OECD Reviews on Local Job Creation

Employment and Skills Strategies in Canada

Canada

OECD

LEED
BUILDING MORE AND BETTER JOBS
POUR PLUS D'EMPLOIS DE QUALITÉ

OECD Reviews on Local Job Creation

Employment and Skills Strategies in Canada

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

Please cite this publication as:
OECD (2014), *Employment and Skills Strategies in Canada*, OECD Reviews on Local Job Creation, OECD Publishing.
http://dx.doi.org/10.1787/9789264209374-en

ISBN 978-92-64-20936-7 (print)
ISBN 978-92-64-20937-4 (PDF)

Series: OECD Reviews on Local Job Creation
ISSN 2311-2328 (print)
ISSN 2311-2336 (online)

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Photo credits: Cover © Andy Dean Photography/Shutterstock.com; © djgis/Shutterstock.com.

Corrigenda to OECD publications may be found on line at: *www.oecd.org/about/publishing/corrigenda.htm*.

© OECD 2014

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of the source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to *rights@oecd.org*. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at *info@copyright.com* or the Centre français d'exploitation du droit de copie (CFC) at *contact@cfcopies.com*.

Preface

Across the OECD, policy makers are grappling with a critical question: how to create more and better-quality jobs? The recent financial crisis and economic downturn have had serious consequences across most OECD countries, with rising unemployment rates and jobs being lost across many sectors. Indeed, for some countries, the effects the downturn brought with it are continuing, if not amplifying. Shrinking public budgets in some countries also mean that policy makers must now do more with less. In this context, it is necessary to think laterally about how actions in one area, such as employment and training, can have simultaneous benefits in others, such as creating new jobs and better supporting labour market inclusion.

Over recent years, the work of the OECD LEED Programme on *Designing Local Skills Strategies*, *Building Flexibility and Accountability into Local Employment Services*, *Breaking out of Policy Silos*, *Leveraging Training and Skills Development in SMEs*, and *Skills for Competitiveness* has demonstrated that local strategies to boost skills and job creation require the participation of many different actors across employment, training, economic development, and social welfare portfolios. Employers, unions and the non-profit sector are also key partners in ensuring that education and training programmes provide the skills needed in the labour markets of today and the future.

The *OECD Reviews on Local Job Creation* deliver evidence-based and practical recommendations on how to better support employment and economic development at the local level. This report builds on sub-national data analysis and consultations with local stakeholders in four case study areas across two provinces. It provides a comparative framework to understand the role of the local level in contributing to more and better quality jobs. The report can help federal, provincial and local policy makers in Canada build effective and sustainable partnerships at the local level, which join-up efforts and achieve stronger outcomes across employment, training, and economic development policies. Co-ordinated policies can help workers find suitable jobs, while also stimulating entrepreneurship and productivity, which increases the quality of life and prosperity within a community as well as throughout the country.

I would like to warmly thank Employment and Social Development Canada, the Ontario Ministry of Training, Colleges, and Universities and the Quebec Ministry of Employment and Social Solidarity (Ministère de l'Emploi et de la Solidarité Sociale Québec) for their active participation and support of the study.

Sergio Arzeni,
Director, OECD Centre for Entrepreneurship, SMEs and Local Development

Acknowledgements

This review has been written by the Local Economic and Employment Development (LEED) Programme of the Organisation for Economic Co-operation and Development (OECD) as part of a project undertaken in co-operation with Employment and Social Development Canada, the Ontario Ministry of Training, Colleges, and Universities and the Quebec Ministry of Employment and Social Solidarity (*Ministère de Emploi et Solidarité Sociale Québec*). This project is part of the OECD LEED programme of work under the leadership of Sylvain Giguère.

The principal authors are Thomas Townsend (University of Ottawa), Jonathan Barr and Sylvain Giguère (OECD secretariat). Francesca Froy provided valuable comments and feedback on this report. Thanks also go to Michela Meghnagi for her work on the data analysis as well as Elisa Campestrin, François Iglesias, Malika Taberkane and other colleagues in the OECD LEED Programme for their assistance with this report.

Special thanks should be given to federal and provincial officials who contributed to this report and participated in the OECD study visits: Ramona McDowell and Kerry Lake-Kealey, Employment and Social Development Canada; Normand Roy and Michel Cantin, *Ministère de Emploi et Solidarité Sociale Québec*; and Joe McDonald, Ontario Ministry of Training Colleges and Universities.

Special thanks should also be given to local stakeholders in each of the case study areas, who participated in meetings and provided documentation and comments critical to the production of the report.

Table of contents

Acronyms and abbreviations 11

Executive summary 13

Reader's guide 17

***Chapter 1.* Policy context for employment and skills in Canada** 21

Key economic and labour market trends in Canada 22
Federal employment policies and programmes 24
Supporting local economic development in Canada 27
Building skills through immigration 28
References 29

***Chapter 2.* Ontario's employment and skills system** 31

Overview 32
Local government in Ontario 32
The management of employment policies and programmes 33
Vocational Education and Training 34
Economic development policies 35
Supporting inclusion 37
References 39

***Chapter 3.* Quebec's employment and skills system** 41

Overview 42
Local government in Quebec 42
The management of employment policies and programmes 43
Vocational and technical education and training 46
Economic development policies 47
Supporting inclusion 49
References 50

***Chapter 4.* Overview of the Canadian case study areas** 53

Overview 54
Employment and labour market overview of the four case studies 60
References 64

***Chapter 5.* Local job creation dashboard findings in Canada** 65

Overview 66
Theme 1: Better aligning policies and programmes to local economic development 67
Theme 2: Adding value through skills 77

Theme 3: Targeting policy to local employment sectors and investing in quality jobs 88
Theme 4: Inclusion 95
References 103

***Chapter 6.* Towards an action plan for jobs in Canada: Recommendations and best practices. . . 105**

Federal considerations 106
Recommendations for Ontario 107
Recommendations for Quebec 118
References 126

Figures

Figure 1.1 GDP growth in Canada, 2002-12 22
Figure 1.2 Unemployment rate by Canadian province and territory 23
Figure 4.1 Map of Hamilton 54
Figure 4.2 Map of the Thunder Bay Region 56
Figure 4.3 Map of Mauricie 58
Figure 4.4 Map of Estrie 59
Figure 4.5 Balancing Supply and Demand, Ontario, 2011 63
Figure 4.6 Balancing Supply and Demand, Quebec, 2011 63
Figure 5.1 Local Job Creation dashboard results for Quebec and Ontario 66
Figure 5.2 Dashboard results: Better aligning policies and programmes to local economic development 67
Figure 5.3 Areas in which local offices would like to have more flexibility, Ontario 69
Figure 5.4 Areas in which local offices would like to have more flexibility, Quebec 69
Figure 5.5 Employment offices with sufficient, adequate and insufficient capacities in Ontario and Quebec 71
Figure 5.6 Dashboard results: Adding value through skills 77
Figure 5.7 Dashboard results: Targeting policy to local employment sectors and investing in quality jobs 88
Figure 5.8 Dashboard results: Inclusion 95

Tables

Table 4.1 Employment indicators across the case study areas, 2013 60
Table 4.2 Net employment changes, 2008-12 (%) 61
Table 4.3 Employment by industry, 2012 62

Boxes

Box 1 Summary of the OECD LEED Local Job Creation Project Methodology 17
Box 2 Local Job Creation Dashboard 18
Box 4.1 Explaining the diagnostic tool 62
Box 5.1 Workforce Planning Boards in Hamilton and Thunder Bay 73
Box 5.2 Ontario's Second Career Programme 78
Box 5.3 Programmes to encourage employers to participate in Apprenticeship Training 80
Box 5.4 The Act to promote workforce skills development and recognition 82
Box 5.5 Workplace Apprenticeship Programme 82
Box 5.6 "Hamilton Employment Crawl" 84
Box 5.7 Diversification Committee and Entrepreneurship Centre, Shawinigan (Comité de diversification et Centre d'entrepreneuriat, Shawinigan) 87
Box 5.8 Hamilton Living Wage Campaign 94
Box 5.9 Hamilton Roundtable for Poverty Reduction 96

Box 5.10 Quebec's Strategy to Combat Poverty and Social Exclusion 97
Box 5.11 Ontario Youth Jobs Strategy 99
Box 5.12 Youth in Action (*jeunes en action*) 101
Box 6.1 Co-ordinating employment services in Busan, Korea 109
Box 6.2 Action Plan for Jobs in Ireland 110
Box 6.3 Ireland – Skillnets 111
Box 6.4 Lessons from Germany's Apprenticeship System 113
Box 6.5 Australia Workforce and Productivity Commission and Skills Connect Fund 116
Box 6.6 The Mayor's Apprenticeship Campaign, London: a local case study from the UK 117
Box 6.7 Working with the Retail Sector in the Netherlands. 121
Box 6.8 Tools to raise the quality of jobs and improve skills utilisation 123
Box 6.9 Tackling fragmentation and duplication, Glasgow, UK 125

Acronyms and abbreviations

AABO	Aboriginal Apprenticeship Board of Ontario
ASETS	Aboriginal Skills Employment and Training Strategy
CAAR	Centre for Aboriginal Apprenticeship Research
CFI	Canadian Foundation for Innovation
CIC	Citizenship and Immigration Canada
CFP	Community Futures Programme
CLD	centres locaux de développement (Local Development Centres)
CLE	centres locaux d'emploi (Local Employment Centres
CRE	conférence régionale des élus (Regional Elected Council)
DEC	Développement économique du Canada (Economic Development of Canada)
EI	Employment Insurance
ESDC	Employment and Social Development Canada
FCR	Foreign Credential Recognition
HRSDC	Human Resources and Social Development Canada
HTC	Hamilton Technology Centre
ISCM	Innovation Synergy Centre of Markham
LEED	Local Economic and Employment Development
LMA	Labour Market Agreement
LMDA	Labour Market Development Agreement
NSERC	Natural Sciences and Engineering Research Council of Canada
OECD	Organisation for Economic Development and Cooperation
QEDP	Quebec Economic Development Programme
PBO	Parliamentary Budget Office
SME	small and medium sized enterprises
YES	Youth Employment Strategy

Executive summary

While the global recession placed significant pressure on the Canadian economy, the impact was mild compared to other OECD countries. That said, growth remains modest, and a number of groups, including the long-term unemployed, youth, women, disabled persons, immigrants and older workers, face a number of barriers to re-entering the labour market. Employment and training policies must continue to seek ways to activate these groups, while promoting economic growth and productivity.

