

Labour Market Survey of the Forestry and Pulp & Paper Industry

*Funded by: Human Resources Development Canada
and the Ministry of Training, Colleges and universities*

This report provides an update of a Labour Market Survey conducted in January, 1998 to assess the training needs of the Forest Products Industry in the region of Northeastern Ontario served by the Far Northeast Training Board.

The original survey included complete development of the database, as well as refining the questionnaire to better reflect industry needs. This update obtained fresh responses from employers identified in the initial survey, added new employers to the response list, and added a section on seasonal workers in the industry.

As well as the printed report, the database generated by the survey has been provided in Microsoft Access form.

Summary of Responses

The survey results are quantified in detail in Section 4. This section will note key highlights of the survey and includes anecdotal comments from individuals representing the companies which responded to the survey. Generally speaking, there have been no great changes in the training requirements of the Forest Products Industry in this region in the past year, with a continued emphasis on training for skilled trades, such as certified millwrights and electricians.

Industry in Canada is increasing the level of technology used in manufacturing and processing, and this holds true for the forest products industry in our region. The survey found that mill managers are looking for workers who have a post-secondary technical education, with a strong emphasis on the mechanical knowledge and an understanding of computer programming. As in other industries, the computer has become integral to just about every facet of the operation of a wood processing facility.

Nonetheless, the industry as a whole still has a reputation as being low-tech and unskilled, with a perception that jobs involve manual labour with the risk of injury. The industry has been working hard to change that, with programs throughout the region to get more students into mills, either through summer hiring or orientation programs with local schools.

Continuation of such programs should make young people aware of the employment opportunities in the industry, and help the industry maintain a well-educated workforce in the future.

The following are some key findings of the survey:

- ◆ Skilled trades (millwrights, electricians) continues to be the area where industry sees the need to focus training activities. This was a key finding of the original survey. In nearly all cases, companies have identified certified millwrights and licensed electricians as key trades for the successful operation of their factory. However, it should not be assumed that the skills are automatically portable between mills; nearly

every operation has an internal training program for new, skilled workers in order to familiarize them with the particular operation.

And while these skilled trades are crucial to the success of the industry, most companies are finding ways of providing the necessary training, either in-house or through existing educational facilities.

The survey estimates that on average, companies provided training to 66% of employees in the past twelve months, and projections that more than 50% will be trained in the next 12 months.

The survey specifically identified 2,703 employees who will be trained in the 21 companies which responded to the survey. The employees to be trained cover nearly all job classes within the organization.

- ◆ There is a training culture in the industry; all companies contacted engage in regular training of employees, and all companies will provide training in the next 12 months. In some cases, companies are training all their employees on annual basis, especially in the mandated areas of occupational health and safety.

In the case of one company which operates several mills in the region, there is a company-wide standard of 40 hours training per employee, and a specialized training facility at the head office. Work in the forest products industry still suffers from a perception problem. Despite the view that the industry is blue collar, the reality is that plant operations are intensely technological, and even woodlands operations require equipment operating skills beyond the level of most people.

The key occupational groups which were trained in the past 12 months, and which will be trained in the next 12 months, are Supervisors, Skilled Trades, and Production Workers.

- ◆ Basic educational requirements for the industry are increasing. Some employers will not consider new applicants unless they have post-secondary education in a technical field.

- ◆ There is a need for training of Seasonal Workers, it was difficult to quantify this need in the survey.

This survey added a section on seasonal workers, but response to this is slim. The bulk of seasonal workers are employed in resource extraction operations, and often these operations are sub-contracted. 262 seasonal workers were identified in the companies surveyed. The survey failed to obtain responses from the sub-contractors who perform much of the forest harvesting in the region, largely because the companies are small.

There is, however, indications that increased formalized training in woodlands operations will occur in the southern part of the region. A driving force for this is the fact the harvesting license for the southern and

eastern part of the region is held by the Temiskaming Forestry Alliance, a consortium owned by mill operators. The TFA has recognized the need for training not just in the skills necessary for equipment operation, but also in areas like environmental protection and principles of silviculture. This training is being driven by the fact government regulations put more onus and responsibility for enforcing laws on the license holders.

- ◆ There is the potential for increased employment in the resource extraction field. Anecdotal evidence indicates that up to 40% of the bush workers are from outside the region. This is not just a function of economics, because the jobs in woodlands are relatively well paid.

- ◆ Increased concentration of mill ownership in the region has an impact on the training function.

The past year saw three events which impacted the region: Domtar's purchase of E.B. Eddy, Grant Forest Products Corp.'s acquisition of the former Malette Oriented Strand Board plant in Timmins, and Tembec's purchase of outstanding shares of Spruce Falls Inc.

