

## THE RETURN OF COMPULSORY CERTIFICATION IN THE TRADES: THE *SKILLED TRADES BC ACT* AND IMPACTS TO BRITISH COLUMBIA'S CONSTRUCTION INDUSTRY

---

Big changes are on the horizon for trade professionals and the construction industry in British Columbia following the enactment of the *Skilled Trades BC Act* (the "**Act**") on March 10, 2022. The Act will replace the current *Industry Training Authority Act*. The current legislation is responsible for creating the "Industry Training Authority", which has been the Crown agency responsible for managing and supporting trade training and apprenticeships in the province since 2003. This Crown agency will be transformed into the "SkilledTradesBC" (the "**Corporation**") by the new Act. The Corporation will be responsible for the creation of a compulsory skilled trades certification regime for a number of trade professions. Developed with consultation and feedback from tradespeople, the public, industry stakeholders and other interested parties, this legislation is intended to establish a made-in-British Columbia system for the training of apprentices and to address labour shortages of skilled tradespeople throughout

the province. Various stakeholders in the construction industry have greeted the adoption of compulsory certification in the trade professions with cautious optimism; however, some critics have raised concerns regarding the impacts that additional red tape may have for employers of tradespeople and those looking to enter the construction industry.

For the past twenty years, British Columbia has been the only province in Canada with no compulsory trade certification system requiring that tradespeople be certified by a provincial regulatory body or agency. Prior to the establishment of the Industry Training Authority in 2003, British Columbia had been in-line with other provinces with respect to compulsory certification. The Liberal government under Gordon Campbell saw the deregulation of the skilled trades and the modularization of training and certification as a method to increase the overall number of

*(Continued on page 2)*

apprenticeship registrations and completions by making apprenticeships less rigid and lengthy.<sup>1</sup> According to data gathered by Statistics Canada, there have been a number of unintended consequences as a result of this shift away from compulsory certification. Overall, apprenticeship completion rates have declined and certification in Red Seal trades has dropped from 84% in the 2001 to 2004 period to 65% in the 2011 to 2014 period.<sup>2</sup> As a result, there are currently an estimated 78,500 uncertified workers operating in 30 trades throughout the province with no formal certification.<sup>3</sup> Proponents of compulsory certification argue that its absence in the trade professions has created a two-tiered system where those that are currently uncertified are paid less, have lower rates of employment, job stability and labour mobility than their certified counterparts in British Columbia and other provinces. With the sentiment among labour proponents, such as the BC Federation of Labour, that the Industry Training Authority's apprenticeship model achieved mixed-results, the political will to explore reform of British Columbia's apprenticeship system was set.

Following the October 2020 Provincial election, Premier John Horgan's government began a consultation process to explore the challenges and opportunities associated with the implementation of a compulsory trades certification program to overhaul the Industry Training Authority and apprenticeship training throughout the province.

In June 2021, the Government of British Columbia publicly announced the transition to a new compulsory certification regime requiring certain trade professionals working in the mechanical, electrical and automotive trades to be credentialed. In announcing this transition, the government identified the goals and objectives of the new compulsory certification regime as providing pathways to significantly raise the skill levels of British Columbia's trades workforce, ensuring the province has enough skilled trade workers to meet future demands of the economy, and to provide post-secondary opportunities for trade workers to improve their wages and careers prospects. There are ten trades that will be subject to compulsory certification, and which are outlined in the below table for reference:

<b>Mechanical Trades</b>	<b>Electrical Trades</b>	<b>Automotive Trades</b>
<ul style="list-style-type: none"> <li>• Refrigeration and Air Conditioning Mechanic</li> <li>• Gasfitter A &amp; B</li> <li>• Steamfitter/Pipefitter</li> <li>• Sheet Metal Worker</li> </ul>	<ul style="list-style-type: none"> <li>• Electrician (Construction)</li> <li>• Industrial Electrician</li> <li>• Powerline Technician</li> </ul>	<ul style="list-style-type: none"> <li>• Heavy Duty Equipment Technician</li> <li>• Automotive Service Technician</li> <li>• Autobody and Collision Technician</li> </ul>