The OECD Local Economic and Employment Development (LEED) Programme has developed its reviews on Local Job Creation as an international cross-comparative study examining the contribution of local labour market policy to boosting quality employment and productivity. In Canada, the review has looked at the range of institutions and bodies involved in employment and skills policies. In-depth work was undertaken in Ontario and Quebec, looking at the Thunder Bay, Hamilton, Mauricie and Estrie regions.

Across the OECD, policy makers are recognising the importance of developing policies which are place-sensitive and which enable local communities to take a lead role in strategies to promote skills, quality job creation, and economic development. The local level can play a critical role in designing and developing strategies that connect employment and economic development efforts, while taking into account local labour market variations. Governmental authorities at all levels in Canada should seek to engage with the local level early and often in the policy development process to ensure that policies and programmes reflect local needs. Efforts in this area require sufficient flexibility and integration, which enable local stakeholders to take a lead role in skills strategies, which promote growth and prosperity. Ontario and Quebec represent a significant share of economic activity in Canada therefore efforts to support job creation in both of these provinces are critical for overall growth and productivity.

In Ontario, employment and training services are delivered by a network of outsourced non-profit organisations through Employment Ontario, which is managed by the Ministry of Training, Colleges, and Universities. They have a critical role in assisting unemployed individuals and connecting them to job opportunities. Workforce Planning Boards bring together a broad range of employment, training, and economic stakeholders to develop local labour market planning information. There is an opportunity in Ontario to enhance and expand the role that these boards can play in developing local strategies which better connect the supply of skills to local employer demand while addressing broader obstacles to employment. Locally-based community colleges provide a number of training programmes, which can be customised to both individuals and employers. Furthermore, Ontario continues to encourage the growth of its apprenticeships system through the establishment of the College of Trades, which is responsible for curriculum development within the trades, developing common standards and certifications as well as promoting vocational education pathways to youth and adults.

In Quebec, public employment services are delivered by local employment centres through Emploi-Québec, which is a unit of the Ministry of Employment and Social Solidarity (Ministère de l'Emploi et de la Solidarité sociale). Local offices are given considerable flexibility in the management of employment policies and programmes at the local level through regionalised budgets and the ability to design locally-based strategies. There are also robust mandated governance structures, which exist at the provincial, regional and local levels to encourage policy integration and co-ordination. In comparison, and in contrast to Ontario, there appears to be less flexibility in the skills development system in Quebec. In particular, public colleges (CEGEPs) face a number of administrative barriers to adjusting curriculum to local individual and employer demand. While there are many possibilities in Quebec to meet the various needs for vocational or technical training, greater flexibility would leverage the high level of local co-operation that already exists and better link the development of skills to local requirements, of individuals and businesses alike.

Going forward, both provinces will need to focus on ways of increasing job quality and productivity. Declining labour force growth rates and an ageing workforce mean that economic growth will be increasingly dependent upon making better use of the skills of the existing workforce and integrating immigrants into the labour market. Both Ontario and Quebec can place stronger emphasis on skills utilisation approaches, as a complement to their efforts to expand the supply of skills, so as to improve the productivity and profitability of firms through greater innovation. Approaches which seek to better utilise the skills of the existing workforce also lead to skills upgrading opportunities for low-skilled individuals, providing employment progression opportunities for them to move up the company ladder, which enhances the quality of jobs and encourages newcomers to enter the labour market.

Key recommendations

Canada

- Develop policies with an eye to the complexity of implementation at the local level.
- support evidence based policy implementation and the sharing of best practices on "what works" across Canada.
- Consideration could be given to how to help smaller communities where a critical mass of services for immigrants does not yet exist build their services as a way of attracting newcomers.

Ontario

- Strengthen strategic planning and policy integration at the local level through greater flexibility in the management of employment and skills strategies. Review the mandate of the Workforce Planning Boards to examine whether their role in developing local strategies should be expanded.
- Develop labour market information that is affordable, sustainable, open, and readily interpretable to inform service delivery planning, allocation of resources, and programme and service offerings.
- Create stronger linkages with employers (especially SMEs) while fostering networks to promote workplace training.

- Increase the attractiveness of vocational education pathways and apprenticeship opportunities by ensuring young people have good information on local job opportunities and associated skills requirements.
- Develop a provincial strategy, which promotes the better utilisation of skills in the workplace and leverages the role of local community colleges and other actors in this policy area.
- Municipalities should be encouraged in their efforts to promote local labour market conditions that contribute to social inclusion.

Quebec

- Strengthen policy co-ordination across education, employment, training and economic development portfolio by revising governance structures.
- Pool resources for data production at the local level and build analytical capacity to support local strategic decision making and more highly integrated planning.
- Develop greater flexibility in the technical and vocational education system to ensure it is responsive to local demand.
- Gear workplace training efforts to low-skilled workers, who in many cases do not have sufficient access to workplace training opportunities, while taking account of sectors of local comparative advantage and which are experiencing skills mismatches.
- Promote the better utilisation of skills to increase productivity and job quality, and make this a government priority.
- Set up one or two pilot regions to experiment with greater strategic management flexibility and place greater emphasis on skills utilisation.
- Continue to focus on ways of reducing the number of early school leavers and connecting low-skilled youth to the labour market.

Reader's guide

The OECD Local Economic and Employment Development (LEED) programme has developed an international comparative project to assess the contribution of labour market policy to boosting quality employment and productivity. The project involves a series of country reviews, in Australia, Belgium (Flanders), Canada (Ontario and Quebec), Czech Republic, France, Ireland, Israel, Italy (Autonomous Province of Trento), Korea, Sweden, United Kingdom and the United States (California and Michigan). The key stages of each review are summarised in Box 1.

Box 1. **Summary of the OECD LEED Local Job Creation Project Methodology**

- Analyse available data to understand the key labour market challenges facing the country in the context of the economic recovery and apply an OECD LEED diagnostic tool which seeks to assess the balance between the supply and demand for skills at the local level;
- Map the current policy framework for local job creation in the country;
- Apply the local job creation dashboard, developed by the OECD LEED Programme (Froy et al., 2010) to measure the relative strengths and weaknesses of local employment and training agencies to contribute to job creation;
- Distribute an electronic questionnaire to local employment offices to gather information on how they work with other stakeholders to support local job creation policies;
- Conduct an OECD study visit, where local and national roundtables with a diverse range of stakeholders are held to discuss the results and refine the findings and recommendations;
- Contribute to policy development in the reviewed country by proposing policy options to overcome barriers, illustrated by selected good practice initiatives from other OECD countries.

Following the economic crisis, there is a need for both short-term and longer-term actions to ensure sustainable economic growth. In response to this issue, the OECD LEED Programme has developed a set of thematic areas on which local stakeholders and employment and training agencies can focus to build sustainable employment growth at the local level. These include:

1. **Better aligning policies and programmes to local economic development challenges and opportunities**;
2. **Adding value through skills**: creating an adaptable skilled labour force and supporting employment progression and skills upgrading;

3. **Targeting policy to local employment sectors and investing in quality jobs**, including gearing education and training to emerging local growth sectors and responding to global trends, working with employers on skills utilisation and productivity; and
4. **Being inclusive**, so as to ensure that all actual and potential members of the labour force can participate in, and contribute to, future economic growth.

Local Job Creation dashboard

As part of the Local Job Creation project, the LEED Programme has drawn on its previous research to develop a set of best practice priorities in each thematic area, which is used to assess local practice through the local job creation dashboard (see Box 2). The dashboard enables national and local policy-makers to gain a stronger overview of the strengths and weaknesses of the current policy framework, whilst better prioritising future actions and resources. A value between 1 (low) to 5 (high) is assigned to each of the four priority areas and the values correspond to the relative strengths and weaknesses of the local policy approaches based on LEED research and best practices in other OECD countries.

