

DIALOGUE

BUILDING TOMORROW'S WORKFORCE

"People are the common denominator of progress. So... no improvement is possible with unimproved people, and advance is certain when people are liberated and educated".

The late John Kenneth Galbraith , The Affluent Society (1958).

Table of Contents

WHY WE NEED TO HEAR FROM YOU	3
HOW WORK IN ONTARIO IS CHANGING	4
REACHING HIGHER	5
ONTARIO'S JOBS AND SKILLS RENEWAL STRATEGY	6
ONE-STOP TRAINING AND EMPLOYMENT SYSTEM	6
SUCCESS FOR STUDENTS	7
ISSUES FOR DISCUSSION	8
SKILLS FOR ECONOMIC GROWTH	8
HOW TO HELP YOUNG PEOPLE START GOOD CAREERS IN THE COMMUNITY	9
CREATING OPPORTUNITIES FOR PEOPLE FACING BARRIERS	10
ACTION AT THE LOCAL LEVEL	11
ANNEX: ONTARIO LABOUR MARKET - PROGRAMS AND SERVICES	12
PROVINCIAL LABOUR MARKET PROGRAMS AND SERVICES	12
FEDERALLY-FUNDED LABOUR MARKET PROGRAMS AND SERVICES BEING TRANSFERRED TO ONTARIO	15

Why We Need to Hear from You

Ontario's economic strength and prosperity comes from many sources. A key factor in ensuring that strength is our people. The best jobs and the most investment go to the places with the best-educated and most highly skilled workforce. That's why the McGuinty government views investment in people and a skilled workforce as a cornerstone of its economic policy.

In today's global marketplace, Ontario must not only compete with industrial leaders, such as the United States and the European Economic Union, but also with emerging economies in India and China.

We're moving quickly to make comprehensive investments in the education and training needs of all learners, from the very early years through elementary and high school studies, to college, university and skills training in the workforce, including apprenticeship. These investments will result in increased opportunities for Ontarians.

Participation in learning beyond the school-leaving age is a significant policy objective for Ontario. The Ontario government is committed to supporting greater completion in high school, college, university and apprenticeship programs. The Ontario government is interested in reaching out to low-income groups, persons with disabilities, Aboriginal peoples, and others to encourage and support greater opportunities for people to learn. We are building educational and training opportunities every day so that every Ontarian has the opportunity to achieve his or her potential. That's why it's important to hear from you.

We want to ensure that people are aware of the services available to them, and that those services are responsive in meeting the needs of employers, workers, young people, people looking for work, new Canadians, and people who face barriers to achieving their career goals.

Our goal is to provide effective and relevant skills training, and other labour-market services, where and when they are needed – because every Ontarian should have access to the tools they need to succeed.

No individual has a monopoly on good ideas. By sharing ideas, we have a much better chance of building the knowledge, skills and communities we want.

This dialogue gives us the opportunity to talk about the services that are important to our community. Working together, we can identify and develop the skills and training tools to help build the workforce that will keep Ontario industries competitive and to create opportunities for more Ontarians.

How Work in Ontario is Changing

The Ontario labour market has been characterized by strong finance and other service sectors, along with industries that require specialized skills in manufacturing and primary industries. Ontario has also had a sufficient supply of workers through both natural population increase and immigration. Ontario's largest trading partner, the United States, has been our principle market, taking almost 90% of Ontario's exports.

Several emerging forces are starting to shape Ontario's labour market in new ways. Ontario manufacturers are experiencing the effects of the rising Canadian dollar and higher energy costs. Globalization and emerging economies such as China and India are also challenging Ontario manufacturers through lower costs.

New technologies are raising the demand for workers with advanced skills and technical knowledge. These rapid changes are also redefining training and skills development from something acquired once and for all by people in their early twenties to something that is a life-long endeavour.

The aging of baby boomers is bringing increased retirements. From 2001 to 2015, the estimated average retirement rate for all occupations in Ontario is approximately 30%, with the largest number of workers projected to leave the workforce in senior management positions, teaching, some health disciplines, and skilled trades. Some employers are already identifying availability of skilled labour as a challenge. In a recent survey, 37% of manufacturers and exporters surveyed identified 'availability of skilled and experienced personnel' as a major challenge.

