

Working Together

to Strengthen Learning
and Labour Market Training

**Provincial-Territorial Labour Market Ministers
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Challenges

The “baby boom” generation has dominated Canada’s workforce for the latter part of the 20th Century. Through sheer demographic strength, it, and the generations that preceded it, have guaranteed a ready supply of candidates to move into and up through the workforce to meet demands.

That is no longer the case. Like each generation before it, the “baby boom” generation is aging. One-third of Canada’s workforce will be in a position to retire by the end of the decade.

In some sectors, that impact will be much more significant. By 2010, almost 40 per cent of machine operators, bookkeepers and registered nurses will reach retirement age. All other industries project higher than normal retirements over the same period.

At the same time, technological change is revolutionizing the workforce, making work more complex, and demanding higher skills even for entry-level positions. It is expected that half of the jobs people will have in the next 15 years will require skills to operate technology that is not yet invented.

These changes are occurring at a time when more than half of the people that will make up Canada’s workforce in 2015 are already working. That means these employees have completed what is traditionally considered their formal education.

The challenges governments face today are sweeping – demographic, technological and attitudinal – the response must be equally broad.

Vision

Provincial-Territorial Ministers of Education and Labour Market Ministers share a vision where Canadians have the education and skills to compete, succeed and share in the knowledge-based economy. Provincial-Territorial Ministers of Education and Labour Market Ministers renew their commitment to ensure that Canadians have access to the education and skills they need to enter or re-enter the work force and the opportunity to update their skills throughout their lives.

To achieve this vision for post-secondary learning and labour market training, Provincial-Territorial Ministers commit to strengthen:

- Accessibility of high-quality programs for all willing and qualified students and workers. Measures should also be included to assist those groups traditionally under-represented in the workforce, including persons with disabilities, Aboriginal people and immigrants;
- Affordability of post-secondary learning and skills training, including the provision of appropriate student financial assistance measures;

- Quality and relevance of programs to ensure students have the skills needed to obtain productive work and to meet the skill requirements of employers;
- Partnerships with students, educational institutions, business, individuals, community organizations and parents to address the complexities of post-secondary learning, training and employment opportunities;
- Workplace training capacity to increase productivity, innovation and adaptation to technological change; and
- Effectiveness of integrated programs and systems to ensure successful school to work transitions.

Clear Roles Make for Improved Performance¹

Every province and territory faces growing demand for post-secondary learning and training. This demand is fuelled by demographic changes, new technologies and evolving employer and individual needs.

Provinces and territories, given their constitutional responsibility for post-secondary learning and labour market training and their proximity to local markets, are best suited to assess the needs and priorities of their citizens.

Maintaining and improving post-secondary learning and labour market training services targeted to the unique needs of their provincial economies involves the cooperation of educational institutions, business and industry, skills training providers, communities, individual citizens and provincial and territorial governments.

The federal government plays a key role in the international arena by pursuing a sound fiscal framework that provides the basis for marketing Canada as an attractive destination for investment.

Within Canada, the federal government plays an important role by providing resources to provinces and territories through funding the Canada Health and Social Transfer (CHST), Labour Market Development Agreements (LMDAs), where they exist, as well as Employment Insurance (EI) and supporting research and student financial assistance. The federal government also provides funding for Aboriginal education, and complements provincial and territorial funding for minority official language education and second official language instruction.

Ministers of Education are moving forward in their collaborative efforts to renew a framework for student financial assistance. The Council of Ministers of Education, Canada (CMEC) Working Group on Student Financial Assistance comprised of federal, provincial and territorial government officials is undertaking an in-depth policy review of student financial assistance across Canada to ensure financial assistance to students continues to be effective.

¹ Quebec has already entered into bilateral agreements with Canada respecting literacy, financial assistance for students, immigration assistance for persons with disabilities and with a labour market development agreement. As a result, any new initiative by the federal government in these areas would have to be made within the framework of those agreements or in a new agreement based on the same principles.

How the Federal Government Can Help Provinces and Territories

Provinces and territories have demonstrated a commitment to excellence and leadership in improving learning and labour market training to strengthen economic growth and improve outcomes.

The federal government can support further improvements in post-secondary learning and labour market training by collaborating with provinces and territories to address four key priorities:

1. Strengthening workforce development;
2. Enhancing post-secondary learning capacity;
3. Encouraging full labour market participation of under-represented groups; and
4. Providing Internet access for on-line learning across Canada.

1. *Strengthening Workforce Development*

All orders of government have a role in the development of a competitive Canadian economy. To achieve this, we need to ensure that there are sufficient numbers of workers with relevant skills to meet individual, social and economic goals.

Provinces and territories are building comprehensive labour market strategies which include basic education and literacy programs and skills development opportunities. Mainstream educational systems and employer and sectoral-based partnerships both contribute to achieving labour market development objectives.