Box 2. **Local Job Creation Dashboard**

Better aligning policies and programmes to local economic development

1.1. Flexibility in the delivery of employment and vocational training policies

1.2. Capacities within employment and VET sectors

1.3. Policy co-ordination, policy integration and co-operation with other sectors

1.4. Evidence based policy making

Adding value through skills

2.1. Flexible training open to all in a broad range of sectors

2.2. Working with employers on training

2.3. Matching people to jobs and facilitating progression

2.4. Joined up approaches to skills

Targeting policy to local employment sectors and investing in quality jobs

3.1. Relevance of provision to important local employment sectors and global trends and challenges

3.2. Work with employers on skills utilisation and productivity

3.3. Promotion of skills for entrepreneurship

3.4. Economic development promotes quality jobs for local people

Being inclusive

4.1. Employment and training programmes are geared to local "at-risk" groups

4.2. Childcare and family friendly policies to support women's participation in employment

4.3. Tackling youth unemployment

4.4. Openness to immigration

The approach for Canada

This study has looked at the range of institutions and bodies involved in workforce and skills development in Canada, focusing on Ontario and Quebec. In depth field work focused on two local case studies in each province:

Ontario

- Hamilton (a city west of Toronto); and
- Thunder Bay (a gateway community in Northwestern Ontario on Lake Superior).

Quebec

- The Mauricie region (an area midway between Montreal and Quebec City, on the north shore of the Saint Lawrence River); and
- The Estrie region (located in south-eastern Quebec, bordering the United States)

In each case study area, a country expert conducted interviews with a range of local stakeholders, including employment offices, economic development officials, training institutions, employers, and other local community and social inclusion organisations. In partnership with Employment and Social Development Canada, the Ontario Ministry of Training, Colleges, and Universities, and Emploi Quebec, the OECD distributed a questionnaire to employment service organisations and providers to ascertain the degree of flexibility in the management of programmes and services, as well as how local actors work together to join up policies. The OECD received 102 responses from Ontario and 79 from Quebec (of which 7 were from training organisations, 38 were from government employment offices, and 34 were from non-profit organisations). Additionally, the OECD held four local roundtables as well as a meeting with senior officials in Ontario and Quebec to discuss the findings and recommendations.

Chapter 1

Policy context for employment and skills in Canada

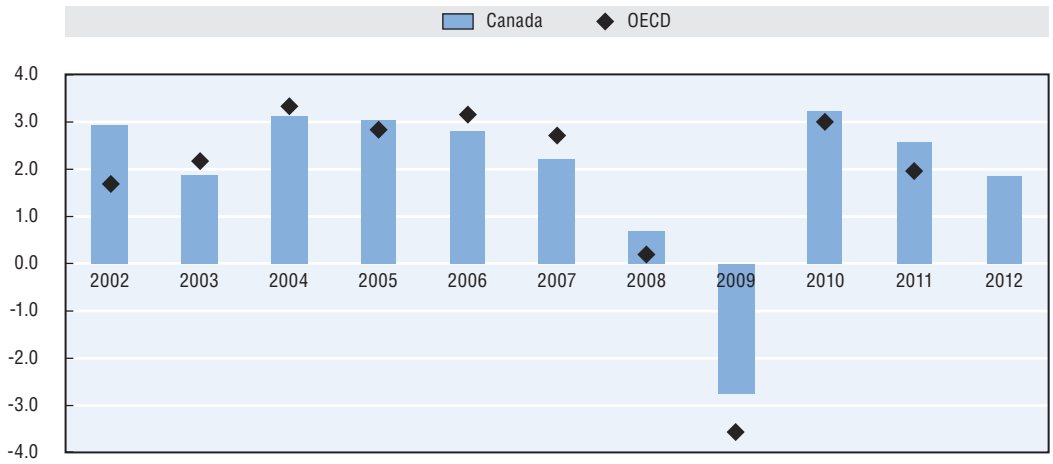
Canada found itself in an enviable position following the global financial crisis but growth remains fragile. The pace of job creation has slowed and unemployment remains stubbornly high in some provinces. Potential mismatches in the labour market may also be leading to the sub-optimal use of skills, which could have longer term implications for productivity.

At the federal level, employment and skills policies are managed by Employment and Social Development Canada (ESDC). While the department operates a number of aboriginal and youth programmes, employment policies are supported primarily through Labour Market Development Agreements (LMDAs) and Labour Market Agreements (LMAs) with the provinces and territories. The federal government also plays an active role in supporting economic development through regional agencies and research programmes which support innovation. ESDC and Citizenship and Immigration Canada play a lead role at the federal level in supporting the integration of immigrants – an increasingly important source of labour force growth in Canada.

Key economic and labour market trends in Canada

Canada found itself in the position of experiencing a milder recession and a quicker recovery than most OECD member countries. As shown in Figure 1.1, while GDP was negative in 2009, positive growth resumed in 2010 and 2011 – in both years, GDP growth was above the OECD average. Growth continued in 2012 and is expected to remain positive in 2013.

Figure 1.1. **GDP growth in Canada, 2002-12**



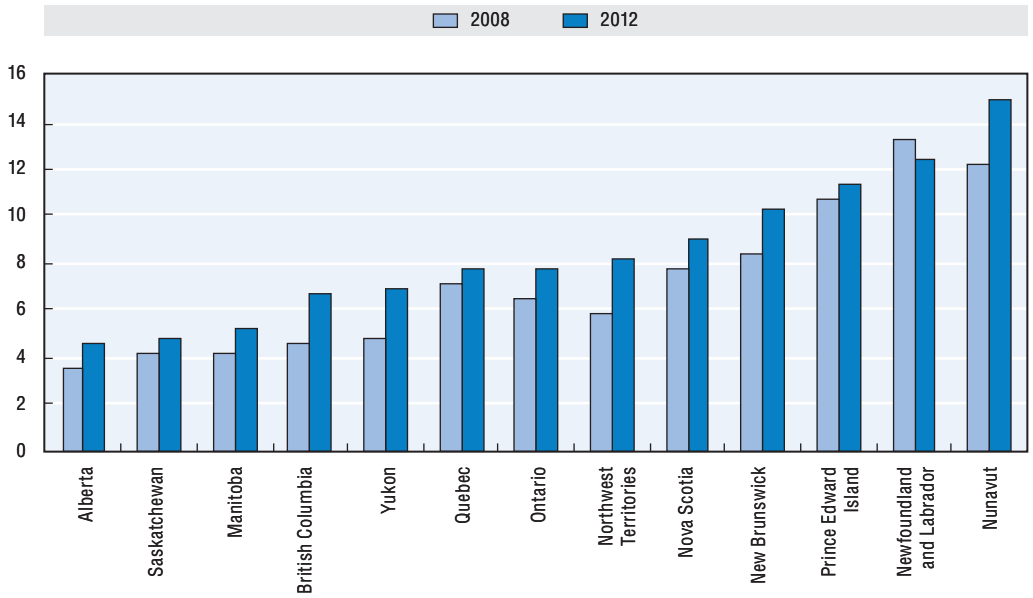
Prior to the global recession, Canada registered an unemployment rate of 6.0% in 2007 – a low level which had not been seen in a generation. Unemployment began to rise rapidly in 2008 peaking in September of 2009 at 8.3%. It has gradually declined since then and in 2012, the unemployment rate stood at 7.2% (Statistics Canada, 2013a).

The impacts of the global recession were felt differently by communities within provinces and across provinces within Canada. Job losses in the manufacturing sector, which began long before the recession, accounted for a significant share of employment losses and placed significant downside pressure on both Ontario and Quebec. In 2012, both provinces had an unemployment rate of 7.8%, which was above the national average of 7.2% (Statistics Canada, 2013). In contrast, the Western provinces of Canada (British Columbia, Alberta and Saskatchewan) incurred only mild job losses and unemployment in these provinces is below the national average (see Figure 1.2).

The pace of job creation in Canada has slowed. In 2012, the Parliamentary Budget Office (PBO) undertook an assessment of Canada's labour market performance and noted that most labour market indicators remain weak. While Canada surpassed pre-recessionary employment levels having created some 820 000 jobs since July 2009, it remained approximately 130 000 jobs below its trend level in the third quarter of 2012, suggesting that some slack remains in Canada's labour market (Office of the Parliamentary Budget Officer, 2012). This has resulted in about a 4% higher unemployment level than could have been expected if the job creation had resumed following the recession at its pre-recession pace.

Slower employment growth makes the labour market situation more complex, with the kinds of jobs being created and the skills of job seekers also playing important roles. One of the troubling trends following the recession is the significant numbers of jobs going

Figure 1.2. **Unemployment rate by Canadian province and territory**



Source: Statistics Canada, Labour Force Survey.

unfilled despite the higher levels of unemployment. Skills mismatch is not new but its current form in Canada has some worrying attributes. For the last quarter of a century, new jobs created have overwhelmingly required greater levels of skills.

Potential skills mismatches can be exacerbated by labour shortages, where employers are unable to fill or have considerable difficulty filling a vacancy. Since January 2011, Statistics Canada has conducted a monthly Job Vacancy Survey that establishes the demand for labour by employers. A calculation is made using the number of unemployed individuals per position as a way of estimating the overall tightness of the labour market. While there is no indication of skills matching, this indicator gives a general idea of how difficult it might be for an employer to fill a vacancy. According to results from this survey for the three month period ending in June 2013 (Statistics Canada, 2013b), Alberta, Saskatchewan, and Manitoba have the tightest labour markets with around three unemployed persons per vacancy. Ontario and Quebec were lower with nine and eight unemployed persons per vacancy respectively. The survey also looks at labour market tightness by sector. Within health and social services, there are fewer than three job seekers per vacancy while the manufacturing and construction sectors exhibited relative looseness with six and eight unemployed persons per vacancy respectively.