Ontario's labour market is increasingly reliant on immigration as an important source of labour supply and skills. Ontario receives 60% of Canada's immigrants. Immigrants make up 29% of the current labour force of Ontario and 48% of Toronto's labour force. Within the next decade, immigrants will account for most of the new labour force growth. About 13,000 immigrants arriving annually in Ontario aim to join a regulated profession or trade. Immigrants often face language barriers and their foreign credentials are often not recognized by employers. Many immigrants to Ontario report difficulty in obtaining paid Canadian experience in a related field.

Other groups also face barriers to participating in the provincial labour market. Ontario has the largest population with Aboriginal identity in Canada, and the population is growing at a faster rate than the non-Aboriginal population. In 2001, about 70% of the Aboriginal population in Ontario lived off reserves, primarily in cities. Persons with disabilities and youth at risk (i.e. with low education and skills) also tend to have much lower labour force participation rates.

Young people who do not complete high school lack the skills to compete for jobs in the new "knowledge-based economy". The share of youth pursuing postsecondary education, including apprenticeships, is increasing in Ontario, although too few employers are currently taking on and training young apprentices.

It is important to address these challenges and eliminate barriers that prevent individuals from participating to their maximum potential in the labour market. Building opportunities for all people will help individuals as well as Ontario's economy.

Reaching Higher

The 2005 Ontario Budget announced a historic investment in postsecondary education of \$6.2 billion by 2009-10 -- the most significant multi-year investment in Ontario's higher education system in 40 years. **Reaching Higher**, the McGuinty Government Plan for Postsecondary Education, promotes a strong, competitive economy based on a highly skilled work force resulting in individual prosperity and world-class outcomes. We want Ontario's students to have access to the best postsecondary education in Canada. Our province's future depends on it.

In return for this massive investment, the government expects more access, higher quality, and better accountability.

Ontario invested almost \$200 million in improvements to student assistance in 2005-06 to promote access and opportunity for low- and middle-income students. Not only will students be able to access more loan funding, they will be able to do this without an increase in their annual maximum repayable debt. The Ontario Student Opportunity Grant program will continue to limit students' annual repayable debt to \$7,000 per academic year.

Quality means more resources, more faculty, more student time with faculty and more innovative research. Quality improvement and innovation to make the student experience rewarding and successful will be the focus of much of MTCU's work with institutions over the next five years.

To foster accountability, MTCU is working with college and university partners to develop a new common funding framework for 2006-07 to ensure predictable and stable funding that is fairly distributed and which achieves the results Ontarians want for an accessible, high-quality postsecondary system. Bilateral performance agreements are being negotiated with colleges and universities to improve accountability.

As well as focusing attention on postsecondary education in traditional classrooms, Reaching Higher also includes investments in high-quality apprenticeships and workplace training to help keep Ontario industries competitive through skills training and other labour market services.

Ontario's Jobs and Skills Renewal Strategy

We know that brains and know-how are the economic edge of the 21st century. And we also know that high-skilled occupations are growing at a faster rate in the province than low-skilled occupations. Ontario has introduced a comprehensive plan to prepare young people and those already in the workforce for occupations in the global economy. Details of Ontario's approaches to building our workforce are included in an Annex to this Discussion Paper, but the following section provides highlights of the Ontario Government's Jobs and Skills Renewal Strategy.

ONE-STOP TRAINING AND EMPLOYMENT SYSTEM

Ontario is building a One-Stop Training and Employment System to give Ontarians easy access to the training, apprenticeship and labour market services they need. Specifically, the system is intended to better serve employers, apprentices, immigrants, unemployed individuals, youth in transition from school to work and others facing barriers to labour market participation.

Ontario has the largest apprenticeship training system in Canada, and the government is investing to expand it further. We are committed to increasing the number of apprenticeship registrations by 7,000 to a total of 26,000 annually in 2007-08. The new One-Stop Training and Employment System will help ensure this increase in registrations by providing a clear pathway into apprenticeship, increasing the focus on employer outreach and recruitment, as well as improving apprenticeship completion rates. We are bringing our training delivery partners together to promote skilled trades so that students are aware of the full range of rewarding occupations that are available.

Still more resources for skills training will be made available to Ontarians as a result of the Canada-Ontario Labour Market Development Agreement. The agreement is focused on providing more resources for skills training for Ontarians. As of January 2007 the LMDA will bring more than \$525 million to invest in training programs and initiatives into Ontario. The LMDA will allow Ontario to expand the capacity and reach of its skills training and employment system by integrating federal programs and services into Ontario's One-Stop system. The McGuinty government continues to talk with the federal government about the additional resources required to address priority areas relating to labour market market and training.

