

## Progress Towards Professionalization In Nova Scotia



PRO SPEC 2006 Conference  
Halifax Nova Scotia  
April 6 and 7, 2006

## PRO SPEC 2004 Conference

A “green light” for moving ahead with the professionalization initiative:

- i.e., mandatory licensing, and new training and certification options for trades specializations;
- ongoing planning and consultation with regard to caution areas identified through the conference, such as costs to builders and consumers.



## PRO SPEC 2004 Plan

1. Develop the business case for professionalization:
  - identifying potential costs and benefits for the different stakeholder groups.
2. Develop a comprehensive communications strategy and program centered on professionalization as serving the broad public interest.



## PRO SPEC 2004 Plan

3. Direction and coordination for professionalization should be provided by a steering committee with:
  - strong industry leadership; and
  - representation of government, the training and apprenticeship systems, the building inspection system, the banks and insurance sectors and consumers.



## Research & Consultations

- ▲ Sector Studies (2001 - 2003)
- ▲ Underground Economy study (2004)
- ▲ Worker Shortages Study (2004)
- ▲ Survey of builders (Summer 2005)
- ▲ Survey of consumers (Summer 2005)
- ▲ Focus groups (Fall 2005)



## Core Findings

Barriers to business stability and sound human resources management:

1. Underground economy; and
2. Shortages of qualified trades workers.

Underground activity in the sector holds down business margins and therefore wage levels, and limits the abilities of employers to offer stable, attractive jobs with opportunities for ongoing training and career advancement.



## Professionalization Solution

1. Introduction of mandatory licensing of residential construction contractors.
2. Implementation of new approaches to training & certification of trades workers to meet specific needs of the residential sector.

These two elements must be supported by linkages to home warranty, building permit and inspection requirements, and banking and insurance systems.



## Industry & Public Support

### UNDERGROUND ECONOMY SURVEY

(111 builders & renovators active in the HBA and AHWP)

Support introduction of:	Yes	No
Mandatory licensing for home builders	86%	14%
Mandatory licensing for renovators	87%	13%
Compulsory certification for carpenters	87%	13%

## Industry & Public Support

### BUILDER SURVEY 2005

(245 builders & renovators; 1/3 members of HBA and/or AHWP)

	Mandatory licensing for new home construction contractors	Mandatory licensing for residential renovation & repair contractors
Yes, in favour	70%	69%
No, not in favour	23%	26%
Don't know/Not sure	7%	5%

## Industry & Public Support

### BUILDER SURVEY 2005

(245 builders & renovators; 1/3 members of HBA and/or AHWP)

	Compulsory certification of carpenters
Yes, in favour	71%
No, not in favour	22%
Don't know/Not sure	8%

## Industry & Public Support

### CONSUMER SURVEY

(400 consumers; 1/3 HRM & others distributed provincially, consistent with population dist'n)

	Mandatory licensing for new home construction contractors	Mandatory licensing for residential renovation & repair contractors
5 Would strongly support	57%	51%
4 Would support	11%	13%
3 Not certain about support	8%	11%
2 Would not support	5%	7%
1 Would not support at all	13%	15%
Average rating (scale: 1-5)	4.0	3.8

## Industry & Public Support

### CONSUMER SURVEY

(400 consumers; 1/3 HRM & others distributed provincially, consistent with population dist'n)

	Compulsory certification for new home construction carpenters	Compulsory certification for residential renovation & repair carpenters
5 Would strongly support	66%	55%
4 Would support	10%	12%
3 Not certain about support	8%	12%
2 Would not support	3%	4%
1 Would not support at all	11%	13%
Average rating (scale of 1-5)	4.2	3.9

## Focus Groups (Fall 2005)

- ▲ 6 industry meetings around the province
- ▲ 99 contractors and carpenters
- ▲ Overall support for the Action Plan
- ▲ Consensus on mandatory licensing of contractors
- ▲ Concerns about the new training model
  - need to work hard to build acceptance for this area of change