Mismatches appear to be occurring in specific technical areas that in some cases will take time to remedy with sufficient workforce entrants possessing the skills required. Another aspect appears to be the result of a restructuring of the career process itself and a decline in being able to translate "learning on and through the job" into more senior positions. The Metcalf Foundation looked at the development of job growth over a 15 year period in Ontario and found that the growth rate of jobs requiring a university degree or college diploma was 50% while the growth rate for entry level jobs requiring lower skills was 27% (Zizys, 2011). The growth in mid-skill level jobs was only 9%, which suggests the emergence of a more bifurcated labour market with limited career pathways and progression opportunities.

Many more workers also occupy flexible employment arrangements, such as self-employment, temporary or part-time contracts. According to the Mowat Centre for Policy Innovation, approximately 33% of Canadians are self-employed, on short-term contracts, seasonally employed or are in part time job (Davis, 2012).

Federal employment policies and programmes

At the federal level, labour market and social policy is the primary responsibility of Employment and Social Development Canada (ESDC). The Department promotes skills development as a way of developing a skilled, adaptable, and inclusive Canadian workforce. ESDC funds and administers the Employment Insurance programme, which is a national programme that offers temporary financial assistance to qualified workers who have lost their job. Unemployed workers are entitled to receive EI regular benefits if:

- they have paid premiums into the EI Account;
- lost their employment through no fault of their own;
- have been without work and without pay for at least seven consecutive days in the last 52 weeks;
- have worked for the required number of insurable hours (which varies based on the regions unemployment rate for example 770 hours in regions with 6% or less and 420 hours in regions with 13.1% or more) in the last 52 weeks or since the start of their last EI claim, whichever is shorter;
- are ready, willing, and capable of working each day; and
- are actively looking for work (they must keep a written record of employers they contact, including when they contacted them).

Access to Employment Insurance in Canada varies based on the eligibility criteria outlined above. Statistics Canada's 2011 Survey of Employment Insurance Coverage found that of the 1.34 million unemployed individuals in Canada, 35.5% had not contributed to the Employment Insurance programme and as a result were ineligible. Of those 867 000 individuals who had made contributions to the Employment Insurance programme, 171 000 (19.8%) had an invalid job separation such as quitting their job.

In terms of activation policies, the centrepiece of the federal government's policies and programmes are covered through the Labour Market Development Agreements (LMDAs) and Labour Market Agreements (LMAs), which are bilateral agreements negotiated with the Provinces.

The LMDAs support the design and delivery of labour market programming by provinces and territories for unemployed individuals, particularly for EI clients who are active EI claimants, or who have had an active claim in the past 3 years. These labour market programmes are designed and delivered by provinces and territories and must be similar to federal Employment Benefits and Support Measures that are laid out in Part II of the Employment Insurance Act (EI Act). Employment Benefits, which generally involve longer term interventions that can last from several weeks to a year or more, comprise Skills Development-Regular, Skills Development-Apprentices, Targeted Wage Subsidies, Self-Employment, Job Creation Partnerships and Targeted Earnings Supplements. The Support Measures authorised by Part II of the EI Act comprise Employment Assistance Services available to all Canadians, Labour Market Partnerships, and Research and Innovation. The first Labour Market Development Agreement was signed with Quebec in 1997. The last province to sign an agreement was Ontario in 2007.

While the LMDAs are focused on individuals who are eligible for Employment Insurance (e.g. income benefits), the LMAs provide funding for provincial and territorial labour market programmes and services for unemployed persons who are not eligible for Employment Insurance; or employed persons who do not have a high school diploma or recognised certification, or have low levels of literacy and essential skills.

Each LMA includes the province's or territory's high-level multi-year plan on its priorities and investments for the entire period of funding. The agreements expire on March 21, 2014 and in the 2013 federal budget, the Government signalled its intention to transform these Labour Market Agreements and introduce a Canada Jobs Grant (Government of Canada, 2013). The budget also highlighted the intentions of the federal government to renegotiate the LMDAs to reorient training towards labour market demand. The exact form and scope of the changes will emerge through discussions to be held with the provinces and territories.

In addition to the LMDAs and LMA, the federal government has also negotiated labour market agreements covering persons with disabilities. The Labour Market Agreements for Persons with Disabilities (LMAPDs) provides funding annually to provinces to support persons with disabilities integrate into the labour market. A wide range of activities may be supported under these agreements, including pre-employment preparation, skills development and post-secondary education supports. The agreements expired on March 31, 2013 and the 2013 federal budget announced that the Government of Canada would introduce a new generation of Labour Market Agreements for Persons with Disabilities by 2014, which will be designed to better meet the employment needs of employers and improve the employment prospects for persons with disabilities.

Outside of these labour market agreements, ESDC runs a number of programmes aimed at skills development in general, with some specialised programmes aimed at targeted population segments, such as aboriginal persons, immigrants, persons with disabilities and older workers. The overall objective is to create an educated, skilled and flexible workforce by investing in programmes that help individuals and businesses succeed in today's economy and prepare for the jobs of the future. For example, some of these programmes include: Aboriginal Labour Market Programmes; Learning and Post-Secondary Education; Literacy and Essential Skills; Foreign Credential Recognition; Workplace Skills; Trades and Apprenticeship; Apprenticeship Grants; and, CanLearn.

In addition, ESDC's Working in Canada website is the Government of Canada's leading source for labour market information, for all job seekers, employers and policy makers. It offers users free occupational and career information such as job opportunities, educational requirements, main duties, wage rates and salaries, current employment trends and outlooks.

There are also federal programmes that are aimed at giving the youth the skills they need to be more employable in the labour market. The Youth Employment Strategy helps young people, particularly those facing barriers to employment, get the information and gain the skills, work experience and abilities they need to make a successful transition into the labour market. It is a horizontal initiative that involves eleven federal departments and agencies. The Youth Employment Strategy is comprised of three programme streams: Skills Link, Career Focus, and Summer Work Experience.

- Skills Link provides funding for employers and organisations to help youth facing barriers to employment obtain the knowledge and develop the broad range of skills and work experience they need to participate in the labour market.

- Career Focus provides funding for employers and organisations to create career-related work experiences for post-secondary graduates.
- Canada Summer Jobs (an initiative under Summer Work Experience) provides funding to help employers create summer job opportunities for students.

The Federal Government also runs a website (www.youth.gc.ca) to direct young people to the collective resources and programmes run by various government departments. The website also provides links to resources available outside the government.

Apprenticeships

Canadian workers (except in Quebec, where the training system is different – see description in Chapter 3) may opt to enrol in apprenticeship programmes, which combine workplace learning with classroom instruction. The Canadian Apprenticeship Forum (CAF) notes the training combines alternating periods of on-the-job (80-90%) and technical training (10-20%). After completing both the classroom and the on-the-job training, apprentices can receive a Certificate of Apprenticeship (for non-restricted trades) or a Certificate of Qualification (for restricted trades). Depending on the trade, it takes about two to five years as an apprentice to become a certified journeyperson. Each province and territory has its own training and certification policies and its own list of designated apprenticeship programmes.

The federal government supports apprenticeship certifications through a Red Seal Programme, which promotes a set of common standards that allow the recognition of certifications across provincial jurisdictions. While professional certificates or licenses are recognised by all provincial jurisdictions under the Agreement on Internal Trade (AIT), the Red Seal provides the assurance that workers are qualified according to common standards of knowledge and competency as defined by industry.

The Canadian Council of Directors of Apprenticeship (CCDA) is responsible for the management of the Red Seal Programme. The CCDA works with industry to facilitate the development of a skilled labour force, and labour mobility across Canada. Total registered apprenticeship numbers in Canada more than doubled between 1991 and 2009, rising from 192 945 to reach 409 038 registrations (Statistics Canada, 2010). About half the persons newly registered in an apprenticeship programme in 1995 (51%) had completed their training at the end of the 11-year period, in 2005. Slightly more than four apprentices out of ten (42%) never completed a programme (discontinuers) and some 8% were still registered at the end of the 11-year period, having neither completed nor discontinued a programme.

Workplace training opportunities for employed individuals

With skills shortages being increasingly reported in some regions, sectors and occupations, there is more emphasis being placed on employers and their role in the overall performance of the labour market. Demographic effects are suggesting Canadian workers will need to be increasingly productive in order to ensure a continued high standard of living.

An important feature of Canada's labour market is its average performance on workplace training. For access to non-formal training, Canada ranks 12th among OECD members just above the OECD average but when looking at the number of hours of training, Canada is 20th – six places from the bottom (OECD, 2012). Firm size matters with about 58% of smaller firms of fewer than 20 employees offering classroom training while 73% of firms of between 20 and 100 employees offer classroom training. Over 90% of firms with more than 100 workers offer employees the opportunity of classroom training.