SUCCESS FOR STUDENTS

As part of its commitment to opportunity through strong public education, the government's priority is to boost the high school graduation rate from its current 72% to 85% by 2010 through its *Learning to 18* strategy.

Initiatives supporting this *Learning to 18* strategy are aimed at keeping more young people in school and better preparing them for their future. The investments under this strategy include providing new high school teachers to work with students who need extra help; providing academic upgrading for those who have left school without a qualification; providing clearer pathways to college programs and the trades; providing co-op placements for high schools students to gain workplace experience in the skilled trades; and providing employment preparation courses.

Issues for Discussion

SKILLS FOR ECONOMIC GROWTH

Employers need a trained workforce to succeed. Employer investment in training is viewed as a critical element of business success when workplace technology changes every year. Yet in 2002, employers in Ontario spent less on workplace training for their employees than most other developed countries.

Literacy capability is a crucial underpinning to the required skills in the new economy. A recent report stated that in 2003, four in ten Ontario adults did not have adequate literacy skills for the modern economy.

The skilled trades have traditionally suffered from an image problem and yet these workers will be increasingly in demand as baby boomers begin to retire in large numbers.

What kinds of skills do employers need in this community? What sort of workers are employers likely to be short of in the near future?

- a) What skills do working age adults in this community need opportunities to improve? For example, literacy, language training, or computer skills.*
- b) What training and employment programs or projects are working well?*
- c) Are there opportunities for apprenticeship training in your community and do enough employers and job seekers know about them?*
- d) Have you ever considered participating in apprenticeship, either as an employer or an apprentice? What would it take to make you interested in apprenticeship?*
- e) How could we create a culture of learning in the community, including workplaces, to help people acquire more skills throughout their lives?*

HOW TO HELP YOUNG PEOPLE START GOOD CAREERS IN THE COMMUNITY

Youth represent the future of our province. The Ontario government is making higher education more accessible by increasing student financial aid. Today Ontario has approximately 42% of 20-24 year olds in university or college, yet well over half of all new jobs in the future will require some form of postsecondary education obtained through apprenticeship, college and university education.

Ontario's Job Connect program provides career planning and job search assistance for Ontarians, primarily young people, who are looking for work. The program also offers work experience placements and on-the-job training opportunities for youth to gain the experience and knowledge to find and keep jobs. The Ontario Summer Jobs programs, supported by a number of Ontario ministries, provide a range of summer employment programs and services to assist young people.

We also now have approximately 20,000 young people annually going through the Ontario Youth Apprenticeship program (OYAP). Pre-apprenticeship programs and co-op diploma programs are an important part of this process but too few young people are aware of the opportunities for challenging and well-paying careers in the skilled trades. We need more parents and teachers to recognize the potential of careers in the skilled trades and to encourage young people to pursue apprenticeship training.

Youth most at risk of being left behind in the knowledge economy, are those who drop out without pursuing the opportunities for training that exist. In March 2006, the youth unemployment rate in Ontario was 12.7%, twice as high as that for adult Canadians. Ontario supports an Academic Upgrading program to help at risk youth and adults improve their labour market readiness and move through apprenticeship training or postsecondary programs to sustainable employment.

What do our young people need to get started on a career in this community?

- a) What opportunities do young people have now for postsecondary education and skills training in this community?*
- b) What needs to be improved?*
- c) Should anything special be done for youth at risk of dropping out?*
- d) Do we have the right avenues for distributing good information on where the jobs are, what they pay, and how to obtain the necessary higher education programs*

CREATING OPPORTUNITIES FOR PEOPLE FACING BARRIERS

For a strong labour market, we need to capitalize on all the resources we have. The following groups face particular barriers in some, but not all, communities: francophones, Aboriginal peoples, persons with disabilities, low income, single parents, social assistance recipients, older workers and new immigrants.

Students whose parents did not participate in postsecondary studies may also face barriers to accessing studies at university or college, or an apprenticeship. These can include insufficient information about the benefits of postsecondary education and training, as well as lack of role models, expectations, confidence and resources. The Ontario government has recently created advisory committees to improve access to postsecondary education for these “First in the Family” students, as well as francophones, persons with disabilities and Aboriginal peoples.