Current Provincial and Territorial Activity

Provinces and territories are creating skills development opportunities through:

- ***Support to Individuals to Access Skills Training***

Provinces and territories support the development of regional-level labour market information to aid in decision making. Through programming funded by LMDAs and provincial and territorial budgets, including Student Financial Assistance programming, many provinces and territories offer financial support to individuals to pursue skills training:

 - 293,300 Canadians participating in LMDA training programs and employment services returned to work; and
 - \$939 M in savings to contributors through the Employment Insurance Account by EI clients returning to work before the end of their benefit period.
- ***Apprenticeship***

Most provinces and territories are actively engaged in the renewal of the apprenticeship system and continue to provide funding to support this approach to skills development.

 - There has been a rise in the number of apprentices in Canada from 131,583 in 1998 to 162,338 in 2001.

- ***Removal of Mobility Barriers***

Provinces and territories have worked together successfully to remove barriers to labour mobility so that workers can move freely across the country and have their qualifications recognized.

- ***Sectoral and Employer Partnerships***

Provinces and territories recognize the value of partnerships with employers and industry in developing a workforce with relevant skills and are increasingly adopting a sector-based approach to this activity.

- ***Literacy and Essential Skills***

Provinces and territories, through their public education systems, provide individuals with the foundation skills to participate in skill training opportunities. A significant portion of the population reaches adulthood without having acquired all the skills needed to participate or advance in the labour market. In response, provinces and territories have developed alternate approaches to meet the needs of this group. This includes adult literacy and numeracy training in the community and workplace education programs.

The Federal government can support workforce development by:

- ***Enhancing Labour Market Development Agreements***

Experience over the last five years has shown that LMDAs effectively provide skill development opportunities to EI clients. Provincial-Territorial Ministers of Education and Labour Markets want to work with the federal government to expand and build on this success by:

- Increasing EI Part II funding by about \$700 M to the maximum allowable under the EI Act. This would allow provinces and territories to assist more people by allowing their citizens to benefit from increased access to programs designed to provide them with the skills and knowledge necessary to compete in the new economy;
- Investing funds from the federal government's Consolidated Revenue Fund (CRF) into LMDAs to broaden the ranges of individuals served;
- Lowering EI premiums to increase employment; and
- Returning to the negotiating table in jurisdictions seeking an initial or different LMDA. LMDAs are important and effective partnerships for harmonizing efforts to help unemployed Canadians return to work. These agreements have been proven to eliminate duplication and overlap, while enabling provinces and territories to create seamless training systems providing expanded employment and training programs to meet the tailored needs of their citizens.²

² The federal government has not yet signed a Labour Market Development Agreement with Ontario although Ontario has accepted the federal offer. An Ontario LMDA would improve service to Ontarians and economic performance by providing one integrated, state-of-the-art training system in the province.

- ***Supporting Workplace Training***

Workplace training is closely linked to increased productivity and economic growth. Provinces and territories have identified the need to develop innovative strategies to support workplace training and apprenticeship.

- The federal government could consider introducing a federal incentive for employers. One of the reasons workplace training in Canada is under-invested is that workers are mobile and can leave the firm that invested in their training. A federal incentive would encourage employers to increase their investment in employee training, thereby raising the skill level of the workforce and improving productivity. The structure of the incentive would need to be designed and implemented cooperatively to ensure that it does not conflict with existing provincial measures, including Quebec's *Act to Foster the Development of Manpower Training*.

- ***Supporting Literacy and Essential Skills***

The federal government could make resources available to provinces and territories so they can work in partnership with education, business, industry and labour to address literacy and essential skills. It is important that any new federal resources support and not duplicate existing provincial and territorial initiatives and that clients obtain the maximum possible benefit from public funds invested in this important area.

2. Enhancing Post-secondary Capacity

Participation in post-secondary learning has been steadily rising, reflecting the growing importance of colleges and universities in preparing people for success in the new economy. To accommodate increasing demand, capacity issues must be addressed.

Post-secondary learning capacity includes the ability of colleges and universities to accommodate willing and qualified students with learning space, and to provide them with a high-quality education that is relevant for the knowledge economy.

Current Provincial and Territorial Activity

Provinces and territories are making significant investments in high quality post-secondary systems. The Programme for International Student Assessment reports that Canadian students preparing for entry into post-secondary learning and labour market training rank in the top 5 among 32 countries for achievement in reading, mathematics and science. In addition, the OECD reports that Canada ranks:

- In the top three industrialized nations for percentage of population aged 25-64 that has attained a university degree or higher;
- Close to the top of industrialized nations in its post-secondary participation rates; and
- In the top 10 of industrialized nations in post-secondary attainment for 25-64 year olds.

- Many provinces and territories are developing systems to ensure that individuals who possess skills, but no formal credentials, do not unnecessarily strain current capacity. One approach, Prior Learning Assessment and Recognition (PLAR), allows institutions and industry to formally assess, recognize and provide credentials to skilled individuals.