Sector Councils play an important role in shaping industry training. There are a number of national sector councils formerly supported through funding from ESDC (core funding ended March 31, 2013) in key areas of the Canadian economy such as automotive, aviation, mining and petroleum.

Supporting skills and economic development for Aboriginals

In Canada, policies and programmes for Aboriginals (First Nations People, Inuit and Métis) are the responsibility of the Federal Government. Through the Aboriginal Skills and Employment Training Strategy (ASETS), Aboriginal agreement holders design and deliver employment programmes and services best suited to the unique needs of their clients, focusing on three priorities:

- supporting demand-driven skills development;
- fostering partnerships with the private sector and the provinces and territories; and
- placing emphasis on accountability and results.

ASETS is designed to help Aboriginal people prepare for and find high-demand jobs, as well as keep them in the long term. All Aboriginal people, regardless of status or location, may access its programmes and services, which include skills development; training for high-demand jobs; job finding; programmes for youth; programmes for urban and Aboriginal people with disabilities; and access to child care.

Flexible agreements with Aboriginal organisations throughout Canada ensure that they have the authority to make decisions that will best meet the needs of their clients. Each organisation must meet accountability requirements and demonstrate strong performance results.

Supporting local economic development in Canada

In the area of economic development, the Government of Canada sets the broad framework in which economic activity takes place. This involves trade policy that promotes open two-way global trade as well as internal trade within Canada, infrastructure policies promoting the movement of goods and services, tax policy and innovation policies primarily through the promotion of research and development.

The federal government has played an active role in local economic development through its regional agencies and through providing research support to universities and colleges. There are six federal regional development agencies that support regional and sub-regional economic development strategies, and promote sustainable economic development and diversification, with particular emphasis on small and medium-sized enterprises (SMEs). In Ontario, Federal Economic Development Intiative for Northern Ontario (FedNor) operates in Northern Ontario and the Federal Economic Development Agency for Southern Ontario operates in Southern and Eastern Ontario.

In Quebec, *l'Agence de développement économique du Canada* (DEC) promotes economic development through the financial and technical support of three programmes:

- The Quebec Economic Development Programme helps support entrepreneurship, business performance, regional mobilisation and investment in regions while providing support for economic activity in local communities

- The Community Futures Programme supports local economic development and strengthens the ability of local communities to achieve their full potential in a sustainable way.
- Infrastructure programmes which help to achieve a stronger economy, a cleaner environment and more prosperous, safer communities.

The federal government has also taken a particular interest in building innovation capacity through its research support programmes. The Natural Sciences and Engineering Research Council of Canada (NSERC) supports university students in their advanced studies, promotes and supports discovery research, and fosters innovation by encouraging Canadian companies to participate and invest in postsecondary research projects. The Canadian Foundation for Innovation (CFI) is a complimentary activity that supports infrastructure associated with innovation at universities and colleges. As these programmes are directed through universities and colleges, they are of benefit at the local level to the extent employers can organise coherent sets of activities to take advantage of the research and development undertaken at these facilities.

Industry Canada

Many departments in the Government of Canada contribute to formulation and execution of Canada's economic and business policy. But Industry Canada can be considered easily as the lead department to deliver programmes aimed at improving productivity and competitiveness of Canadian business. Industry Canada implements and oversees a wide variety of programmes and activities related to industry, science, technology and innovation, commerce, telecommunications, consumer affairs, corporations, competition and restraint of trade, weights and measures, bankruptcy and insolvency, intellectual property, investment, small business and tourism.

The federal infrastructure programme run by Infrastructure Canada builds local economic activity through its projects. The department is a key-funding partner, working with provinces, territories, municipalities, the private sector and non-profit organisations, along with other federal departments and agencies to help build and revitalise infrastructure in Canada.

Building skills through immigration

Citizenship and Immigration (CIC) has principal responsibility at the federal level for integrating newcomers into Canadian society. Canada admitted 248 748 immigrants in 2011 (5.65 per 1000 of population) as permanent residents about the same amount as in previous years (Citizenship and Immigration, 2013a). As responding to Canada's labour market requirements is an increasing focus of policy attention, CIC works closely with ESDC in two areas: foreign credential recognition and temporary foreign workers

Foreign Credential Recognition (FCR) is the process of verifying that the education and job experience obtained in another country are equal to the standards established for Canadian professionals. Credential recognition for regulated occupations is mainly a provincial responsibility that has been delegated in legislation to regulatory bodies. The Government of Canada plays a facilitative role with provinces and territories and provides strategic leadership to foster the development of a consistent, national approach to this important issue.

ESDC is the federal department responsible for the Government of Canada's Foreign Credential Recognition Programme. The programme is designed to facilitate the recognition of international qualifications so that internationally trained workers may better contribute to Canada's economic and social development. Improving the processes for recognising foreign credentials will help immigrants integrate more rapidly into the Canadian labour market and get the work experience they need to succeed in Canada. At the same time, Canadian employers will gain access to a broader pool of talented workers.

The Government is providing CAD 68 million over six years to implement the Foreign Credential Recognition programme and to fund key activities from its partners (provinces and territories, licencing and regulating bodies and universities and colleges). The objectives of the programmes are to ensure that foreign credential processes across the country are:

- fair – individuals will be treated equitably;
- accessible – individuals will have access to appropriate services;
- coherent – there will be similar processes to assess and recognise credentials in all jurisdictions throughout Canada.
- transparent – individuals will understand how to have their credentials assessed and recognised before they arrive in Canada and, if they do not meet the requirements, they will know what to do; and
- rigorous – high standards for preserving quality service and public safety

Under the Pan-Canadian Framework for the Assessment and Recognition of Foreign Qualifications, the Government of Canada is working with the provinces and territories and other partners, such as regulatory bodies, to address barriers to foreign credential recognition.

The Temporary Foreign Worker Programme allows foreign workers to fill job vacancies on a temporary basis where Canadian workers are not available. This programme has expanded rapidly with 199 165 workers admitted in 2007 increasing to 338 189 in 2012 (Citizenship and Immigration, 2013b). Recently, this programme has come under criticism both in terms of its rapid expansion and possible use in circumstances where no actual shortage exists.

References

Canadian Apprenticeship Forum (2013), "the Business Case for Apprenticeship for Employers," available at http://caf-fca.org/index.php?page=the-business-case-for-apprenticeship-for-employers&hl=en_CA.

Citizenship and Immigration Canada (2012a), *Report to Parliament on Immigration*, Ottawa, Canada.

Citizenship and Immigration Canada (2012b), *Facts and Figures*, Ottawa, Canada.

Davis, Mary (2012), *Workers left outside the EI umbrella: Explanations and a Simple Solution*, The Mowat Centre for Policy Innovation, Toronto, Canada.

Office of the Parliamentary Budget Officer (2012), *An Assessment of Canada's Labour Market Performance*, available at www.pbo-dpb.gc.ca/files/files/Labour_Note_EN.pdf.

Statistics Canada (2013a), *Labour Force Survey*, Ottawa, Canada.

Statistics Canada (2013b), *Job Vacancy Survey*, Ottawa, Canada, available in CANSIM tables 284-0001 to 284-0004.

Statistics Canada (2010), *Trends in Registered Apprenticeships in Canada 1991-2009*, Ottawa, Canada.

Zizys, Tom (2011), *Working Better: Creating a High-Performing Labour Market in Ontario*, the Metcalf Foundation, Toronto, Canada.

Chapter 2

Ontario's employment and skills system

This chapter provides an overview of Ontario's employment and training system. Ontario is Canada's largest province in terms of population and overall economic activity. Employment and training policies are managed by the Ministry of Training, Colleges and Universities. Employment services are delivered through Employment Ontario, which is a network of locally based outsourced service providers. The training system is highly developed and Ontario's community colleges play a significant role in supporting local economic development through their responsiveness to employers.

In addition to the Ministry of Training, Colleges, and Universities, policies and programmes to support employment, training, economic development and the inclusion of disadvantaged groups are developed by the Ministry of Economic Development, Trade, and Employment, the Ministry of Research and Innovation, the Ministry of Community and Social Services, the Ministry of Citizenship and Immigration, and the Ministry of Aboriginal Affairs.

Overview

Ontario is Canada's most populous province with a population of 13 505 900 as of 2011 – up from 12 160 282 in 2006 (Statistics Canada, 2012). Ontario is a highly urbanised province with 5 583 064 people located in the Greater Toronto Area (GTA). In the Northern part of the province, municipalities are significantly smaller – Sudbury is the largest city with a population of 160 770. The two other large centres in the North are Thunder Bay (121 596) and Sault Ste Marie (79 800) (Statistics Canada, 2012).

The global recession hit Ontario harder than the rest of the country. Ontario's growth started to falter in 2007 and in 2008, real GDP fell resuming only in the third quarter of 2009 (representing five quarters of contraction). From peak to trough, Ontario lost 5.0% of its GDP. Even with this difficult period, Ontario's GDP is CAD 673 billion representing about 37% of Canada's national GDP.