Statistics Canada reports that immigration is expected to account for all the net labour force growth in Ontario within the next decade. Over 70 % of adult immigrants have some postsecondary education or training, yet new Canadians have a lower employment rate and a higher unemployment rate than non-immigrants and this difference is persisting for a longer period.

Who are the main groups of people having trouble getting work in this community?

- a) What barriers do individuals face in getting work?*
- b) What programs or projects are working well now?*
- c) What supports do these groups need to be able to fully participate in the workplace in this community?*
- d) What can we learn from people facing barriers who have found success in the labour market?*

ACTION AT THE LOCAL LEVEL

All communities need a vibrant local economy to supply the jobs and opportunities to the people who live there. This requires access to the full spectrum of learning from kindergarten to grade 12, to postsecondary education and training facilities. It also requires employers to invest in communities and take advantage of the skills of the people and the natural resources available. Local employers also need markets for their goods and services.

Half of all jobs in Ontario are created by small businesses. Free advice from business consultants is available to small business owners through Ontario's 44 Small Business Enterprise Centres (SBECs) which currently operate out 53 locations throughout the province. SBECs are a joint effort of the province, local municipalities, the federal government and private-sector partners.

To increase employment, we really need to draw on local experiences and insights. It is important to be honest about what works and what doesn't. People want and need jobs in their own local communities. And local businesses want and need skilled workers. To satisfy both these needs, community and local planning are necessary.

Local labour markets each have their own unique challenges, e.g., high unemployment, a lack of skilled workers, youth at risk. It is important therefore to bring together governments, employers, community groups, colleges, universities, and other stakeholders to discuss and develop an understanding of the local labour market needs as well as to develop the proper skills programs to meet these needs.

A thriving local economy is linked to people knowing where they can go to get labour market services. This doesn't happen by itself. An appropriate communication network has to be deliberately designed and built.

What are the particular opportunities and needs for employment in this community?

- a) What are the opportunities for employer investment in this community?*
- b) Who are the most important local partners for encouraging employer investment?*
- c) Who are the most important local partners for ensuring that training and employment services make a difference?*
- d) What kinds of services need to be available for this community that could be provided over the Internet and the telephone?*
- e) What kinds of services should be available in-person?*
- f) Would a newcomer to the area find it easy to identify and explore labour market services?*

ANNEX: ONTARIO LABOUR MARKET - Programs and Services

PROVINCIAL LABOUR MARKET PROGRAMS AND SERVICES

Program/Service	Description
Apprenticeship Training	Combination of on-the-job training and in-school training leading to certification in skilled occupations.
Ontario Youth Apprenticeship Program	Offers secondary school students the opportunity to train as apprentices while completing their OSSD. Ontario Youth Opportunities www.youthjobs.gov.on.ca Youth Jobs Website http://www.youthjobs.gov.on.ca/
Apprenticeship Training Tax Credit (administered by Ministry of Finance)	The trades covered by the Apprenticeship Training Tax Credit account for 80% of apprenticeship trades. The Apprenticeship Training Tax Credit encourages Ontario businesses to hire and train apprentices in the skilled trades primarily in the construction, industrial and manufacturing sectors. The tax credit provides up to \$15,000 for the first 36 months of training by private sector employers of apprentices in designated trades. http://www.trd.fin.gov.on.ca/userfiles/HTML/cma_3_42484_1.html
Ontario Apprenticeship Training Scholarships/Employer Signing Bonus	Fifteen hundred annual scholarships of \$1,000 each for high-school leavers who return to complete their high school credentials and enter apprenticeships; under the same scholarship program, employers hiring these apprentices would receive a \$2,000 signing bonus to encourage them to hire and train apprentices. http://www.edu.gov.on.ca/eng/training/apprenticeship/appren.html
Pre-Apprenticeship Program	Provides opportunities for more people to learn trade-related skills essential to becoming an apprentice.
Loans for Tools	Provided interest free loan to help apprentices offset the cost of tools needed for their training.
Co-op Apprenticeship Diploma	Increases flexibility and accessibility for young people who choose skilled trades training, by developing a new model that combines a college diploma with apprenticeship training.
Adjustment Advisory Program	Assists the formation of committees to assess training and other needs of workers and companies.
Job Connect	Provides career planning and employment preparation services, including job search assistance, work experience placements, and on-the-job training to gain the skills and knowledge to find and keep jobs. http://www.edu.gov.on.ca/eng/training/cepp/aboutjc.html