- ◆ Larger companies which responded to the survey tend to have greater resources for training, and a greater recognition of the importance of training to achieve production goals. As well, training in corporate culture has increased since the initial survey.
- ◆ Companies wish to be in charge of their own training process. While there is a role for funding agencies and public-sector training providers, the nature of the industry dictates that the specific skills required for one mill can not easily be applied to another mill. Even at small operations, licensed tradespeople are usually subject to significant on-the-job training.
- ◆ Even though there are training needs for skilled trades, the industry is not suffering from a shortage of workers. Only 48% of companies surveyed foresaw hiring opportunities in the next 12 months, and only 19% had current vacancies.
- ◆ Retirement does not seem to be a major factor for the industry. The survey was only able to identify about 2% of the workforce retiring in the next three years. However, it should be noted that many respondents had difficulty providing an accurate figure for this question.

Detailed Questionnaire Responses

The following are results on a question by question basis from the update of the Forest Products Industry Survey. The responses represent 78% of companies identified, comprising 4,599 workers. Results are expressed in percentages; due to rounding and multiple responses percentages do not always add up to 100.

For purposes of this survey, training includes all activities intended to develop employee capabilities and employee skills. Training to employees is provided in two ways:

1. Through programs which have a pre-defined objective and specified content, training sessions are conducted within a specific time period, and progress is monitored, supervised, and/or evaluated.
2. Informal/on the job training (learning) activities.

A - Training Activities and Factors Affecting Training Decisions

1. During the last 12 months, did your organization engage in any of the following training and development activities for employees?:

Did you spend any money directly related to train any employee?

Yes (100%) No (0%)

Did any employees provide training to other employees as part of their job requirements and duties?

Yes (86%) No (14%)

Did you lease or purchase any equipment for which your organization or the supplier provided training to your employees?

Yes (48%) No(52%)

Did you pay for, reimburse or provide time off for employees to attend courses, workshops or seminars?

Yes (100%) No (0%)

Did you have employees participate in an apprenticeship, internship or co-education program?

Yes (57%) No (43%)

2. Has your organization experienced any particular conditions or pressures that have led you to provide or finance the type of training for your employees that you indicated?

(33%) competition

(62%) improve product quality

(43%) improve customer service (satisfaction)

(71%) introduction of new machinery / equipment
 (48%) reorganization of operations and how work is done
 (86%) government laws or regulations
 (33%) buyer or supplier specifications (e.g. ISO 9000)
 (67%) employees' lack of skills or knowledge
 (52%) requests from supervisors or managers
 (14%) low productivity or efficiency
 (43%) collective agreement
 (33%) employer-employee committee
 (14%) other (please specify): Corporate guidelines,
 promotion

3. To your knowledge, have any factors held you back from providing training and development programs for your employees?

(76%) Yes, there are factors
 (24%) No, there are no factors

4. If there have been any factors holding you back from providing (more) training, what have they been?

(43%) too expensive
 (14%) lack of money
 (57%) downtime associated with training
 (24%) risk of losing trained employees to other firms
 (0%) no need for training, can hire all the skilled people required
 (0%) informal training is sufficient to meet organization=EDs needs
 (14%) lack of expertise to deliver training
 (29%) other: Scheduling, Collective Agreement, Lack of Training Locatio

5. During the last twelve months, did your organization provide any informal/on the job training for any of the following types of activities:

(95%) orientation of new employees
 (95%) occupational health and safety
 (71%) work related computer or other office equipment such as fax machines, phones, machinery, equipment
 (81%) introduction of new production machinery and equipment
 (14%) other types of training (please specify)- Supervisor training

B - ORGANIZATION AND ADMINISTRATION OF THE TRAINING FUNCTION:

1. Does you organization have a training department?

(33%) Yes, If yes go to Q. B3
(67%) No

2. What are the reasons that your organization does not have a training department?

(43%) small company
(29%) training left up to individual managers
(5%) all training done outside the company
(5%) cost/can=EDt afford it
(5%) training department at the head office
(14%) other Part of Other Position

3. Does your organization have an overall training and development plan for employees?

(62%) Yes
(38%) No, Go to Q. B5

4. Who in your organization is responsible for developing such a plan? _____ (job title)

4. (B) Is the training plan long-term or short-term

(67%) Long-Term
(43%) Short-Term

5. Does your organization have a separate training budget?

(52%) Yes, Go to Q.B6
(48%) No, Go to Q.C1

6. How is the training budget determined?

(50%) estimated/projected on basis of need
(0%) based on a percentage of revenues/sales
(25%) based on percentage of payroll
(25%) other: 40 hours/ employee/year

C - TYPES OF TRAINING PROGRAMS AND TRAINING PRIORITIES:

1. During the last twelve months, about what percentage of all employees participated in the training and development activities you indicated at the start of this interview?

