

October 25, 2023

House of Commons Standing Committee on Human Resources,
Skills and Social Development and the Status of Persons with Disabilities

Improving the Canada Summer Jobs Wage Subsidy Program for SMEs

We represent 97,000 small- and medium-sized enterprises (SMEs), across the country and across all sectors, who are members of the Canadian Federation of Independent Business (CFIB). **We are writing to share recommendations regarding Canada Summer Jobs Wage Subsidy Program, specifically in relation to its accessibility and support for small businesses.** We believe that with some adjustments, this program can better serve the needs of SMEs.

The Canada Summer Jobs Wage Subsidy Program supports small businesses hiring of young talent during the summer months, providing valuable work experience and contributing to the growth of the Canadian economy. In 2018, the CFIB published: [“Hire education. Connecting youth and small businesses for the jobs of today,”](#) which found that 52% of SMEs felt that government grants, such as the Canada Summer Jobs Wage Subsidy Program, would help their business hire more youth.¹

However, some SMEs have faced challenges when applying and participating in this program. Below is a brief overview of the common pain points that have been reported by small businesses:

Issues	Summary	Recommendations
Confusion about the CSJ program		
Lack of awareness	<ul style="list-style-type: none"> A considerable number of SMEs are unfamiliar with the program. 	<ul style="list-style-type: none"> Increase awareness of other Canada Summer Jobs Wage Subsidy Program among SMEs. Continue to make efforts to promote the program on a range of platforms, electronic or otherwise, such as letters, social media, and phone calls. Ensure that SMEs are kept informed about program updates, important deadlines, and any changes to guidelines. These updates should be clear, concise, and easy to understand.

¹ CFIB, Emily Hayes and Ryan Mallough, *Hire education. Connecting youth and small businesses for the jobs of today*, October 2018, Online at: <https://20336445.fs1.hubspotusercontent-na1.net/hubfs/20336445/research/reports/2018/youth-employment-report-EN.pdf>, data from the CFIB, Youth Employment Survey, May to June 2018, n = 6,398

<p>Program eligibility: the requirements and SME's understanding of them</p>	<ul style="list-style-type: none"> • Not all SMEs are eligible. • Many SMEs face challenges understanding the eligibility criteria. They do not know whether they qualify. For example, a small business owner asked if a student who worked part-time during the school year, could later become a full-time employee through the program during the summer months. Ultimately, more clarity around the programs' criteria is required. 	<ul style="list-style-type: none"> • Review the eligibility requirements so that the program can accommodate a broader range of SMES, including those with irregular cash flows, seasonal businesses, and those with smaller profit margins. • Ensure that the program's website content in plain language and can be found quickly by SMEs. • Provide support to business owners applying to the program in language that is simple and comprehensible to them. • Create comprehensive online resources, this could include detailed guides, FAQs, and step-by-step instructions tailored to SMEs.
<p>Customer service</p>		
<p>Lack of communication</p>	<ul style="list-style-type: none"> • Many SMEs have expressed their frustration with the program's lack of information on their application status. The inability to plan their staffing needs has caused considerable stress for them. 	
<p>Additional support needed</p>	<ul style="list-style-type: none"> • CFIB has received numerous requests to assist SMEs with a step-by-step walkthrough of the application process, as it is unclear to many members. For example, a business owner could not reach anyone from the program for support, and they inadvertently applied twice to the program, once through a saved desktop form and another online. • Many have also reported issues with logging into their Canada Summer Jobs account. 	<ul style="list-style-type: none"> • Continue to make improvements to the Service Canada call centre so that small business owners can get timely and accurate answers to their questions, including application status updates. • Trained program agents should be available to answer questions, help with the application process and offer clarification on program guidelines.
<p>Red tape issue</p>		
<p>Lengthy application process and</p>	<ul style="list-style-type: none"> • Small businesses have expressed concerns over the cumbersome application process. In fact, one CFIB member mentioned that the 	<ul style="list-style-type: none"> • Simplify the application process for SMEs to reduce the administrative burden and make it easier for them to participate in the program.

administrative delays	<p>application process had deterred them from considering reapplication to the program.</p> <ul style="list-style-type: none"> • A prevalent concern among small business owners is the amount of time it can take to receive a positive response/approval from the program. This can impact SMEs as they plan their day-to-day operations and staffing schedules. • One CFIB member mentioned they had waited over 3 months before receiving a response. Each time they followed up, they were not provided with any potential timelines of when they could expect approval for the program. 	<ul style="list-style-type: none"> • Provide clear and straightforward guidelines, along with user-friendly application forms, to encourage more SMEs to take advantage of the program. • Establish a feedback mechanism that allows SMEs to provide suggestions, report issues, and share their experiences with the program's application process to inform future improvements in program delivery and design.
Funding allocation		
Grant decrease	<ul style="list-style-type: none"> • Several small business owners expressed concerns over the grant amount. In fact, many SMEs noticed a significant decrease in funding in comparison to 2022. 	<ul style="list-style-type: none"> • Consider expanding the financial support available to SMEs participating in the program. This would help businesses better cover the costs of hiring summer students and providing them with meaningful employment opportunities.

By implementing these recommendations, the Canada Summer Jobs Wage Subsidy Program can offer SMEs better support, flexibility, and guidance. We would welcome an opportunity to appear before the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (HUMA) to discuss these issues further or to answer any questions you may have. Please feel free to contact us at our Ottawa office at 613-235-2373 or via email at jasmin.guenette@cfib.ca or michelle.auger@cfib.ca.

Sincerely,



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About CFIB

CFIB is a non-partisan organization exclusively representing the interests of 97,000 small and medium-sized businesses in Canada. CFIB's research capacity is second-to-none because it can gather timely and concrete information from members about business issues that affect their day-to-day operation and bottom line. In this capacity, CFIB is an excellent source of up-to-date information for governments to consider when developing policies impacting Canada's small business community.

To learn more, visit cfib.ca.