Program/Service	Description
Literacy and Basic Skills	<p>Training orientation, training services for adults, and some youth who are out of school and who lack the literacy skills necessary to find and keep a job or to meet everyday needs.</p> <p>Government of Ontario – Skills Connect www.edu.gov.on.ca/skills.html</p>
Academic Upgrading	<p>Provides access to postsecondary education and apprenticeship for “at-risk” youth and adults in low wage, low skill employment.</p>
Ontario Student Assistance Program	<p>OSAP’s objective is to help students from lower-income families meet the costs of postsecondary education. OSAP is intended to promote equality of opportunity for postsecondary studies by providing financial assistance for educational costs and basic living expenses.</p> <p>http://osap.gov.on.ca/eng/intro.htm</p>
Ontario Summer Jobs (administered by five provincial ministries)	<p>Five provincial ministries provide a range of summer employment programs and services to assist young people. The goal for summer 2006 is to help over 56,000 students gain summer work experience.</p> <p>http://www.edu.gov.on.ca/eng/document/brochure/summejbe.html</p>
Ontario Works (administered by Ministry of Community and Social Services)	<p>Ontario Works provides financial and employment assistance to people in temporary financial need. People receiving assistance through Ontario Works participate in a wide range of employment assistance activities, which help them prepare for, find and keep a job.</p> <p>http://www.mcass.gov.on.ca/CFCS/en/programs/IES/OntarioWorks/default.htm</p>
Provincial Partnership Council (administered by Ministry of Education)	<p>The Council supports Passport to Prosperity, an employer outreach program designed to increase employer involvement and partnerships in career education and school-work opportunities for students in Grades 7 to 12. School-work learning opportunities include career talks, job shadowing, short-term work experience and cooperative education placements.</p> <p>http://www.edu.gov.on.ca/eng/general/elemsec/job/passport/index.html</p>
Local Boards (administered by MTCU and Human Resources and Skills Development Canada)	<p>Local Boards bring together representatives from business, labour, educators and training, as well as other sectors to build community capacity for addressing local labour market issues.</p> <p>http://www.localboards.on.ca/about.htm</p>
Bridging Programs (administered by Ministry of Citizenship and Immigration)	<p>Bridge training projects are intended to help qualified internationally trained individuals move quickly into the labour market by assessing their existing skills and competencies and providing training and Canadian workplace experience without duplicating what they have already learned.</p> <p>http://www.citizenship.gov.on.ca/english/citdiv/apt/bridge.html</p>
Programs for Young Entrepreneurs	<p>These programs provide information and tools to encourage young people to take up entrepreneurship as a career.</p>

Program/Service	Description
(administered by Ministry of Economic Development and Trade)	

FEDERALLY-FUNDED LABOUR MARKET PROGRAMS AND SERVICES BEING TRANSFERRED TO ONTARIO

PROGRAM/SERVICE	DESCRIPTION
Employment Benefits	
Targeted Wage Subsidies	Assist eligible unemployed individuals to obtain on-the-job experience by providing employers with financial assistance towards the wages of insured participants whom they hire. This benefit encourages employers to hire unemployed individuals whom they would not normally hire in the absence of a subsidy.
Targeted Earnings Supplements	Enable some people currently on EI or who are long-term unemployed people to accept low-wage jobs. Temporarily topping up low-wage salaries means that people who would not enter at the lower wage rate can re-enter the work force.
Self-Employment	Provides financial assistance and business planning advice to EI-eligible participants to help them start their own businesses. This financial assistance is intended to cover personal living expenses and other expenses during the initial stages of the business.
Job Creation Partnerships	Provide insured participants with opportunities to gain work experience that will lead to ongoing employment. Activities of the project help develop the community and local economy
Skills Development	Helps insured participants to obtain employment skills, through direct financial assistance to the participants, that enables them to select, arrange for and pay for their own training.
Support Measures	
Employment Assistance Services	Provide funding to organizations to enable them to provide employment services to unemployed persons. These services may include counseling, action planning, job search skills, job finding clubs, job placement services, the provision of labour market information, case management and follow-up.
Labour Market Partnerships	Provide funding to help employers, employee and employer associations, and communities to improve their capacity for dealing with human resource requirements and to implement labour force adjustments. It involves developing plans and strategies and implementing adjustment measures.
Research and Innovation	Supports activities that identify better ways of helping people to prepare for or keep employment and to be productive participants in the labour force. Funds are provided to eligible recipients to enable them to carry out demonstration projects and research for this purpose.