



Canada's Tournament Capital

Apprenticeship Funding

Document purpose: The intent of this document is to provide supporting information related to requests for funding of Capital items where the request is simple in nature. For example, replacement of standard used equipment, lawnmowers, fleet equipment, and multifunction devices. This document can be used for broader programs that are evergreen in nature provided that the evergreen plan has been approved. **If this request impacts another business unit, you will need to have this document reviewed and signed off by that unit's representative.**

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Business Case Committee

Executive Summary

There is a current labour shortage of Skilled Trades workers in British Columbia, with an estimated 83,000 job openings expected over the next decade. Colleges and Universities are working with Skilled Trades BC to meet this demand and expand training opportunities. However, apprentices still require work placements to gain essential on-the-job experience. The City of Kamloops employs approximately 60 skilled trades workers across various trades disciplines. These workers provide vital services and support core operations. As such, it is essential that we invest in the development and growth of Skilled Trades workers by offering short-term apprenticeship opportunities within Civic Operations.

A trades apprenticeship typically consists of four years of on-the-job training combined with four annual in-class instructional sessions to qualify for Red Seal certification – which is required for trades staff at the City of Kamloops- an apprentice must complete a specified number of on-the-job hours.

There are approximately 170,000 skilled trades workers in BC including around 41,000 registered apprentices. To ensure a steady pipeline of qualified workers, workplaces must maintain a 4:1 ratio of journeypersons to apprentices. Currently, the City of Kamloops maintains a 30:1 ratio which is well below industry averages. With additional funding we could improve this ratio to approximately 8:1 by 2031. Apprentices' pay rates are outlined the collective agreement and start at 50% pay for a first-year apprentice. This offers departments flexibility and enables the hiring of multiple apprentices across various trades. By adopting this approach, the City could move closer to the recommended 4:1 ratio of journeypersons to apprentices ratio and play a stronger role in addressing the province's skilled trades shortage.

Situational Overview (Terms of Reference)

The City of Kamloops currently employs approximately 60 staff in skilled trades. However; we are seeing a concerning trend: a decreasing number of applicants for trade positions. This is due, in part, to the lack of apprenticeship opportunities within the city and broader industry. Offering temporary term apprentice opportunities is critical for future workforce development and successful recruitment. The apprentices we train today become the skilled tradespeople we hire tomorrow. The responsibility for training apprentices should be shared across all industries that depend on skilled trades. At present, the City of Kamloops is not addressing the growing need for skilled trades apprenticeships and is falling behind the industry average for training apprentices.

Over the next decade, it is estimated there will be 83,000 job openings in skilled trades across British Columbia. This skilled labour shortage will impact all sectors from, small business, large companies and municipalities alike. While 2023 saw a record number of over 41,000 apprentices registered in BC, many are still seeking placements. The City of Kamloops relies heavily on skilled trades workers to maintain service levels and support operations. Therefore, it is imperative that we invest in the development and growth of the skilled trades workforce by offering short-term apprenticeship opportunities within Civic Operations. The City is well positioned to support apprenticeships across the full range of our skilled trades roles.

A typical trades apprenticeship consists of four years of on-the-job training combined with annual instructional sessions in a certified trades program. Skilled Trades BC oversees the

province's skilled trades system, with a mandate to facilitate training and certification. To receive Red Seal certification- which the City requires of our trades staff- an apprentice must complete a specified number of on-the-job hours.

However, obtaining this on-the-job training is often a challenge, as many employers either lack the capacity to train apprentices or cannot provide the variety of work required to develop well-rounded tradespeople. The City of Kamloops offers a diverse and supportive work environment, exposing apprentices to a wide range of tasks across each trade. As an organization that relies on a variety of skilled trades to meet service demands, it is essential that we continue to support apprenticeship programs and provide meaningful training opportunities. There are approximately 170,000 skilled trades workers in BC and 41,000 registered apprentices. Maintaining a 4:1 ratio of journeypersons to apprentices is vital to ensure a steady pipeline of qualified trades professionals. Currently, the City of Kamloops has a journeyperson-to-apprentice ratio of 30:1 – well below industry averages. With additional funding, we could reduce this ratio to approximately 8:1 by 2023, significantly improving our ability to develop future talent.

