



RED SEAL
THE INTERPROVINCIAL STANDARDS RED SEAL PROGRAM

Survey of Employers in Specific Trades Regarding the Red Seal Program

Final Summary Report

Canadian Council of Directors of Apprenticeship



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FINAL SUMMARY REPORT

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1. INTRODUCTION

This report provides a summary of the results of a national survey of employers of tradespersons in eight specific trades on the Red Seal Program conducted between March and May 2010. The survey was funded by the Trades and Apprenticeship Division of Human Resources and Skills Development Canada (HRSDC) under the guidance of the Canadian Council of Directors of Apprenticeship (CCDA).

1.1 BACKGROUND

The Interprovincial Standards Red Seal Program (Red Seal Program) was established in 1952 with the objective of enhancing employment mobility for skilled workers across Canada. There are now 53 trades designated as Red Seal among more than 300 apprenticeable trades nationally. As at the end of 2008, Red Seal trades represented 82% of all registered apprentices. The Red Seal Program is administered in each province and territory under the guidance of the Canadian Council of Directors of Apprenticeship (CCDA). This survey of employers of tradespersons is the first national survey of employers on the Red Seal Program. It provides information on the awareness and use of the Red Seal endorsement, and the perceived labour market benefits of the Red Seal among private and public sector employers in eight specific trades.

1.2 METHODOLOGY

The survey universe was defined to include private and public sector employers that employed skilled tradespersons in the last five years in at least one of the following eight trades: automotive service technician; carpenter; construction electrician; cook; hairstylist; machinist; plumber or welder. The sampling frame for private sector employers was based on information from Statistics Canada regarding the number of individuals employed in these trades in each segment of the North American Industry Classification System (NAICS). A sampling frame was built to include all establishments in specific NAICSs. The sampling source used to create the frame was Dun & Bradstreet. A sample frame was also used to sample the public sector, including municipalities, universities, schools and hospitals (MUSH). A national random sample was drawn in each case, stratified to oversample larger organizations (relative to their natural occurrence in the frame) and organizations hiring in trades with fewer employers (e.g., those employing cooks, plumbers and hairstylists).

In total 3,203 interviews were completed with private sector employers and a further 450 interviews were completed with public sector employers. The response rate to the survey was 47 per cent for the private sector employer sample and 53 per cent for the public sector employer sample. The margin of error (MOE) for the private sector sample of employers in the eight trades is +/-1.7 per cent and +/-4.6 per cent for the public sector survey sample, 19 times out of 20. The data were weighted according to the sample frame

numbers for total organizations by size and by province/territory. For the private sector survey sample, margins of error (MOE's) for organization size varied from +/-3.0 per cent to +/-6.3 per cent while margins of error for provinces/territories varied from +/-3.4 per cent (Ontario) to +/-14.0 per cent (Prince Edward Island and the Territories). For the public sector employer sample, the margins of error by region were between +/-10.1 per cent (British Columbia) and +/-10.8 per cent (Atlantic), 19 times out of 20.

1.3 LIMITS

The interpretation and generalization of the survey results are limited by a number of methodological considerations, notably:

- Results are reported based on the application of a weight for organizational size and jurisdiction but not for trade. For this reason, the results under-sample organizations that employ certain trades (e.g., cooks) more than they under-sample other trades;
- The statistical reliability and validity of reported results vary at the provincial/territorial levels and caution should be exercised when comparing reported jurisdictional results. When interpreting and comparing survey results, margins of error should be used as an indication of the possible variation between the sample proportion (i.e. the one obtained from the survey) and the true population proportions if every member of the employer universe were included. For example, a margin of error of +/-7% means that if repeated surveys were conducted with random samples of the same size as this one, the sample proportion obtained by the survey would fall within 7% of the true proportion, an average of 19 times out of 20. In other words, there is a 95% probability that the sample proportion falls within 7% of the true proportion.