Local government in Ontario

In Ontario, the Ministry of Municipal Affairs and Housing is responsible for municipal affairs. The Ministry works with municipal partners and community stakeholders to develop policies and standards that promote and support local governments to plan, manage and invest in their communities' futures. Municipal (local) governments are local authorities created by the provinces and territories. Ontario's three municipality types include upper and lower-tier municipalities within the two-tier structure and single-tier municipalities (unitary authorities) that are exempt from the two-tier structure. Single and lower-tier municipalities are grouped together as local municipalities. Of Ontario's 444 municipalities, 30 of them are upper-tier municipalities and 414 are local municipalities – 241 lower-tier municipalities and 173 single-tier municipalities.

The Municipal Act, 2001 is the legislation that enables incorporation and stipulates governance of Ontario's municipalities, excluding the City of Toronto, which is subject to the City of Toronto Act, 2006. The Municipal Act, 2001 provides lower and single-tier municipalities with the authority to incorporate as cities, towns, villages, townships, or generically as municipalities.

Municipal governments in Ontario provide a wide variety of services associated with essential public infrastructure, policing, public health, child-care, public housing, public transportation and long term care and seniors housing. Many provincial ministries have a local presence through district and regional offices. Consolidated municipal service managers (CMSMs) are service delivery agents for social assistance, childcare, and affordable and social housing. Municipalities that are CMSMs may also have certain responsibilities in connection with land ambulance and public health services, as well as courts administration. Consolidation of such services helps enable them to be planned and administered on a regional basis, even in areas not served by two tier systems.

In the southern part of the province and in Greater Sudbury in northern Ontario, CMSMs are simply designated municipalities. Most are upper tier municipalities; however, some are single tier municipalities. Their service areas follow current or historical upper tier boundaries and include separated municipalities within the boundaries. Separated municipalities usually have consolidated municipal service agreements and joint governance arrangements with the upper tier municipality in their service area.

In northern Ontario, outside of Greater Sudbury, bodies called District Social Services Administration Boards (DSSABs) provide these services. These boards serve both the

municipalities and the unorganised territory in their districts. DSSABs are not municipalities, but separate legal entities created by legislation.

The management of employment policies and programmes

Employment policies and programmes are managed by the Ministry of Training, Colleges and Universities (MTCU). This Ministry also manages postsecondary education and vocational training policies creating a single policy space for the 15-64 year old Ontario workforce. The Ministry is guided by the broad vision of ensuring that Ontario will have the most educated and highly skilled workforce in the world to build the province's competitive advantage and quality of life.

Employment Ontario

Employment Ontario is the employment and training system primarily managed by the Ministry of Training, Colleges and Universities. Employment Ontario was created through the integration of a variety of federal and provincial programmes through the 2007 Canada-Ontario Labour Market Development Agreement. In addition to the Labour Market Development Agreement, Ontario has also signed a Labour Market Agreement with the federal government as well as a Labour Market Agreement for Persons with Disabilities.

Employment Ontario is responsible for delivering employment and training services to the public across the province; developing policy directions for employment and training; setting standards for occupational training, particularly for trades under the Trades Qualification and Apprenticeship Act; managing provincial programmes to support workplace training and workplace preparation, including apprenticeship, career and employment preparation, and adult literacy and basic skills; and, undertaking labour market research and planning

Employment services are delivered in part through a network of 170 contracted service providers with over 400 service delivery locations across Ontario (Ontario Ministry of Training, Colleges and Universities, 2013a). The Employment and Training Division of the Ministry manages the delivery of programmes and services through four regional branches and a network of local offices. Staff monitor and work with local employment providers on delivery and operational aspects.

Through Employment Ontario, individuals have access to client service planning and co-ordination; resource and information; job search; job matching, placement and incentives; and, job training and retention services. In general, two levels of service are provided: unassisted; and, assisted (Ontario Ministry of Training, Colleges and Universities, 2013b). For unassisted services (e.g. self-services), any client entering an employment service provider office will have access to job search assistance, such as filling out applications or completing a curriculum vitae. Assisted services are provided to clients who require more intensive services in finding a job. While service providers have considerable latitude in organising counseling and placement services for training programmes, they recommend courses for clients to a training consultant (an MTCU employee) who reviews and approves the application.

Work Force Planning Boards

In 1994, 25 Workforce Planning Boards were established across Ontario through a joint funding arrangement between Canada and Ontario to plan and lead labour market activities at the local level (Ontario Ministry of Training, Colleges and Universities, 2013b). These Workforce Planning Boards undertake the following activities:

- Engage labour market partners at the local level to identify and respond to key employment and training issues and priorities;
- Research employers' skills requirements to gain insight into occupational and skill needs specific to local industry;
- Facilitate local planning where community organisations agree to implement joint actions to address local labour market gaps; and
- Develop partnership projects that respond to local labour market challenges.

In 2007, as part of the federal LMDA/LMA devolution to Ontario, MTCU assumed full responsibility for funding the Local Board network. On April 1, 2012 oversight of the Workforce Planning Boards was transferred from the Ministry's head office to the regional branches with the view to provide autonomy, promote stronger local linkages, and broaden community involvement in local economic development activities.

Vocational Education and Training

The MTCU provides operating and capital funding to publicly funded colleges and universities. It also establishes provincial objectives for the use of public funds as well as a provincial framework for achieving provincially set objectives. The Ministry ensures that high quality postsecondary education is accessible to all qualified candidates through tuition regulation, operating grants, capital investments, student assistance, targeted funding and accountability mechanisms.

Colleges and universities

Ontario has 20 publicly funded universities and 24 colleges of applied arts and technology operating in more than 100 locations across the province. The MTCU outlined the following priorities for 2012-13:

- Raise Ontario's postsecondary educational attainment rate to 70% (from 63%);
- Ensure a college or university space is available for every qualified student;
- Increase quality and modernise the delivery of postsecondary education; and,
- Improve access to postsecondary education through a strong student financial assistance programme.

Apprenticeship and the creation of the Ontario College of Trades

Ontario has been placing considerable emphasis on the number of people enrolling and certifying in qualified trades. In Ontario, there are more than 120 000 apprentices – double from ten years ago and new annual apprenticeship registrations have grown from 17 100 in 2002-03 to more than 29 000 in 2010-11 (Results-based Plan Briefing Book 2012-13, Ministry of Training, Colleges and Universities).

In 2009, legislation was passed to create the Ontario College of Trades. As an independent, industry-driven body, the College of Trades is designed to raising the profile of the skilled trades. The governance structure of the College includes a diverse range of employer and union representation. It is designed to make the system of apprenticeship training more responsive to the evolving skills and training needs of Ontario employers and consumers (Ontario College of Trades, 2011). The College will also determine the best way to deal with a variety of issues that face the Ontario apprenticeship system including apprentice journeyman ratios and compulsory certification.

Ontario Centres of Excellence

The Ontario Centres of Excellence (OCE) not-for-profit programme was formally established in 1987 with seven independent centres that evolved and amalgamated into the Ontario Centres of Excellence Incorporated in 2004. OCE fosters the training and development of the next generation of innovators and entrepreneurs and is a key partner with Ontario's industry, universities, colleges, research hospitals, investors and governments. OCE is funded by the Government, is a member of the Ontario Network of Entrepreneurs (ONE) and is a key partner in delivering Ontario's Innovation Agenda.

Ontario Centres of Excellence (OCE) drive the development of Ontario's economy by helping create new jobs, products, services, technologies and businesses. In partnership with industry, OCE co-invests to commercialise innovation originating in the province's publicly funded colleges, universities and research hospitals. The commercialisation and talent development projects OCE supports are in the segments of the economy that will drive Ontario's future prosperity and global competitiveness. These segments include energy and environment (including water); advanced manufacturing; advanced health technologies; and information, communications technologies and digital media (Ontario Centres of Excellence, 2013).

Economic development policies

The Ontario Ministry of Economic Development, Trade, and Employment is the lead Ministry that helps Ontario business become innovative, more competitive, and attract new growth, and investment. The Ministry completes its work through the implementation of comprehensive Sector Strategies that build and continue to strengthen sector relationships to support the long-term innovation, productivity and competitiveness of Ontario's strategic sectors in the global market (Ontario Ministry of Economic Development and Trade, 2012). These strategic sectors include Advanced Manufacturing (Aerospace, Automotive, Clean Technologies, Steel and Chemicals), Information and Communications Technology (Interactive Digital Media), Life Sciences (Biology, Pharmaceuticals and Medical) and Financial Services.

The Ministry supports economic growth at the regional and local level by working with industry associations to address challenges, assisting new Ontario businesses in start-up and early stage development through a network of 57 Small Business Enterprise Centres (SBECs) to assist new entrepreneurs in the evaluation and process of business start-up and provides support primarily to early growth-stage businesses through their first five years.

Business advisory services are provided through 12 field offices located throughout southern Ontario. These offices provide advice on exporting, marketing, financing, innovation, sustainability as well as establishing ways to become more competitive through cost reduction strategies.

The Ministry of Economic Development, Trade and Employment also supports programmes, such as the Youth Entrepreneurship Partnerships Programme which provides funding to non-profit organisations to facilitate the development of an enterprising culture among Ontario youth. Ontario Global Edge provides entrepreneurial international work opportunities to post-secondary students, allowing them to gain the experience, knowledge and skills needed to effectively engage in the global market place.

