Standing Committee on Finance (FINA)

Pre-budget consultations 2012

Big Brothers Big Sisters of Canada

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

Big Brothers Big Sisters of Canada is part of the nonprofit sector, an essential part of the Canadian economy. It represents 7.2% of Canada's paid workforce and has an annual payroll in the neighbourhood of \$22 billion. The nonprofit sector employs 11 times more people than the automotive industry, four times more than the agricultural sector, and contributes as much to the gross domestic product as other major sectors of the economy. As manufacturing declines and governments devolve more services to the regional and local level, the role of the nonprofit sector is expanding. These organizations make highly significant contributions to the quality of life in our communities, and Canadians rely on the essential services and options for enrichment in our lives that the nonprofit sector offers. Environmental factors are impacting communities and the nonprofit organizations that serve them. The nonprofit sector faces the same demographic pressures as all sectors in Canada: an aging workforce, low birth rate and the need to be able to attract and train new employees and leaders to replace those who will be retiring. Demographic changes also reflect greater diversity, with the ranks of new workers increasingly including Aboriginal peoples, new immigrants and people with disabilities. A shift in health care has resulted in many patients moving out of hospitals and back home, creating demands for more community based and home care support. Governments have been reducing their roles and taking a more austere approach to support in areas such as social services and housing, leaving nonprofits to pick up the slack. These trends are occurring at a time when the populations of those served by nonprofits (including the elderly, Aboriginal people and new immigrants) are increasing, and when greater collaboration between organizations and sectors is required to address the multi-faceted issues faced by Canadian society. (2011 HR Council for the Nonprofit Sector) This is an opportunity for the government when looking at the Canadian economy, investment in these organizations creates a healthier Canada and room for economic growth. 1

http://www.hrsdc.gc.ca/eng/workplaceskills/sector_councils/information.shtml, p. 1. 2.According to research published by the Canadian Policy Research Network (CPRN) in 2009; available at: http://hrcouncil.ca/labour/overview.cfm, p. 1. 3 http://www.vsi-isbc.org/eng/hr/pdf/nli_brochure.pdf, p. 2. 4 "Current State of Skills Development in the Canadian Nonprofit Sector," pp. 7-8.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

Today, the strains on this market are becoming increasingly apparent. In advanced economies, demand for high-skill labor is now growing faster than supply, while demand for low-skill labor remains weak. Labour's overall share of income, or the share of national income that goes to worker compensation, has fallen, and income inequality is growing as lower-skill workers—including million young people—experience unemployment, underemployment, and stagnating wages. Economic growth and job

creation begins with investing in our youth today. On June 13, 2012, the recently-released White House Council for Community Solutions' final report to President Obama cites youth mentoring as one of the key recommendations to help disconnected youth so they can get on a path to education, employment and economic prosperity. The issues associated with disengagement are factors such as school dropout, unemployment, substance use, suicide, depression, metal health, community connectedness and civic participation. The latest Statistics Canada report shows youth unemployment rose half a point to 14.8 per cent in June, more than twice the national average of 7.2 per cent. And total unemployment has risen by about 27,000 since March, also noted that high youth unemployment is likely to cause longterm consequences like lower future wages and distrust of economic, as well as political system. Big Brothers Big Sisters are in the communities engaging young people changing the trajectory of their lives. It costs on average \$1500 to mentor a child for a year; it costs \$28,652 a year (1) just to cover the costs of Employment Insurance for an unemployed youth. These realities are overshadowing the prospects of job market recovery. Advanced economies will need to double the pace at which the number of young people earning college degrees is rising—and find ways to graduate more students in science, engineering, and other technical fields; these workers will be in high demand, and their contributions will be critical for meeting the rising productivity imperative and the aging population gap. Secondary and vocational training must be revamped to retrain mid-career workers and to provide job-specific skills to students who will not continue on to college. This is a global issue not just a Canadian one, we can try and continue to promote job creation which is needed and also investment in our youth to set the stage for a more productive tomorrow. We cannot continue to do what has always been done and expect different results. Nonprofits have been facing talent shortages for years, most people leaving universities look to for-profit entities leaving nonprofits searching. Businesses and nonprofit are operating in this skills-scarce world and we must find talent pools with the skills we need and to build strategies for hiring, retaining, and training these workers who will give us competitive advantage. This will include finding ways to retain more highly skilled women and older workers. Utilizing opportunities like Big Brothers Big Sisters, First Mentor Inc (Social Enterprise)(described below) in order to build pipelines of workers with the right skills for the 21st-century global economy. 1 http://www.craarc.gc.ca/tx/bsnss/tpcs/pyrll/clcltng/ei/hstrc-eng.html