2. SURVEY RESULTS

2.1 PREVALENCE OF RED SEAL

Almost all private sector employers who employ construction electricians or plumbers indicated that these tradespersons meet a jurisdictional standard (92 and 91 per cent, respectively). This is followed closely by employers of automotive service technicians and hairstylists – where just under nine in ten indicated that these tradespersons in their organization meet a jurisdictional standard. Somewhat less frequently, seven in ten employers of carpenters and welders said the same, as did six in ten employers of cooks or machinists. Overall, a standard is reported 82 per cent of the time across all trades.

Public sector employers responded similarly to private sector employers with respect to those trades that most often meet a jurisdictional standard – construction electricians, plumbers, automotive service technicians and hairstylists. However, public sector employers are more apt (by 8 to 24 percent) than private sector employers to indicate that their tradespersons – including carpenters, welders, cooks and machinists – meet a jurisdictional standard. Across all trades 92 per cent of public sector organizations reported the presence of a standard.

Table 1: Incidence of Meeting Standards by Trade and Proportion of Tradespersons with Red Seal

	<i>“Do/did any of your skilled tradespersons who are ... meet a provincial/ territorial or national standard?”</i>				<i>“About what proportion of your... have/had a Red Seal endorsement?*</i>	
	Private (n=3203)		Public (n=450)		Private (n=3203)	Public (450)
	<i>Those saying yes</i>				<i>Average</i>	
	%	MOE	%	MOE	%	%
OVERALL	82%	1.7%	92%	4.6%	65%	82%
Construction Electricians	92%	4.2%	94%	5.7%	75%	88%
Plumbers	91%	5.1%	94%	6.1%	77%	90%
Automotive Service Technicians	87%	3.6%	81%	7.6%	72%	95%
Hairstylists	87%	4.7%	82%	20.0%	53%	N/A
Carpenters	75%	4.5%	86%	5.8%	56%	83%
Welders	71%	3.9%	82%	9.3%	68%	93%
Cooks	61%	5.2%	69%	8.7%	41%	70%
Machinists	60%	4.5%	84%	13.5%	60%	94%

* Margins of error (MOE) are the same as for the first set of results in the table.

Thirty-three per cent of private sector employers and 40 per cent of public sector employers indicated that they have tradespersons with a Red Seal endorsement. These employers were asked about the proportion of workers in the trade within their organization that have a Red Seal. Private sector employers of plumbers, construction electricians and automotive service technicians indicated the highest proportions (77 per cent, 75 per cent and 72 per cent of persons in each of these trades respectively have a Red Seal endorsement). Somewhat lower proportions were indicated for machinists, carpenters and hairstylists. Private sector employers of cooks indicated that about four in ten of the cooks in their organization have a Red Seal. Overall, private sector employers who have tradespersons with a Red Seal endorsement reported that 65 per cent of workers in the trade within their organization have a Red Seal.

Public sector employers cited a greater prevalence of the Red Seal endorsement within their workplace than did their private sector counterparts. The proportion of reported automotive service technicians, welders and machinists with the Red Seal endorsement was approximately 95 per cent. The estimated prevalence of a Red Seal among public sector cooks was seven in ten, which is significantly higher than the proportion indicated by private sector employers. Across all trades, public sector employers who have tradespersons with a Red Seal endorsement reported that 82 per cent of workers in the trade within their organization have a Red Seal.

2.2 AWARENESS OF RED SEAL

Approximately half of all private and public sector employers in the survey sample were aware of the Red Seal endorsement. At the jurisdictional level, reported levels of awareness of the Red Seal endorsement varied considerably among the different provinces and territories. Awareness of the Red Seal is higher among surveyed private sector organizations located in the Territories, Alberta, Prince Edward Island, and Newfoundland and Labrador. For surveyed public sector employers, awareness of the Red Seal is higher in the Western region. Reported levels of awareness of the Red Seal are lowest in Ontario and Quebec among both private and public sector organizations surveyed.

