

Opportunities & challenges leading up to the 2010 Olympics - Bill Good Special Report - Part 3 - Rod Harris (Tourism BC), Kerry Jochen (Human Capital Strategies) & Manley McLachlan (BC Construction Association) - CKNW - 9:35AM April 4, 2005

Bill Good: Assessing the state of the economy in British Columbia, Rod Harris is CEO of Tourism B.C. I said before the break that you couldn't look at the economy in B.C. over the next two to five years without factoring in 2010. The 2010 Olympics as an economic generator?

Rod Harris: It carries with it phenomenal opportunity. One of the things your listeners might not be familiar with is a phenomenon called the aversion effect. These are individuals just before the Games saying: Gosh, I won't be able to get a room, or I won't be able to buy tickets; maybe we should go somewhere else for our travel. So in reality, while it brings millions and millions of viewers to observe the destination, one of our bigger challenges is the five years leading up to the Olympics, ensuring that our industry is well prepared and that prospective visitors that there are phenomenal opportunities throughout all of British Columbia well before and through the Games.

Good: So you're telling me you might get people from the Lower Mainland wanting to leave during the Olympics and go elsewhere in the province as a tourist?

Harris: Well, we're hoping that we'll see that phenomenon; that's part of my job, Bill. We want people from all over the world, other parts of Canada, and, obviously, for the B.C. resident, to enjoy a whole range of travel opportunities leading up to the Olympics. Of course, we're encouraging them to observe the Games and see the many events, both, in Vancouver and Whistler.

But this will be one of our bigger challenges: getting the world to recognize how large our province and how many incredible travel opportunities there are.

Good: When we look at jobs in 2010, Kerry Jochen is president and CEO of Human Capital Strategies. How would you assess the impact of 2010 on the B.C. economy in the short and longer term?

Kerry Jochen: Well, overall, in the next ten years we're looking at about a million new job openings. The Games themselves bring about 72,000 or 77,000. And there's different cycles for different industries. Obviously, in construction those jobs are coming on stream now with starting to build some of the venues. Tourism is a bit slower and more gradual, and the same with retail.

So it varies by industry.

But 2010 is a significant chunk of the growth in the future. A lot of it is symbolism and optimism, too, as well as that 77,000.

Good: But a million jobs is a lot of jobs.

Jim Sinclair was here just a few minutes ago decrying the end of the apprenticeship program as we knew it. Do we have the training schedule to create the skill sets that are going to be needed over the next five years?

Jochen: Not today but we're moving in that direction.

I think Jim, with all due respect, is using out-of-date numbers. I think the current numbers show improvements in apprenticeships and that training system.

I think with industries like Rod's and Manley's, and others are doing, there's a lot of good examples. And what the industry training authorities are doing, together with others, we're moving in that direction where I'm confident we will have a more flexible, responsive training system.

Good: Manley McLachlan is president of the B.C. Construction Association. How do you organize a workforce for so much work over a relatively short period of time?

Manley McLachlan: Well, actually we like to look at it as there's so much work, but it's actually over a fairly significant length of time.

The real challenge for us right now is - it's not only a convergence of opportunity, but it's a convergence of challenges - that while the focus is on the Olympic facilities, they are a relatively small part of a huge expansion of the construction opportunities in this province. We're looking at an array of projects in the volume of \$65 billion in projects leading to 2010 and beyond. The Olympic facilities themselves are some \$600-to-700 million of that portion. So our challenge is to meet that ongoing need.

As Kerry pointed out, the direction that ITA is going is to put industry in position to direct the flow of training so that their needs are met as quickly and with as much immediacy as possible.
(Break)

Good: In this segment, we're trying to gauge the impact of 2010 on the economy of British Columbia between now and then. Obviously, it's going to have a big impact on tourism. You say that the Olympic sites will be high profile. They'll be what a lot of people see, but I also think about things like the RAV line, the Sea-to-Sky Highway construction, the Trade and Convention Centre. There are going to be a tremendous number of high-paid, highly skilled jobs that are going to have to be filled in order to get that work completed.

McLachlan: Absolutely. As I said a little earlier, it's a convergence of opportunities here in the province. We believe that the Olympics, the announcement of the Olympics were really the initial spark that lit this whole thing off the ground.

Your comment about high skill is part of the challenge that's here. We have, today, construction processes that are dictated by end-product specifications. We have to have people who are highly skilled to actually assemble them, whether they're buildings or rapid transit systems. So we're looking at a need to get people skilled up, but we're also looking at a number of people who are going to be leaving the industry, through retirement, over the same course of time. It's not just that the retirements are going to occur in the construction industry, but we have a large number of trades people who are working in facilities like this hotel who also will be hitting retirement age at the same time.

Quite frankly, one of the challenges we have within our industry is that many of the trades people working in construction migrate into institutions like this hotel or hospitals and universities. So we're not only going to have some gaps in the construction sector, but there's also gaps in the private and the public institutions that we're going to have to address.