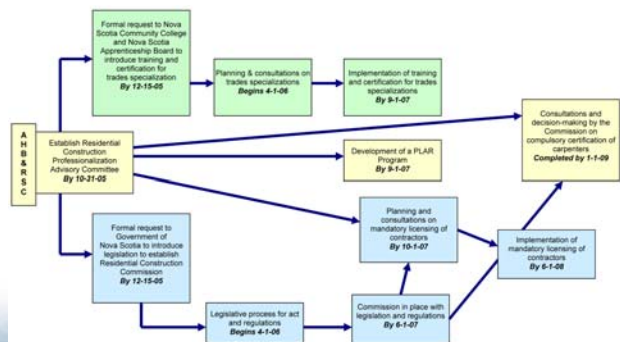


## Conclusions

- ▲ Majority of consumers see the logic of a mandatory licensing program in the residential construction sector
- ▲ More definite support in the new home construction sector
- ▲ Majority support across the Province but stronger in HRM than in Cape Breton or rural areas
- ▲ Given the statistical reliability of the survey, there is substantial industry and consumer support for the professionalization program, BUT
- ▲ There is a need for a strategy to increase awareness and provide opportunity for input for those who have not participated in discussions to date



## PROPOSED TIMEFRAME Professionalization in the Home Building & Renovation Industry in Nova Scotia



## Implementation: RCPAC

Establish Residential Construction Professionalization Advisory Committee (RCPAC), chaired by AHB&RSC:

- ▲ Nova Scotia Home Builders' Association
- ▲ Atlantic Home Warranty Program
- ▲ Nova Scotia Community College
- ▲ Apprenticeship Training & Skills Development
- ▲ Nova Scotia Department of Environment and Labour
- ▲ Building inspection officials
- ▲ Canada Mortgage and Housing Corporation
- ▲ Consumers, and
- ▲ Banking and insurance sectors



## Licensing Responsibility

Establish a **Residential Construction Commission** through legislative/regulatory action, based upon the NSREC Model, which is:

- ▲ Under a provincial statute and operates as an independent, non-governmental agency
- ▲ Responsible for the regulation of the various sectors of the real estate industry
- ▲ Core mandate is to protect consumers by establishing standards for applicants and licensees, and to promote “the highest standards of professionalism, competence and integrity” in the industry



## Training & Certification Model

1. Training and certification specific to home building and renovation.
2. Certification of “trades specializations” through short-term modular training to increase the supply of qualified professional carpentry trades workers.
3. A comprehensive framework of competencies (knowledge, skills & work experience) for the certification of qualified trades workers now in the industry who have acquired the knowledge and skills through experience and informal training on the job.



## TRAINING and CERTIFICATION MODEL for Professionalization Home Building & Renovation Carpenters



## Compulsory Trades Certification

There is strong support with industry and consumers for the mandatory use of qualified journeyman carpenters in new construction, and renovation projects of a certain nature and scale.

Strategically, there is a need to move cautiously.

Therefore, address the issue of compulsory certification of carpenters once a mandatory licensing program is in place and industry stakeholders are comfortable with the new regulatory and training environment.



## PLAR

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For any and all mandatory training requirements that are put in place as part of the professionalization program for the residential construction industry, individuals in the industry will have the opportunity to meet the standard through a **prior learning assessment and recognition process** at reasonable cost and an accessible location and time.



## Discussions with the Province

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### Service Nova Scotia & Municipal Relations

- ▲ Departmental brief and Minister's proposed meeting with Caucus
- ▲ Next Steps: working towards the legislation in fall 2006

### Union of Nova Scotia Municipalities

- ▲ Streamlining the Building Permit & Assessment systems
- ▲ Involvement at the stage of developing legislation

### NSCC and Apprenticeship Training

- ▲ Joint initiative on residential sector involvement in Apprenticeship



## Other Work: Communications Project

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- ▲ Create a climate of acceptance among industry, the training and regulatory systems, and general public for the new approach.
- ▲ Reach the wider industry and general public on the Professionalization Action Plan, the consultations and rationale.
- ▲ PRO SPEC 2006 to review and validate the Action Plan, and set direction for future implementation.