Table 2: Awareness of Red Seal

<i>Have you heard of the Red Seal endorsement?</i>				
	Private (n=3203)		Public (n=450)	
	%	MOE	%	MOE
Overall	49%	1.7%	54%	4.6%
<i>Region</i>				
British Columbia	71%	4.9%	78%	10.2%
Alberta	85%	4.9%	81%	10.3%
Saskatchewan	69%	6.9%		
Manitoba	68%	6.9%		
Ontario	40%	3.4%	51%	10.3%
Quebec	18%	4.2%	5%	10.4%
New Brunswick	52%	6.9%	69%	10.8%
Nova Scotia	72%	6.9%		
Prince Edward Island	82%	14.0%		
Newfoundland and Labrador	81%	10.0%		
Territories	87%	13.9%	N/A	N/A

In terms of familiarity with the specific aspects or products of the Red Seal Program, beyond the endorsement and examination aspects of the program, familiarity drops significantly. Among private and public sector employers who indicated that they are familiar with the Red Seal standard, seven in ten respondents stated that they are familiar with the endorsement. Six in ten private sector and five in ten public sector employers said they are familiar with the examination. Falling considerably, about one in three respondents from both surveyed employer groups indicated that they are aware of the interprovincial program guides and one in four said they are aware of the Canadians Council of Directors of Apprenticeship (CCDA). The development process for the Red Seal exam, the website, the National Occupational Analyses (NOA) and the Ellis Chart represent the Red Seal Program aspects that the surveyed employers are least familiar with.

2.3 PERCEIVED VALUE OF RED SEAL

The sub-set of employers that indicated broad familiarity with the Red Seal endorsement was asked about the relevance of the endorsement to the needs of their organization. Just over six in ten surveyed private sector employers (62 per cent) indicated that the trade-related skills and abilities of certified journeypersons with a Red Seal endorsement were meeting the needs of their organization to a greater extent (responded 5, 6 or 7 on a 7-point scale). Public sector employers were somewhat more positive than private sector respondents since 71 per cent of them indicated that the trade-related skills and abilities of certified journeypersons were meeting the needs of their organization to a greater extent.

Table 3: Perceptions of Red Seal

	Private (n=2044) (MOE 2.2%)	Public (n=295) (MOE 5.7%)
<i>Those who are familiar with Red Seal</i>		
Greater meeting of needs	62%	71%
Useful	29%	44%
Consider Red Seal a moderate or strong hiring advantage	74%	83%
	Private (n=1584) (MOE 2.5%)	Public (n=246) (MOE 6.3%)
<i>Those who consider Red Seal as an advantage</i>		
The Red Seal is a reliable indicator of the skills excellence of the candidate	62%	76%
The Red Seal enables us to hire journeypersons from other provinces with confidence	62%	71%
The Red Seal enables our tradespersons to work in more than one province or territory	53%	33%

Having the Red Seal endorsement is considered to be a moderate or strong hiring advantage among roughly three quarters (74 per cent) of private sector employers who are familiar with it. This rises to over eight in ten (83 per cent) of public sector organizations familiar with the Red Seal. Among surveyed private sector employers that consider the Red Seal endorsement as a hiring advantage within their organization, 62 per cent consider the Red Seal as a reliable indicator of skills excellence and that it enables their organization to hire from other provinces with confidence, compared to 76 per cent and 71 per cent among public sector employers, respectively. The perceived advantage of the Red Seal endorsement in enabling their tradespersons to work in multiple provinces or territories was less prevalent among both private and public sector organizations surveyed, 53 per cent and 33 per cent respectively.

When queried as to the utility of the Red Seal Program, public sector employers familiar with the Red Seal Program ranked its usefulness to their organization somewhat more favourably than did the corresponding segment of private sector employers. Of those employers that were familiar with the Red Seal, three in ten private sector (29%) and four in ten public sector employers (44%) indicated that the endorsement is useful to their organization (rated 5, 6 or 7 on a 7-point scale). Another three in ten private sector (32%) and one quarter of public sector employers (26%), who were familiar with the Red Seal, indicated that the program is moderately useful. Finally, approximately one third of applicable private sector and one quarter of their public sector counterparts indicated that the program is not useful.

