



SOCIOECONOMIC DEVELOPMENT THROUGH LEADERSHIP AND COOPERATION



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Brief presented by the

**REGROUPEMENT QUÉBÉCOIS DES ORGANISMES POUR
LE DÉVELOPPEMENT DE L'EMPLOYABILITÉ**

to the House of Commons Standing Committee on Finance

SUMMARY

In keeping with the main focus of the consultation, the Regroupement québécois des organismes pour le développement de l'employabilité (RQuODE) recommends promoting the increased use of labour market information; ensuring that employability and career development services are available to everyone, particularly groups who are under-represented in the labour market; and developing a pan-Canadian career development framework.

INTRODUCTION

When the House of Commons Standing Committee on Finance launched its consultation process in June, it indicated that it would be focusing on “federal measures [that] would help Canadians generally – and such specific groups as the unemployed, Indigenous peoples, those with a disability and seniors – maximize, in the manner of their choosing, their contributions to the country’s economic growth”. As Quebec’s largest employability network, the RQuODE¹ would like to provide some insight on this issue, by looking at the following three aspects:

- The accessibility and use of labour market information (LMI);
- Employability services offered to vulnerable and under-represented groups;
- The development of a pan-Canadian career development framework.

The findings and recommendations presented in this brief are based on the experience and expertise of the 87 members of the RQuODE, organizations that are well established in their communities and familiar with the challenges individuals face when it comes to labour market entry and career development.

LABOUR MARKET INFORMATION THAT IS MORE LOCALIZED AND MORE ACCESSIBLE

Because the labour market is changing so quickly, workers, students, employers, governments and non-governmental organizations need to have access to quality labour market information in a timely manner so that they can make informed decisions about employment, education and economic development. Easy to access, complete, up-to-date information on labour market trends and on sectors and regions where there is a higher demand for workers is vital in order to build a skilled workforce that can meet the needs of business.

¹ See www.rquode.com (French only).

Consequently, the RQuODE supports the creation of a new Labour Market Information Council and a National Stakeholder Advisory Panel. However, the RQuODE also believes that LMI needs to better reflect the needs and realities of local labour markets by providing detailed regionalized data on labour supply and demand. This is in keeping with one of the recommendations made by the Advisory Panel on Labour Market Information and the Centre for the Study of Living Standards (CSLS), which advocates for greater geographical disaggregation of the data collected from the Labour Force Survey² and the Survey of Employment, Payrolls and Hours.³

Furthermore, like New Brunswick and Nova Scotia, Quebec produces its own occupational forecast, independent of the forecast produced by Service Canada. According to Sharpe, “in the eight provinces where both the federal and provincial governments produce occupational projections,⁴ there is the potential danger of conflicting or contradictory signals on likely developments in the labour market. This indeed happens.”⁵ Most of the time, these discrepancies are minor. However, there are sometimes significant differences, which can cause confusion for users. Better coordination between the various levels of government is required in order to prevent overlap and duplication on various platforms, to establish connections between the various tools, and to prevent this sort of inconsistency.

Finally, although LMI is becoming increasingly accessible via the Internet and new technologies, very few people know where to find it or how to interpret it. Since the assistance of a career development professional is often needed to understand LMI properly, it is important to “find the best way to deliver LMI by balancing its provision over the Internet with persons-to-person services.”⁶ One suggestion is to conduct a national information and awareness campaign to encourage individuals and businesses to use LMI.

Recommendation no. 1

With the help of the provinces and territories, promote the increased use of labour market information by improving its quality, availability and accessibility and by making people more aware of its existence.

² Advisory Panel on Labour Market Information (2009). *Working Together to Build a Better Labour Market Information System for Canada*. Ottawa, FLMM, p. vi-vii.

³ Andrew Sharpe (2009). *Best Practices in Labour Market Information: Recommendations for Canada's LMI System*. Ottawa, CSLS, p. iv.

⁴ The other provinces work closely with Service Canada to generate their occupational forecasts.

⁵ Sharpe, 2009, p. 24.

⁶ Advisory Panel on Labour Market Information, 2009, p. 11.

MORE SERVICES FOR GROUPS THAT ARE UNDER-REPRESENTED IN THE LABOUR MARKET

The federal government shares responsibility for labour market policies with the provinces and territories. Through Labour Market Development Agreements (LMDA), the federal government allows the provinces and territories to design, deliver and manage skills and employment programs for employment insurance recipients. In 2007, the Government of Canada created six-year agreements, known as Labour Market Agreements (LMAs), with all of the provinces and territories, for a total of \$500 million per year. Their purpose was to increase the labour market participation of groups that are under-represented in Canada's labour force (who are not eligible for employment insurance) and to enhance the employability and skills of the labour force.

