

# Some employers take blame for skills shortage

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The results of the fifth annual Hays Canada Salary Guide came as a surprise to Rowan O'Grady, with construction employers admitting their own actions are contributing to the "lack of available talent," putting into question the idea of a national skills shortage.

The president of Hays Canada says the survey, which was conducted in November 2014 and included about 4,000 respondents across all industries and sectors, asked construction employers who they believed was responsible for this.

"Around 53 per cent said that they believed that the lack of training and development was their own responsibility," he says. "I had personally thought when people said that, they would lay the responsibility at the industry associations, government, maybe universities and colleges...but actually you've got a fairly significant proportion of companies saying, 'well actually that's our responsibility.'"

O'Grady says the reason behind this admission is the fact that construction companies tend to focus on short-term instead of long-term goals.

"They don't have that medium to long-term view and they're not actually investing in peoples' training and development, because most companies, all they're thinking about is the bottomline right now," O'Grady explains. "The concept of professional development and training for people, which would benefit those individuals over two, three, five years, isn't on the agenda."

O'Grady, however, is also quick to point out that the term skills shortage, does still apply in some instances.

"There's clearly a skills shortage for specific skill sets, for niche skills sets in Canada, in lots of industries," he states. "If you have some good experience with a reasonable contracting company, you're absolutely going to get a job. At an unskilled level...there's plenty of places in Canada (where) it's difficult to find a job. There's no broad brush stroke on this. You can't say Canada has or hasn't got a skills shortage, it has in certain areas and it doesn't in other areas."

The survey found 73 per cent of construction companies anticipate increasing business activity in the coming months, which is a jump of 18 per cent over 2014.

With that said, permanent staff levels will likely remain "static putting pressure on current employees. Many respondents also admit that hiring tends to be ad hoc and for shortterm positions that don't offer career growth or stability," states a release from Hays.

“The companies we talk to everyday, construction companies, architecture firms, consulting engineering companies... the majority of those recognize there’s a skills shortage and that skills shortage makes their job very difficult to do,” O’Grady says, adding, some companies “are contributing to it in a negative way. You’ve got a short term view point on training development, succession planning. Twothirds of companies don’t have succession plans. Construction employers should be investing in skills development, recruitment and succession planning to keep pace with their current and future ambitions.” O’Grady also says “we’re seeing kind of a strange pattern,” in the findings. Responses from Canadian construction employers show that 80 per cent plan to offer some sort of salary increase in 2015 and 53 per cent believe the economy will strengthen throughout the next six to 12 months.

“What’s strange about what’s going on, it feels like we’ve turned a corner by way of confidence in the economy and confidence about an individual’s own organization, but that isn’t converting into more companies saying let’s go out and increase our permanent headcount,” O’Grady points out.

“Yah, I feel confident, but I’m not going to hire a whole lot of guys because maybe things will go backwards again,” he says companies may be thinking. “So there’s a lack of deep rooted confidence. Companies are just trying to drive productivity, they’re trying to protect profitability and their margins. They’re ignoring the need to hire more people to deal with the increase in business activity levels.”

As a result, employees are relocating to new projects rather than focusing on building careers.

“The lack of professional development contributes to the shortage of talent experienced by almost 80 per cent of construction firms,” states the release. “The inability to find qualified construction help could undercut the ability to complete projects on time or commit to future ones.”