2.4 USE OF RED SEAL IN HIRING

Two in ten surveyed private sector employers and four in ten public sector employers familiar with the Red Seal indicated that their organization requires a Red Seal endorsement when hiring a journeyperson in a skilled trade, while just under half of private sector employers and nearly six in ten of surveyed public sector

employers familiar with the program stated that their organization requires other qualifications or endorsements when hiring a journeyperson in a skilled trade.

Regional variations in the requirements for a Red Seal endorsement or other qualifications among surveyed employers were reflective of differences in provincial and territorial licensing and regulatory requirements. Notably, provinces that reported a lower than average requirement for a Red Seal endorsement when hiring, also tended to report a higher than average incidence of requirements for other qualifications or endorsements (e.g., Ontario, New Brunswick). Overall, reported requirements both for Red Seal and for other qualifications and/or endorsements tended to be higher among surveyed public sector employers when compared to private sector employers.

Table 4: Red Seal as Hiring Requirement

	<i>"Do you require a Red Seal endorsement when hiring a journeyperson in a skilled trade?"</i>				<i>"Do you require any other qualifications or endorsement when hiring a journeyperson in a skilled trade?"</i>			
	Private (n=1584)		Public (n=246)		Private (n=2022)		Public (n=288)	
	<i>Require Red Seal</i>				<i>Require Other Qualifications</i>			
	%	MOE	%	MOE	%	MOE	%	MOE
Overall	21%	2.5%	38%	6.3%	47%	2.2%	57%	5.8%
<i>Region</i>								
British Columbia	34%	6.1%	48%	11.7%	46%	5.5%	55%	11.1%
Alberta	22%	6.0%	38%	12.1%	44%	5.2%	52%	11.0%
Saskatchewan	25%	8.5%			41%	7.7%		
Manitoba	28%	8.4%			40%	7.8%		
Ontario	13%	5.5%	19%	14.8%	47%	4.6%	73%	13.1%
Quebec	8%	11.0%	N/A	N/A	66%	9.2%	N/A	N/A
New Brunswick	15%	9.8%	56%	13.0%	48%	8.7%	48%	12.2%
Nova Scotia	22%	8.6%			44%	7.9%		
Prince Edward Island	20%	15.9%			36%	15.5%		
Newfoundland and Labrador	29%	11.4%			34%	10.7%		
Territories	49%	15.3%	N/A	N/A	42%	14.3%	N/A	N/A

N/A: This information is not available with any degree of reliability due to the small number of surveyed organizations that were familiar with the Red Seal.

Of private sector employers who indicated a familiarity with the Red Seal, four in ten (41 per cent) said that they encourage all journeypersons and apprentices in their organization to write the Red Seal examination, and one in ten (12 per cent) indicated that they do in some cases. Six in ten private sector respondents in the Territories and approximately five in ten private sector employers in the Western and Atlantic provinces indicated that their organization encourages tradespersons to write the Red Seal examination.

For surveyed public sector employers who are familiar with the Red Seal Program, just over one in four (28 per cent) said they encourage all trade journeypersons and apprentices in their organization to write the Red Seal exam if they are not already Red Seal certified. While, one in seven (15 per cent) said that in some cases they encourage their tradespersons to write the Red Seal examination if they are not already certified. Public sector respondents in the Western and Atlantic regions (35 per cent and 33 per cent, respectively) are more apt to encourage journeypersons and apprentices in their companies to write the Red Seal certification examination. The low reported levels of encouragement among surveyed companies in Ontario are reflective of the higher reported incidence of other qualifications and/or endorsements in comparison to the Red Seal (see table 4, above).

Table 5: Encouragement to Write Red Seal by Jurisdiction

Do you encourage journeypersons and/or apprentices in your company to write the Red Seal examination if they are not already Red Seal certified?