Other programmes operated by the Ministry include the Strategic Jobs and Investment Fund, the Next Generation of Jobs Fund, the Jobs and Investment Programme and Advanced Manufacturing Investment Strategy, the Eastern Ontario Development Fund and the Automotive Strategy, and the Communities in Transition Programme

The development of social enterprises

There are 61 Community Futures Development Corporations (CFDCs) in Ontario. FedDev Ontario works with the 37 CFDCs in rural Eastern and Southern Ontario, while FedNor works with the 24 organisations in the North. CFDCs offer a wide variety of programmes and services supporting community economic development and small business growth. In particular, they provide:

- Strategic community planning and socio-economic development;
- Support for community-based projects;
- Business information and planning services; and
- Access to capital for small- and medium-sized businesses and social enterprises.

These community-based, not-for-profit organisations are staffed by professionals and are each governed by local volunteer boards of directors familiar with their communities' needs, concerns and future development priorities.

The Ministry of Research and Innovation (MRI)

The Ministry of Research and Innovation plays a more indirect role in local economic development and is an important vehicle for connecting university and college research to commercial business opportunities. Launched in 2005, the Ministry of Research and Innovation (MRI) is focused on strengthening Ontario as a leading, innovation-based economy. The Ministry invests in and supports research, innovation and commercialisation projects and partnerships across the province, collaborating with colleges, research hospitals, universities, and private companies. MRI has three key priorities, intensifying business-led innovation and commercialisation, building human capital for the innovation economy, and renewing government leadership on global opportunities. Several programmes assist local economic development efforts.

The Ministry of Research and Innovation supports the Innovation Demonstration Fund and the Ontario Emerging Technologies Fund (Ontario Ministry of Research and Innovation, 2011). Both programmes support innovative projects to help companies develop new technologies. Other programmes include the Ontario Venture Capital Fund (OVCF), the Ontario Tax Exemption for Commercialization and the Ontario Network of Excellence.

Supporting inclusion

The Ministry of Community and Social Services

The Ministry of Community and Social Services provides employment supports to social assistance clients through the Ontario Disability Support Programme (ODSP) and Ontario Works (OW). The Ontario Disability Support Programme helps people with disabilities who are in financial need pay for living expenses, like food and housing (Ontario Ministry of Community and Social Services, 2012). The intent of the Ontario Works programme is to help people in temporary financial need find sustainable employment and achieve self-reliance through the provision of effective, integrated employment services and financial assistance. Both the Ontario Disability Support Programme and Ontario Works provide employment supports to individuals to develop stronger labour force attachment.

The Ministry of Citizenship and Immigration

The Ministry of Citizenship and Immigration (MCI) offers programmes to facilitate labour-market integration of immigrants, including bridge training programmes to provide newcomers with the occupation-specific training that gives them the skills, language capabilities and Canadian work experience to obtain employment in their field (Ontario Ministry of Citizenship and Immigration, 2012). Much of the growth in Ontario's population and workforce comes through immigration. The province is the top destination for immigrants to Canada and over the last 20 years, Ontario received 2.4 million landed immigrants – 52% of all those who came to Canada (Citizenship and Immigration Canada, 2012). Toronto is the principal destination for immigrants but all of Ontario's cities receive a significant number of newcomers who are increasingly important in contributing to labour force growth.

The Ministry of Citizenship and Immigration (MCI) works in partnership with the federal government, other provincial ministries, and the private and not-for-profit sectors to develop and implement policies and programmes that maximise the benefits of immigration for newcomers and Ontario by providing services for successful economic integration and social inclusion. Key activities include:

- Selecting immigrants to support economic growth through the Provincial Nominee Programme (PNP) which allows employers and investors to attract highly skilled workers;
- Supporting community-based delivery of settlement services to newcomers by providing information, referrals, orientation, and facilitating social and economic integration through the Newcomer Settlement Programme;
- Continuing to improve and enhance Ontario's Adult Non-Credit English as a Second Language (ESL)/French as a Second Language (FSL) Language Training Programme to ensure that it is more learner-focused and results-based, aligning with provincial objectives for adult education programmes and is better co-ordinated with the federal language training programmes;
- Continuing initiatives to ensure that immigrants have the opportunity to fully utilise their skills within the Ontario labour market as quickly as possible;
- Supporting bridge training programmes for internationally trained individuals to get licensed and find employment that is commensurate with their skills and experience;
- Connecting newcomers and employers.

The Ministry of Aboriginal Affairs

The Ministry of Aboriginal Affairs (MAA) was created in 2007 to develop a stronger, broader partnership with First Nations, Métis and Inuit people in Ontario. The ministry leads corporate government initiatives on Aboriginal affairs, and co-ordinates cross-ministry Aboriginal policy initiatives and multi-lateral relationships. Building on this broad mandate, in May 2008, the government approved a new four-year Strategic Course of Action. This new strategic direction set the following four areas of focus for the ministry:

- Building stronger relationships between Ontario and Aboriginal partners
- Improving social conditions and quality of life for Aboriginal people
- Increasing economic opportunity and sustainability for Aboriginal people
- Resolving land claim issues and working to achieve reconciliation between Aboriginal people and the Ontario government.

To create economic opportunities and sustainable Aboriginal economies, the Ministry Works with other provincial ministries to ensure aboriginal interests are reflected in legislation such as through the proposed Forest Tenure and Pricing modernisation process, the Green Energy Act, Far North Planning, and the Growth Plan for Northern Ontario. The Ministry works with the federal government and its partners to align Aboriginal economic development efforts and to identify and explore key economic development priorities through the Minister's Advisory Council on Aboriginal Economic Development.

The Ministry has introduced several initiatives to create economic opportunities and sustainable Aboriginal economies including continued delivery of the Aboriginal Community Capital Grants Programme, which invested CAD 3.61 million in 2010-11 for the construction or renovation of facilities serving First Nations and urban Aboriginal communities (Ontario, Ministry of Aboriginal Affairs, 2012). The Ministry established the Friendship Centre Infrastructure Programme (FCIP) with funding of CAD 8 million over three years. As part of the government's Open Ontario Plan, the 2010 Budget committed to investing CAD 45 million over three years to prepare northern Ontarians for new jobs in emerging resource sectors.

The Ministry of Aboriginal Affairs worked with the Ministry of Training, Colleges and Universities to develop the Northern Training Partnership Fund, a new project-based skills training programme to help Aboriginal and non-Aboriginal northern Ontarians participate in and benefit from emerging economic development opportunities such as the Ring of Fire. The Northern Training Partnership Fund, launched in July 2010, supports skills training concentrated on sustainable employment in resource-related sectors and encourages collaboration between employers and both Aboriginal and non-Aboriginal communities and organisations in the north.

References

Citizenship and Immigration Canada (2012), *Report to Parliament on Immigration*, Ottawa, Canada.

Ontario Centres of Excellence (2013), *Return on Innovation – Ontario Centre's of Excellence Annual Report 2012-13*, available at www.oce-ontario.org/docs/default-source/publications/oce-annual-report---2012-2013.pdf?sfvrsn=2.

Ontario College of Trades (2011), *Modernizing Ontario's Skilled Trades System to Meet the Demands of the 21st Century*, Toronto, Canada.

Ontario Ministry of Aboriginal Affairs (2012), *Results-based Plan Briefing Book 2011-12*, Toronto, Canada.

Ontario Ministry of Citizenship and Immigration (2012), *Results-based Plan Briefing Book 2011-12,* Toronto, Canada.

Ontario Ministry of Community and Social Services (2012), *Ontario Works Policy Directives*, Toronto, Canada.

Ontario Ministry of Economic Development and Trade (2012), *Results-based Plan Briefing Book 2011-12,* Toronto, Canada.

Ontario Ministry of Research and Innovation (2011), *Results-based Plan Briefing Book 2010-11,* Toronto, Canada.

Ontario Ministry of Training, Colleges and Universities (2013a), *Results-based Plan Briefing Book 2012-13*, Toronto, Canada.

Ontario Ministry of Training, Colleges and Universities (2013b), *Employment Ontario Employment Service 2013-2014 Business Plan Service Provider Guidelines,* Toronto, Canada.

Ontario Ministry of Training, Colleges and Universities (2013c), *Employment Ontario Local Boards: 2013-2014 Operating and Reporting Requirements*, Toronto, Canada.

Chapter 3

Quebec's employment and skills system

This chapter provides an overview of Quebec's employment and training system. Quebec is a significant contributor to Canada's economic activity and the second largest province in the country. The Ministry of Employment and Social Solidarity (Ministère de l'Emploi et de la Solidarité sociale) is responsible for active labour market policies, which promote employment preparation and labour-market entry. The Ministry also plays a lead role in assisting individuals who are on social assistance.

Emploi-Québec is an agency within the Ministry which operates local employment centres (centre local d'emploi) and provides services to individuals and employers. In contrast to Ontario, Quebec has a Labour Market Partners Commission (Commission des partenaires du marché du travail) which advises the government on employment- and training-related issues.

In addition to the Minstry of Employment and Social Solidarity, the regional elected councils, the local development centres, the Ministry of Education, Recreation and Sport, the Aboriginal Affairs Secretariat and Immigration and Culutural Communities Quebec formulate policies and programmes to support employment, training, economic development and the inclusion of disadvantaged groups that are underrepresented in the labour market.

