnings for those working in NB and NS are about \$56,000 during the first two years after completion. NB completers moving to AB earn a mean salary of \$93,000 in the first year and \$97,000 in the second. For NS, results are a slightly higher at \$97,000 and \$104,000. Individuals working in NL have earnings of about \$69,000 during the first year and \$85,000 in the second, while those moving to AB earn almost \$130,000. PEI results were not reported due to small sample size.

Discontinuers. In Atlantic Canada, discontinuers earned about \$20,000 less per year than completers regardless of where they worked. However, earnings of discontinuers who studied in NL but were working in AB earned close to \$100,000 two years after discontinuing; suggesting they may be taking advantage of high paying jobs where trade certification is not compulsory.



Final Thoughts

- The number of apprentices enrolled in NB has been remarkably steady over time, in contrast with growth in the number of apprentices in other Atlantic provinces.
- Given the destination province for commuters is typically AB, a greater degree of exposure to the AB labour market may increase the cyclicity of completion and discontinuation rates, as has been observed in NL.
- Completers and discontinuers tend to reside in the same province in which they received their training. Therefore, even if they commute to another province for work, their province of residence will still benefit from receiving higher taxes paid.
- A large portion of individuals completing an apprenticeship program in Atlantic Canada still reside in their province of study two years after completion. Apprenticeship programs appear to be serving the requirements for skilled trades in NB.