	Private (n=2044)			Public (n=295)		
	Yes, in all cases	Yes, in some cases		Yes, in all cases	Yes, in some cases	
	%	%	MOE	%	%	MOE
Overall	41%	12%	2.2%	28%	15%	5.7%
<i>Region</i>						
British Columbia	46%	17%	5.4%	29%	12%	10.9%
Alberta	55%	10%	5.2%	35%	15%	10.9%
Saskatchewan	54%	10%	7.7%			
Manitoba	44%	15%	7.7%			
Ontario	31%	9%	4.6%	17%	20%	13.0%
Quebec	21%	16%	9.1%	N/A	N/A	N/A
New Brunswick	40%	14%	8.7%	33%	12%	12.2%
Nova Scotia	49%	13%	7.9%			
Prince Edward Island	52%	3%	14.9%			
Newfoundland and Labrador	49%	17%	10.6%			
Territories	61%	20%	14.3%	N/A	N/A	N/A

N/A: This information is not available with any degree of reliability due to the small number of surveyed organizations that were familiar with the Red Seal.

2.5 CURRENT PATTERN OF TRAINING

Almost three quarters of private sector employers in the sample reported that they train apprentices (72 per cent). Readers should recall, however, that the sample is contained to employers of tradespersons that have employed tradespersons in the eight specified trades in the past five years, and is not representative of all employers. Over six in ten (61 per cent) indicated that they actively recruit journeypersons who are already certified. Taken together, 22 per cent of surveyed private sector employers

rely solely on training their own apprentices, 11 per cent hire already certified tradespersons and half of employers do both; presumably training employees under some circumstances and hiring certified employees under other situations. Approximately one in seven (16 per cent) indicated that they neither train nor hire certified journeypersons.

By comparison, public sector employers were more apt than their private sector counterparts to actively recruit certified journeypersons and less apt to train apprentices. Just over seven in ten (71 per cent) public sector employers indicated that their organization actively recruits already certified journeypersons, while four in ten public sector employers stated that their organization provides apprenticeship training.

In terms of potential incentives from the Interprovincial Standards Red Seal Program that would encourage their organization to train apprentices, one in four (24 per cent) private sector organizations in the sample that do not currently train said that incentives would not make a difference in their organization. This represents six per cent of *all* private sector members of the sample. Reasons included a general lack of interest in training apprentices or because there is not sufficient work or employment opportunities within their organization to rationalize a training program. Another 11 per cent of this segment of private sector employers indicated that more detailed information about the Red Seal Program and what it offers the employer in the way of assurances of quality skilled help would be required to encourage them to train apprentices. One in seven (16 per cent) employers indicated that government financial assistance or incentives to offset the cost of training would be required.

For public sector employers, nearly one in four (22 per cent) respondents who do not currently train apprentices said that government assistance or incentives would be required to encourage their organization to provide apprenticeship training for the Red Seal endorsement.

3. SUMMARY

This section provides an overview of the key survey findings.

Use of Standards

Almost all private sector employers who employ construction electricians or plumbers indicated that these tradespersons meet a jurisdictional standard (92 and 91 per cent, respectively). This is followed closely by employers of automotive service technicians and hairstylists, where just under nine in ten indicated that these tradespersons in their organization meet a jurisdictional standard. Somewhat less frequently, seven in ten employers of carpenters and welders said the same, as did six in ten employers of cooks or machinists.

Public sector employers responded similarly to private sector employers with respect to those trades that most often meet a jurisdictional standard – construction electricians, plumbers, automotive service technicians and hairstylists. However, public sector employers are more apt (by 8 to 24 percent) than private sector employers to indicate that their tradespersons – including carpenters, welders, cooks and machinists – meet a jurisdictional standard.

The Red Seal endorsement tended to be more prevalent among private sector employers in the Western provinces and among larger organizations.