61% average of companies surveyed
3,435 total employees

2. In the last twelve months, have you offered training in any of the following occupational groups?

(62%) Executive / Management
(33%) Professional
(90%) Supervisors
(67%) Technical
(90%) Trades /Skilled workers
(19%) Sales and Marketing
(24%) Service
(52%) Clerical
(86%) Production workers
(0%) Other _____

3. Are you considering any training for your employees in the next 12 months?

(100%) Yes (0%) No
2,703 total employees will be trained

4. If yes, in which of the following occupational groups do you expect training to be offered in the next twelve months?

(52%) Executive / Management
(24%) Professional
(86%) Supervisors
(71%) Technical
(86%) Trades /Skilled workers
(14%) Sales and Marketing
(14%) Service
(52%) Clerical
(90%) Production workers
(5%) Other _____

5. Which of the following types of training and development programs will your organization focus on over the next year? (Please check all that apply)

(10%) literacy, numeracy and basic education
(86%) orientation of new employees
(62%) new job skills for existing employees
(81%) managerial and supervisory
(5%) professional
(57%) computers and other office equipment
(19%) sales and marketing
(38%) corporate culture
(80%) occupational health and safety
(19%) other Maintain existing skills, emergency preparedness, environmental training

6. Are there specific skills that your organization considers to be the most critical to your operations and that are in short supply?

(57%) Yes, Go to Q.C6
(38%) No

7. Which are the skills that you feel are critical to your operation and in short supply?

Certified Millwrights, Electricians, Stationary Engineers, Kiln Operators

D - SEASONAL WORKERS

1. Does your organization employ seasonal workers?

(52%) Yes
(48%) No, If no, skip to question E1

2. How many of our employees are classified as seasonal workers?

262 total employees from companies surveyed

3. During the off season, would you encourage your employees to update their skills through training?

(19%) Yes
(24%) No, If no, skip to question E1

4. Which of the following occupational groups would you consider training during the off season?

(0%) Executive/Management
(0%) Professional
(10%) Supervisors
(0%) Technical
(5%) Trades/Skilled Workers
(0%) Sales and Marketing
(0%) Service
(0%) Clerical
(5%) Production Workers
(11%) Other

E - OCCUPATIONS WHERE THERE ARE CURRENT OPENINGS/FORECASTED VACANCIES

1. Are there trades or occupations for which it is difficult for you to find qualified workers?

(57%) Yes
(43%) No, If no, skip to question 2

1.B What are the trades referred to in Question 1?

Certified Millwrights, Electricians, Stationary Engineers

2. Do you think programs should be offered to train qualified workers for the trades or occupations identified in the previous question?

(79%) Yes
(21%) No

3. Do you foresee any hiring opportunities in your company in the next 12 months?

(48%) Yes, If so, in which trades or occupations?
(52%) No

Bookkeeper, Millwright, Labourers, Electricians with PLC Training, Stationary Engineer, Lumber Graders

4. Do you have any current vacancies?

(19%) Yes, If so, in which trades or occupations?
(71%) No

Certified Millwrights, Lumber Graders, Labourers, Electricians

5. How many employees do you expect will retire within the next:

12 months 28
2 years 27
3 years 32

F- List of Companies Surveyed

Abitibi Consolidated Inc.
Iroquois Falls Division
Box 550
Iroquois Falls Ontario
P0K 1E0
Phone: 705-258-4402
Fax: 705-258-3819
Jocelyne Guinard HR Associate

Bois A. Lachance Lumber Limited
P.O. Box 3
Harty Ont.
P0L 1M0
Phone: 705-335-3066
Fax: 705-335-3021
Roger Lachance

Chemins Lumber Inc.
P.O. Box 430

Elk Planing Mill Ltd.
P.O. Box 9

Larder Lake Ont.
P0K 1L0 Phone: 705-643-2389
Fax: 705-643-2329
Steve Bougie President

Elk Lake Ont.
P0J 1G0
Phone: 705-678-2110
Fax: 705-678-2272
Mark Stevens General Manager

Excel Forest Products
P.O. Box 70
Opasatika Ont.
P0L 1Z0
Phone: 705-369-2441
Fax: 705-369-2050
Pierrette Morin Human Resources Manager

Grant Forest Products Corp
Box 960
Englehart Ontario
P0J 1H0
Phone: 705-544-2204
Fax: 705-544-2418
Claude Bougie Manager Training Services

Grant Lumber
A Division of Domtar
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Don Swanson Safety & Personnel Coord.

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Fax: 705-463-2120
Roger Lecours

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McChesney Lumber
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Donald Bisson

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Jean Duchesne Sawmill Superintendent

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J.P. Cousineau Manager Human Resources

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Claude Bougie Manager Training Services

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Ronald Levesque Manager

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Fax: 705-338-3307
Richard Poulin Human Resources Manager