Federal Government could contribute to post-secondary learning by:

- ***Providing new resources***

Ministers of Education and Labour Market Ministers call on the federal government to provide new flexible financial support, through mechanisms already in place by fully restoring the Canada Health and Social Transfer (CHST), a portion of which supports post-secondary learning, or through alternative mechanisms agreed to bilaterally with provinces and territories in order to meet their individual capacity needs.

3. *Encouraging Full Labour Market Participation of Under-represented Groups*

Governments recognize the need to expand the number of skilled participants in the labour market to strengthen economic growth and employment. There are currently many Canadians who are not fully participating in the labour market, including immigrants, Aboriginal Peoples, and persons with disabilities.

Current Provincial and Territorial Activity

Provinces and territories recognize the need to develop specific strategies to engage groups which they have identified as under-represented in the labour force in their jurisdiction.

Federal Government can support efforts related to specific groups including:

- ***Addressing Barriers Faced by Immigrants***

- Ensuring academic credential assessment overseas;
- Ensuring that occupational regulatory requirements and credential assessment are available to skilled immigrants before they land in Canada;
- Strengthening English and French language training so that it is workplace relevant;
- Selecting skilled immigrants that are most likely to contribute to the job market in areas where there are skills shortages. For example, by eliminating barriers to the entry of skilled tradespersons;
- Providing high quality information on employment prospects and regulations to potential immigrants living overseas. This will provide a clearer picture of economic need, employment prospects and certification processes to potential immigrants;
- Providing sufficient support to immigrants' settlement services; and
- Working with professional and regulatory bodies in facilitating the recognition of foreign-earned professional and occupational credentials.

- ***Addressing Barriers Faced by Aboriginal Peoples***
 - Meeting its fiduciary responsibility for Aboriginal Peoples by providing sufficient resources to meet the post-secondary and skills training needs of this community in a manner that reflects community regional priorities; and
 - Working closely with individual provincial and territorial Ministers along with Aboriginal organizations to coordinate efforts to meet the needs of Aboriginal Peoples and to ensure that total public investment in this area is as effective as possible. This would include facilitating greater cooperation between Aboriginal Human Resource Development Agreement (AHRDA) holders and existing Provincial/Territorial LMDA holders.
- ***Addressing Barriers Faced by Persons with Disabilities***
 - Negotiating with Ministers of Social Services to ensure the successor to the Employment Assistance for Persons with Disabilities Agreements includes flexibility for provinces and territories to determine their own priorities, increased funding and appropriate linkages to LMDAs and AHRDAs; and
 - Facilitating the education and skills training needs of this community by providing funding for the support measures and benefits to members of this community while they attend post-secondary education and skills training institutions.

4. Providing Internet Access for On-line Learning Across Canada

In the new economy, knowledge, skills and technology play key parts in economic competitiveness and in the success of citizens. On-line learning capacity is essential to provide access to flexible opportunities for learners to acquire the skills and tools they require to participate in the workforce. Infrastructure and technological networking (connectivity) is required to enable educational institutions and their affiliates to deliver high quality, interactive on-line learning experiences to learners.

Current Provincial and Territorial Activity

Provinces and territories have made significant investments in technology, technological infrastructure, education policy and supports for learners and educators.

The federal government could make an important contribution by:

Helping provinces and territories to expand internet access to communities, schools and public educational and training institutions across the country by:

- Providing funding tailored to meet the on-going needs identified by each province and territory to ensure and enhance connectivity for on-line learning for all schools and public educational and training institutions;
- Providing funding for on-line learning for First Nations; and
- Providing funding to help provinces and territories to provide internet access to remote and rural communities.

Conclusion

The federal government has the fiscal capacity to help provinces and territories face current challenges in the area of learning and labour market training. Provinces face increasing needs to expand post-secondary education and labour market training services.

Provincial-Territorial Ministers of Education and Labour Market Ministers continue to demonstrate their commitment to post-secondary learning and labour market training.

Aggressively pursuing the priorities identified in this paper will require a cooperative and focused effort of provinces, territories and the federal government within the full range of their respective mandates to ensure future resources are invested where they are most needed.

Canadians want to see their governments cooperate to address important economic and social priorities. We can think of no priority greater than ensuring people have access to opportunity and learning while strengthening economic productivity and international competitiveness.

Federal-provincial-territorial cooperation on these priorities needs to take advantage of existing cooperative arrangements while avoiding wasteful duplication. The Canada Health and Social Transfer is the mechanism through which the federal government can help support increases in post-secondary capacity. Likewise, Labour Market Development Agreements are the centrepiece to increase cooperative efforts to address challenges in the areas of skills development and training.

Moving forward on these priorities would require an important partnership with the federal government to provide the required investment to meet the identified learning and labour market needs of Canadians.