Awareness of Red Seal

Awareness of the Red Seal endorsement was approximately 50 per cent, overall, for both private and public sector employers in the survey sample. At the jurisdictional level, reported levels of awareness of the Red Seal endorsement varied considerably among the different provinces and territories. Awareness of the Red Seal is higher among surveyed private sector organizations located in the Territories, Alberta, Prince Edward Island, and Newfoundland and Labrador. For surveyed public sector employers, awareness of the Red Seal is higher in the Western region. Reported levels of awareness of the Red Seal are lowest in Ontario and Quebec among both private and public sector organizations surveyed.

In terms of familiarity with the specific aspects or products of the Red Seal Program, beyond the endorsement and examination aspects of the program, familiarity drops significantly. Among private and public sector employers who indicated that they are familiar with the Red Seal standard, seven in ten respondents stated that they are familiar with the endorsement. Six in ten private sector and five in ten public sector employers said they are familiar with the examination. Falling considerably, about one in three respondents from both surveyed employer groups indicated that they are aware of the interprovincial program guides and one in four said they are aware of the Canadians Council of Directors of Apprenticeship (CCDA). The development process for the Red Seal exam, the website, the National Occupational Analyses

(NOA) and the Ellis Chart represent the Red Seal Program aspects that the surveyed employers are least familiar with.

Value and Usefulness of Red Seal

The sub-set of employers with familiarity with the Red Seal endorsement was queried about the value of the endorsement for their organization:

- Just over six in ten private sector employers and just over seven in ten public sector employers indicated that the trade-related skills and abilities of certified journeypersons with a Red Seal endorsement were meeting the needs of their organization (responded 5, 6 or 7 on a 7-point scale); and
- Three in ten of the sub-set of private sector employers and over four in ten of their public sector counterparts consider the Red Seal endorsement is useful to their organization;

The sub-set of employers who consider the Red Seal endorsement to be a hiring advantage was asked about the benefits of the endorsement for their organization:

- Six in ten private sector employers and over seven in ten public sector employers considered that the Red Seal is a reliable indicator of the skills excellence of the candidate; and
- Six in ten private sector employers and seven in ten public sector employers indicated that the Red Seal endorsement enables their organization to hire journeypersons from other provinces with confidence.

Use of Red Seal

When queried as to hiring practices of journeypersons in a skilled trade, two in ten private sector employers and just under four in ten public sector employers indicated that their organization requires a Red Seal endorsement. While just under five in ten private sector employers and just under six in ten public sector employers stated that their organization requires another qualification or endorsement when hiring a journeyperson in a skilled trade.

Training Patterns

Twenty-two per cent of private employers rely solely on training their own apprentices, 11 per cent hire already certified tradesperson, half do both (training under some circumstances and hiring certified employees under others), and 16 per cent reported that they neither train nor hire certified journeypersons. By comparison, public sector employers were more apt than their private sector counterparts to recruit certified tradespersons (71 per cent), and were considerably less apt to train apprentices (39 per cent).

One in four (24 per cent) of private sector employers who do not currently train apprentices said incentives would not make a difference, 16 per cent said that government subsidies or grants would be required to

offset the costs, and another 11 per cent indicated a need for more detailed information on the Interprovincial Standards Red Seal Program and what it offers the employer in the way of assurances of quality skilled help.

Conclusion

This research provides a useful benchmark against which to measure changes in awareness and use of the certification program. Among organizations hiring in select trades, half say they are aware of Red Seal, suggesting opportunities for improvements across the board, particularly in terms of knowledge of products/components of the program and in use of varied sources of information. The results also point to the possible need to demonstrate the usefulness of the program to some employers, although many employers say the skills and abilities of Red Seal endorsed journeypersons meet their needs and the program is used by some employers as a hiring advantage.

These findings would likely be areas of central focus in any communications campaign designed to inform employers of the value of the Red Seal, particularly among smaller employers, and in certain trades where results are weaker.

The survey results provide information with which to adapt the Red Seal Program, as necessary, to better meet labour market needs, ensure the continued relevance and value of the Red Seal, and encourage employers' participation in apprenticeship training.