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

Social Enterprise: First Mentors Inc. Big Brothers Big Sisters of Canada is investigating a Social Enterprise "First Mentors Inc." With the demographic changes and a 10% reduction in our workforce in the immediate future, as well as opportunities for job creation, Big Brothers Big Sisters would open up a workplace mentoring program that matches new employees (or recent graduates) with tenured employees in the client organization. This would act as a knowledge transfer mechanism between generations and an engagement tool for both the out-going employee and the incoming one. Big Brothers Big Sisters First Mentors Inc. would act as a third party consultant to administer the process in cooperation with human resource departments. Mentoring would form the basis of this enterprise. It is at the core of what Big Brothers Big Sisters offers now. This concept isn't a new one however, the structure and the support is. Based on its core competency of matching inter-generational candidates in a mutually fulfilling mentoring relationship, Big Brothers Big Sisters has excelled for decades at making the right 'match' and providing the on-going administrative support necessary to make the relationship succeed.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

Countries that are innovative are more productive. This must be looked at across all sectors in Canada. We are at a crossroad. With a strong dollar and a positive economic outlook, now is the time to invest in Canada's business and nonprofits. Canada has been successful in attracting immigrants a significant factor in growing and sustaining our productivity and standard of living. With aging demographics around the world, we will be competing for immigrants. Investment in: leadership, risk taking, businesses, nonprofits, and in competition for human capital is what will give Canada a competitive edge.

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

Support of Aboriginal people (First Nations, Inuit and Métis) and Northerners in their efforts to: improve social well-being and economic prosperity; develop healthier, more sustainable communities; and participate more fully in Canada's political, social and economic development - for the benefit of all Canadians. The stark realities; • In 2004, 9,815 youths aged 12 to 17 were accused (charged or otherwise) of a criminal offence on a reserve. This rate (24,391 per 100,000) was more than three times higher than the average for the rest of Canada (7,023). • A greater portion of Aboriginal children under the age of 6 living in low-income economic families are 49% of off-reserve First Nations children and 32% Métis children compared to non-Aboriginal children (18%). •Suicide and self-injury were the leading causes of death for Aboriginal youths. In 2000, suicide accounted for 22 percent of all deaths among Aboriginal youth (aged 10 to 19 years) and 16 percent of all deaths among Aboriginal people aged 20 to 44 years. •Suicide rates of Registered Indian youths (aged 15 to 24) are eight times higher than the national rate for females and five times higher than the national rate for males. •Aboriginal, First Nations, Métis represent approximately three percent of Canada's total population. Over 50 percent of the Aboriginal population is under the age of 24, while 40 percent are under the age of 16. • First Nations birth rate was 23.4 births per 1000 population. This is more than twice the Canadian rate. •Young Aboriginal people were more likely to drop out of school than non-Aboriginal people, with the 2007 to 2010 dropout rates among off-reserve First Nations, Métis and Inuit at 23%, compared with 9% for non-Aboriginal people The data above underscores the harsh realities of our Aboriginal, First Nations, Inuit and Métis peoples, not to mention housing, clean running water, the fundamental basics of living that you and I take for granted. Community-based organizations are well positioned to play a significant role in assisting with the common goals of the Aboriginal, First Nations, Inuit and Métis peoples, along with the federal, provincial and municipal governments. Aboriginal, First Nations and Metis populations are the fastest growing demographic in Canada. If we do not look to change the path of our young people in Canada the consequences to Canadian society extend well beyond financial strains now and in the future. The Governor General, in the June 2011 Throne Speech said that "in 2017, we will celebrate the 150th anniversary of Confederation, and I invite all Canadians to imagine ways to build a smarter, more caring nation as we approach this wonderful milestone. I believe that in order to achieve our vision, we must work together to support families and children..." and that "the Government of Canada has no more fundamental duty than to protect the personal safety of our citizens..." as well, the 2011 Budget Throne Speech also called for additional support for culture and communities with new budget measures, including support for Aboriginal people (p. 114) and

investments to support priorities in First Nations education, child and family services, water and housing and First Nations and Inuit health, as well as, Aboriginal skills development and training (p. 117). "It's time that we all take collaborative action to get serious on issues facing our Aboriginal populations in Canada today!