If approved, this funding will be used to maximize apprenticeship training opportunities. Apprentice wage rates are defined in the collective agreement and start at 50% of a journeyperson's rate for first-year apprentice. This structure provides flexibility across departments and allows for the hiring of multiple apprentices in various trades. Apprentices would be hired on one-year temporary terms with no guaranteed position at the end of the term. However, this model would move us significantly closer to the ideal 4:1 ratio.

Decisions regarding the level of apprentice hired and the duration of their employment would be based on departmental capacity and workload. Apprentices who complete their fourth year and achieve Red Seal certification would be able to apply for any available trades position or pursue employment elsewhere as a fully qualified tradesperson. Human Resources currently supports Civic Operations in enrolling and indenturing apprentices. Hours worked are submitted to Skilled Trades BC and count toward Red Seal certification at the conclusion of the apprenticeship.

Options (Alternatives) Considered

Option 1

Additional funding for temporary apprentice positions over 5 years, starting in 2027, with total funding of \$508,000 for 5 positions by 2031.

Option 2

No additional funding for more apprentice positions

Financial Considerations (Benefit/Cost Analysis)

Option 1:

Title of Business Case

<i>Description of Costs</i>		<i>2027</i>	<i>2028</i>	<i>2029</i>	<i>2030</i>	<i>2031</i>
Capital:						
<i>Total Capital</i>						
Operating:						
	Salary (Mgmt)					
	Wages (CUPE)	\$101,600	\$101,600	\$101,600	\$101,600	\$101,600
			\$101,600	\$101,600	\$101,600	\$101,600
				\$101,600	\$101,600	\$101,600
					\$101,600	\$101,600
						\$101,600
<i>Total Operating</i>						
Total Spend By Year		\$101,600	\$203,200	\$304,800	\$406,400	\$508,000

<i>FTE Requests with Description</i>		<i>2027</i>	<i>2028</i>	<i>2029</i>	<i>2030</i>	<i>2031</i>
Management						
Staff (CUPE)		1	2	3	4	5

Option 2:

<i>Description of Costs</i>		<i>2027</i>	<i>2028</i>	<i>2029</i>	<i>2030</i>	<i>2031</i>
Capital:						
<i>Total Capital</i>						
Operating:						
	Salary (Mgmt)					
	Wages (CUPE)					
<i>Total Operating</i>						
Total Spend By Year						

<i>FTE Requests with Description</i>		<i>2027</i>	<i>2028</i>	<i>2029</i>	<i>2030</i>	<i>2031</i>
Management						
Staff (CUPE)						

Risk Analysis

If the City of Kamloops does not invest in apprenticeship opportunities, there is a significant risk of being unable to fill future skilled trades vacancies due to a declining number of qualified applicants. This could lead to increased operational disruptions, reliance on costly external contractors, and a loss of institutional knowledge as experienced workers retire. Additionally, maintaining a journeyman-to-apprentice ratio well below the industry standard may hinder the City's reputation as a leader in workforce development and its ability to contribute meaningfully to addressing the province-wide skilled labour shortage.

On the other hand, investing in additional apprenticeship positions presents financial and logistical risks. The allocation of \$508,000 over the five years may strain future budgets or compete with other priorities. Furthermore, apprentices hired on temporary terms may not stay with the organization after achieving certification, which could limit the long-term benefits of the investment.

To mitigate these risks, the City can align apprenticeship hiring with departmental capacity, encourage mentorship among journeymen, and implement retention strategies to retain certified tradespeople. With careful planning and oversight, the risks associated with investment can be managed effectively while delivering long-term workforce development benefits.

Proposed Schedule

If approved, administration would hire one additional apprentice per year for the next 5 years, starting in 2027.

Conclusion/Recommendation

Administration recommends funding 5 new apprenticeship positions as proposed in option 1. This option supports long term skilled trades recruitment through investments in current training opportunities for apprentices.

To be Completed by the Corporate Services Department

Proposed Funding Options

There would be no impact to the 2026 budget as this business case is proposed for 2027 - 2031

Funding Sources	2027	2028	2029	2030	2031
Taxation	\$101,600	\$101,600	\$101,600	\$101,600	\$101,600
% of funding impact	0.06%	0.05%	0.05%	0.05%	0.05%
Impact of average house tax	\$1.94	\$1.93	\$1.87	\$1.85	\$1.85
Total Funding	\$101,600	\$101,600	\$101,600	\$101,600	\$101,600