In an effort to ensure that there are high standards of supervision, safety and quality training for apprentices, the government will also be introducing journeyman-to-apprentice ratios for these ten trades. These ratios will be set based on further consultations with workers, employers and other industry stakeholders, led by the Corporation. We anticipate that the input of the construction industry will be critical to ensuring that a balance is achieved between the objectives of the government in adopting a compulsory certification program and the practical needs of owners, builders and developers through a realistic assessment of the capacity of construction companies across the province to provide apprenticeship opportunities to British Columbians when considering their staffing levels and other resources. Chris Atchison, president of the BC Construction Association, notes that 80% of the province's construction companies have 10 employees or less, limiting their operational capacity to participate in the apprenticeship system and making the training of apprentices particularly difficult for many of these smaller businesses.<sup>4</sup> Such concerns will need to be taken into account when considering any journeyman-to-apprentice ratios mandated through the Act or its regulations.

While proponents of compulsory certification argue that certification requirements will attract workers to the trades and ensure that those workers have the requisite skills and training that will be needed to fill labour gaps in British Columbia's trades workforce, critics

question whether compulsory certification is the appropriate method to address the growing demand for trade workers. The lack of available training seats for those looking to enter the trades has been identified as being of considerable concern and critics argue that the shortage of trade workers would be better addressed through the funding of additional seats in post-secondary programs rather than through the implementation of a compulsory certification program.<sup>5</sup> In spite of these criticisms, compulsory certification is on the horizon and the construction industry must prepare for these looming changes. Skilled trades certification for the mechanical, electrical and automotive trades will be implemented in phases starting in 2023. Following such implementation, uncertified workers in the effected trades will need to become certified or register as an apprentice with the Corporation to be legally able to work in that trade. Once a trade officially requires certification, uncertified workers will have a year before they must register as an apprentice or challenge a certification exam to become a journey person.

We anticipate that the impacts of this compulsory certification program will become more readily ascertainable in the coming years and continued dialogue between the government, tradespeople and industry stakeholders will be necessary to address the gaps in the province's labour force. While the

*(Continued on page 4)*

implementation of a compulsory certification regime is likely to assist in setting province-wide standards for trade professionals and ensuring that construction projects are staffed with skilled and qualified tradespersons, whether this new regime will succeed in attracting more prospective candidates into the trades is not yet known. Further, when considering the needs of the construction industry, it will be in the best interest of the government and builders to fully assess what the practical and realistic ratios of journeyman to apprentices will be to ensure that the construction industry can continue to provide meaningful work and training opportunities to British Columbians while at the same time meeting the complex and ever-changing demands of construction across the province.

May, 2022

David Giroday

1. BC's (Not So) Great Apprenticeship training Experiment: A Decade Reconsidered [November 2017], BC Federation of Labour at p. 5.
2. *Ibid.*
3. The Impact of mandatory trades certification in British Columbia [September 18, 2020] PriceWaterhouseCoopers LLP at p. 5.
4. Will B.C.'s new trades certification mean more red tape or Red Seals? [February 17, 2022] Journal of Commerce by ConstructConnect.
5. *Ibid.*



**DAVID GIRODAY**

**604.358.7443**

**DAVID@CIVICLEGAL.CA**

David is an associate lawyer of the firm. His practice is focused on municipal, land development and construction matters. Prior to working at Civic Legal LLP, David worked as a litigator and represented insurance corporations, local governments, construction managers and local and national companies in a variety of legal actions and disputes. David has developed a unique perspective on risk management, negotiation, and strategy from his litigation experience, which he draws on to advise his clients on a variety of legal and regulatory issues. In his solicitors practice

David routinely advises clients on local government issues, procurement processes and land use planning and development regulatory matters. He has further drafted construction contracts and municipal service agreements on varied construction projects and contractual matters.

*Our lawyers combine legal experience in local government, commercial real estate development, and construction law to provide legal services to local governments, owners, builders and developers on a range of projects, from concept to completion, and beyond.*

710 - 900 West Hastings Street, Vancouver, BC V6C 1E5  
604.639.3639 | [www.civiclegal.ca](http://www.civiclegal.ca) |  CivicLegal