Good: Kerry Jothen, Jim Sinclair was decrying the fact that this woman he had talked to had a son graduating from grade 12 who wanted to be a welder, and it was going to take two years to get into a training program to become a welder. Do we have time for people to have to wait two years to get into a program to learn a skill?

Jothen: No, increasingly, we don't have that time. I think there's a number of ways, through more flexible training and using private training institutions, to increase that capacity. We talked about the new arena over here, at the break, Save-On. Over the last year one of the problems with the building was rebar, reinforcing steel installers. Well, today because of the new model, there's a new program. In the next week or two there'll be graduates from that new program. We didn't have that a year ago.

Good: I'll tell you that a lot of people in those jobs will be making a handsome amount of money in overtime as they worked round the clock to get that facility finished in time for the World Curling Championships, which are being hosted as we speak.

Jothen: Bill, the other point is none of those people who are making those good wages were carrying any student loans at the end of their training. So that's another strong reason to

encourage young people to look at construction trades. The apprenticeship system is: earn while you learn, or learn while you earn.

You know, we're now looking at: how do we attract some of the most recent graduates from the university system? How do we attract those young people to come into the industry because they're going to need jobs and they're going to need well-paying jobs to pay off their existing loans?

Good: I think I'll go to Lorne, who's been waiting patiently on the line.

Lorne: I was reading a story, on February 24 out of the *Asian Pacific Post*, that B.C.'s on the lookout for 30,000 skilled tradesmen from India to build the infrastructure for the 2010 Olympics. They also need IT professionals and engineers, according to worldwide immigration consultancy services. So [inaudible] 30,000 tradesmen from India.

McLachlan: I think if you look at that particular news item in the *Asian Pacific Post*, they were quoting [inaudible] company that recruits people from overseas. [Faulty audio]..government to recruit 30,000 people from India for our construction industry. I think that is perhaps inaccurate. We know that there are going to be those kinds of needs, but to my knowledge there isn't a specific recruitment drive in India. We are looking at alternate, or what I call "non-traditional" sources of workers. As an association, we're working with folks who work with immigrants, recent immigrants to the country. We're also working extensively within the aboriginal community. We think that there are alternatives in a non-traditional way to attract people who, in the past, haven't been part of the industry.

(Break)

Good: Rod Harris, there are some who express the concern that we'll be into a boom-and-bust with 2010, that there'll be this flurry of jobs, this flurry of construction; the Olympics will happen, and then everything drops right off.

Harris: Well, I think the beauty of the tourism industry, Bill, is that the growth will take place over the long term. Really, most of the initial activity is going to start in the next year or two. As our industry operators throughout the province become prepared to host the world, you'll see long-term, stable positions.

As we experienced with Expo in 1986, the real growth is going to take place once all the world views Supernatural British Columbia during the Games. The real growth is going to take place in the five years following the 2010 Olympics

Good: Another topic that's come up during the course of this discussion, Kerry Jothen, is the degree to which demographics play a huge factor in our economy over the next five to ten years as a lot of people leave the job market, to retirement. Do we have the programs in place and the people coming up, in numbers, to replace them?

Jothen: Well, by 2010 the number of people leaving the job market will exceed the number coming in, for the first time ever.

On your question, I think businesses and industries are starting to step up to the plate and recognize this and do things about it.

Construction is a good example. The homebuilders, the wall and ceiling people, the ICBA, and others, are working together to put in new flexible programs.

It's also not just training but retention. And how do you become an employer of choice; how do you keep people?

There was a study done recently where money was the number one - number eight issue of importance for workers. The more important ones were: challenging opportunities, opportunities for growth. So retention is going to be critical.

Good: Back to the phones - Eva.

Eva: I'm just wondering. It really concerns me when I hear this word "flexibility" because it usually means that employers end up with more of an ability to degrade the kind of education they're providing, to serve the needs of that particular company.

I want my son or daughter who goes into a trade, to be able to have a certification that will allow them to transport that skill across the country. I'm not sure that when I hear that word "flexibility", that that's what these younger people - because, in reality, I would imagine it's most people in their twenties or younger who are going to be engaging in a new career in trades...

Good: Eva, we've just got about one minute left, so let me get Kerry Jothen to answer that in the time we have before we have to break for the news.

Jothen: The industries and employers that are developing these new flexible programs - they want quality, and they want standards. These are provincial, recognized programs, and some of them are national.

The Canadian Homebuilders has developed the first national framing technician program. It's the only one in the world. These are based on national and provincial standards.

So I think employers and industries agree with you that you have quality. You'll see that in these programs that are growing.

Good: But you can have quality and flexibility too?

Jothen: Definitely, you can. Yes, definitely, because there are recognized standards that companies and industries can train to; workers have portable credentials throughout the province and across the country based on those standards.