However, in 2014, the LMAs with all of the provinces and territories except Quebec were replaced by the Canada Job Fund (CJF), which seeks to strengthen the private sector's participation in the training and development of skilled workers. Although this is a worthy goal, the CJF redirects 70% of the budget that was meant for people who are not eligible for employment insurance to employee training and therefore considerably reduces funding for employability programs for vulnerable, unemployed Canadians. Quebec was able to keep its LMA funding because of its unique partnership with the federal government in employment matters; however, this redirection of funds to employed individuals raises many concerns, particularly with regard to the sustainability of provincial measures targeting groups that are under-represented in the labour market. We therefore believe it is important to make the agreements between the federal and provincial governments more flexible so that the training and employability programs managed by the provinces and territories are able to meet local labour market needs and so that initiatives that are good for everyone, particularly vulnerable groups, can be implemented and maintained.

In addition to these transfer agreements, the federal government directly manages some programs for targeted groups, for example, the Youth Employment Strategy and the Opportunities Fund for Persons with Disabilities. However, in recent years, many federal employment programs have undergone significant budget cuts or experienced application backlogs. For example, the results of a survey conducted by the RQuODE in the summer of 2014 showed that there was a very long wait time for the acceptance of Skills Link funding applications, which varied from two to 16 months or an average of nine months. What is more, many funding applications were rejected because of a lack of funding, often despite the fact that the organization had successfully completed a number of projects in the past. In other cases, Service Canada did not even provide a clear explanation as to why the application was rejected. The many rejected applications, cuts to the number of participants, funding cuts and long wait times resulted and continue to result in a discontinuity of services for young people out of the job market.

In short, it is important that the shared responsibility for employment policy and the terms of the funding transfers between the federal government and the provinces not penalize those people furthest from the labour market who are most likely to benefit from employability and career development services. The federal government must work with the provinces and territories to make the best use of federal funding and ensure that it complements provincial initiatives.

Recommendation no. 2

Ensure that all vulnerable individuals have access to employability and career development services through more flexible measures and transfer agreements.

TOWARD A PAN-CANADIAN CAREER DEVELOPMENT FRAMEWORK

Canada, like most of the provinces and territories, does not have a career development framework to assist people with “the lifelong process of managing learning, work and transitions in order to move toward [their] preferred future.”⁷ However, gaps between people’s skills and workforce needs can have significant impacts, including a loss of productivity, waste of human capital, health problems and high social services costs.⁸ The inclusion of all Canadians and the development of their full potential are therefore essential to Canada’s sustainable economic development and social cohesion. That is why we need a career development framework.

Such a pan-Canadian framework, established with the help of the Forum of Labour Market Ministers (FLMM), must allow federal authorities to play a clear leadership role in career development in order to once again make this crucial issue a political priority for all levels of government. According to the recommendations of the Organization for Economic Co-operation and Development (OECD), however, the Government of Canada must give the provinces and territories as much flexibility as possible in addressing local needs and issues. It stated:

With local variations in the demand for and supply of skills within one country, there is a strong rationale for addressing the issue of skills formation at the sub-national level....Local institutions need flexibility and sufficient autonomy to adapt their policies to their needs.⁹

⁷ CCCD (N.D.). *What is Career Development?* Retrieved July 26, 2016, from <http://cccda.org/cccda/index.php/the-career-development-profession/what-is-career-development>.

⁸ Phil Jarvis (2003). *Career Management Skills: Keys to a Great Career and a Great Life*. Retrieved July 26, 2016, from http://iaevg.net/iaevg.org/crc/files/Communication_Strategy_No.8_Jarvis716_2.pdf.

⁹ OECD (2011). *Towards an OECD Skills Strategy*. Retrieved July 26, 2016, from <https://www.oecd.org/edu/47769000.pdf>.

Without a coordinated strategy, it is difficult to purposefully and proactively respond to people's long-term career development needs on an ongoing basis. In addition to preparing young people to enter the labour market in a job that corresponds to their hopes, interests and abilities, career development services allow everyone to gain the career management skills they need to make the choices and transitions with which they will be faced throughout their lives. Given that less than 20% of Canadians follow a linear career path, these skills are essential in creating a mobile and successful workforce.

Recommendation no. 3

With the help of the Forum of Labour Market Ministers, develop a pan-Canadian career development framework, while ensuring that the provinces and territories have enough independence to adapt and implement measures and action strategies.

CONCLUSION

The 2017 federal budget represents an opportunity for the federal government to implement practical measures to help all Canadians fully contribute to the country's prosperity and social development. In order to make these measures—which seek to improve LMI and support groups that are under-represented in the labour market—as effective as possible, it is important that they be included in a pan-Canadian framework that will align the efforts of all sector partners.