Overview

Quebec had a population of 7 903 000 in 2011, representing an increase of 4.7% from 2006 (Statistics Canada, 2011). Québec has historically had unemployment rates that are higher than the national average. Quebec suffered a less significant increase in unemployment during the downturn peaking at 8.5% in 2009 and came quickly out of the recession in 2010. In 2011, the province had 3 954 000 employed people for an employment rate of 77.4%. Unemployment has dipped to 7.8% (332 000) – only the third time since 1974 (Employment and Social Development Canada, 2013).

Local government in Quebec

Quebec is divided into 17 administrative regions. This administrative division provides a framework for the economic and labour market activities of the various government ministries and organisations. The Economic Regions used by Statistics Canada for the organisation of census and other survey data are the same as Québec's administrative regions.

Within the 17 administrative regions there are some 1 112 municipalities organised into 87 sub-regions (regional county municipalities or MRCs – Municipalités régionales de comté) and 14 cities. While there are differences in the delegation of powers by the province to cities and regional county municipalities largely in areas of property assessment and organisation, both forms of government have equal authorities in local economic development, employment and education.

*Regional Council of Elected Officials (*Conférence régionale des élus*)*

The Regional Council of Elected Officials (*Conférence régionale des élus*) is a consultative and regional planning body composed of elected municipal officials, prefects and mayors who work with representatives from various socio-economic sectors. The Council is the Government's chief liaison in matters of regional development. Each of Québec's administrative regions includes at least one Council.

Each Council may in addition have non-voting observers who participate in meetings and provide advice to the Board. Observers are frequently the Regional Directors of Ministries central to the areas of interest of the Council. The mandate of the Councils includes promoting partnerships in the regions; elaborating a five-year plan for the development of the region; providing advice to the economic development departments operating in the region; and, developing specific agreements to realise a five-year plan.

Strategy for stronger local government

The Quebec Ministry of Municipal Affairs presented a strategy to build stronger regions in Quebec in 2011. The Strategy covers the periods 2011-16 and creates a permanent structure for regional consultation to better respond to locally developed priorities. The Strategy outlines three principles for all regions in Quebec, which include:

- Building pride and partnership while ensuring high speed internet throughout Quebec's regions that enables 21st century communications;

- Developing regional competiveness and promoting entrepreneurship while modernising the industrial base of regions and ensuring well-functioning labour markets; and
- Ensuring that actions taken at the municipal, regional and provincial level are mutually reinforcing.

The plan contains 160 specific areas of action to be accomplished over the five years.

The management of employment policies and programmes

The Canada-Quebec Labour Market Development Agreement came into force in January 1998 making the government of Quebec fully responsible for public employment services in the province (Human Resources Development Canada, 1997). Employment services are overseen by Emploi-Québec – a unit of the Ministry of Employment and Social Solidarity (*Ministère de l'Emploi et de la Solidarité sociale*), which is responsible for assisting unemployed individuals and those on social assistance.

Services to individuals include client intake and placement services as well as the provision of labour market information. Services are available to those persons looking for work who are at risk of long-term unemployment or who are in danger of losing their job. Services to employers include helping to fill job vacancies or improving human resources management practices, as well as building the qualifications and skills of existing employees.

In addition to the measures and services to individuals and employers, the Ministry is responsible for social inclusion policies, such as social assistance and parental leave benefits. The Government merged employment and social assistance responsibilities into the Ministry to establish a single window of services at the local level. Social assistance services include the provision of income support and support services to vulnerable individuals in poverty.

Emploi-Québec *(Employment Quebec)*

Emploi-Québec was created in 1998 following the establishment of the Labour Market Development Agreement. The mission of Emploi-Québec is to contribute to employment and workforce development and help fight unemployment, social exclusion and poverty to better serve economic and social development (ministère de l'Emploi et de la Solidarité sociale, 2012a).

Emploi-Québec operates 150 local employment centres (*centre local d'emploi*), which address the needs of individuals and employers throughout Québec. Emploi-Québec has 17 regional directorates, which plan and co-ordinate the employment services delivered by the local employment centres in their respective regions. Each regional directorate is supported by a regional council of labour market partners in carrying out its mandates in respect of analysing regional labour-market issues, tailoring measures and services to individuals and businesses, formulating and implementing regional action plans and setting targets for results as well as criteria for allocating human and financial resources (Emploi-Québec, 2012).

The Budget for employment services is CAD 905.8 million for 2012-13 including CAD 584 million transferred under the Canada-Québec Labour Market Development Agreement primarily for persons qualifying for measures under Employment Insurance (EI) and CAD 99.7 million under the Labour Market Agreement for non-EI eligible

individuals. Of the total employment budget, CAD 120.4 million is held in a central envelop with about half of that amount redistributed to the regions during the year. Of the remaining CAD 785.5 million, CAD 619.9 million is distributed to regions at the beginning of the year. The distribution is based on the percentage of the population at risk of unemployment and underemployment in the region as well as the number of enterprises that will likely encounter difficulties.

*Labour Market Partners Commission (*Commission des partenaires du marché du travail*)*

As part of the Act to establish the Ministry of Employment and Social Solidarity, a Labour Market Partners Commission (C*ommission des partenaires du marché du travail*) was also established in 1997. The Commission is a consultation body that brings together provincial level representatives from business, labour, education, community organisations and certain ministries dealing with economic or social issues. All of the representatives are appointed by the government. They leverage their expertise to enhance the effectiveness of public employment services and foster workforce skills development and recognition.

The Commission helps to meet labour market needs, increase the productivity of workers and businesses and boost employment levels, against a backdrop of demographic change, in particular by giving advice to the Minister on general labour-market policy orientations. The Commission works with the Minister to formulate labour- and job-related strategies and objectives, and helps establish Emploi-Québec's annual action plan. It also takes on a number of responsibilities invested in it by the Act to promote workforce skills development, and it performs duties delegated to it by the Minister and implements various skills development and recognition tools (Commission des partenaires du marché du travail, 2012). Lastly, the Commission's interventions are supported by a network of joint bodies on the regional and sector level which serve particular clients.

*Act to promote workforce skills development and recognition (*la loi favorisant le développement de la formation de la main-d'œuvre*)*

In 1995, Quebec passed the Act to foster the development of manpower training. This Act was replaced on June 8, 2007, by the Act to promote workforce skills development and recognition (*loi favorisant le développement de la formation de la main-d'œuvre)*, also known as the Workplace Skills Act (*loi sur les compétences*) or the 1% Law (*loi du 1%*). The Act's purpose is to improve workforce qualifications and skills by investing in training, acting in concert with employers, trade unions, communities and academia, and by developing ways to train and recognise the skills of workers on the job. The Act's aims are to promote employment, as well as adaptability, return-to-work and labour mobility.

With the multi-faceted approach adopted by the Labour Market Partners Commission, employers subject to the Act (i.e. those with a payroll exceeding a million dollars) have four ways of meeting their obligation to invest the equivalent of at least 1% of their payroll in eligible training activities aimed at promoting skills development. These may include training dispensed by a firm in-house or by third-party providers licensed by the Commission or recognised by the Ministry of Education, Recreation and Sport.

In the event an employer subject to the Act fails to invest the equivalent of at least 1% of its payroll in training activities aimed at promoting employee skills development, it is required to pay a contribution equal to the difference between the amount invested and 1% of payroll to the Fund for Labour Skills Development and Recognition (*Fonds de*

développement et de reconnaissance des compétences de la main d'œuvre – FDRCMO). These payments to the FDRCMO are then reinvested by the Labour Market Partners Commission to finance group or individual and sector training projects.

Employers that are firmly committed to developing their employees' skills may participate in a continuing training scheme for their workers by implementing a skills-development process linked to the strategy of the firm, the ministry or the organisation. The employer would then receive a training initiatives quality certificate (*certificat de qualité des initiatives de formation* – CQIF) from the Labour Market Partners Commission, essentially exempting it from the tax obligations connected with the accounting and annual reporting of its training investments to the Quebec Ministry of Revenue.

Employers may also pay part or all of an amount equivalent to 1% of their payroll to a training fund recognised by the Labour Market Partners Commission. A training fund is an association of firms keen to acquire shared training resources and services. Its aim is to formulate, develop and deliver training services that tackle common skills problems of a sector of economic activity

Sector-based Committees

While Ontario has only a few sector councils, in Quebec, the Commission supports 24 sector-based committees, each made up of representatives of employers and unions who are familar with the labour market challenges facing their sector. The principal mandate of these committees is to define the specific needs of their respective sectors, propose measures to stabilise employment, reduce unemployment, and develop continuing education and training programmes.

In addition to these sector-based committees, there are two committees concerned with job entry and job retention for groups of people with special employment problems: immigrants and people with disabilities. Their mandate is to understand why these people have trouble finding and keeping jobs, and to propose strategies to the Commission for offering them better access to employment and training so they can reintegrate into the labour market.

Lastly, five other advisory committees tackle the problems of certain groups that are disadvantaged in the area of employment: young people, women, adults subject to judicial control, the First Nations and Inuits and workers aged 45 and over. Their role is to provide the Commission, the Ministry and Emploi-Québec with advice on optimal strategies to help these groups integrate into the labour market and keep their jobs.

*External resouces for bolstering employability and Youth Employment Centres (*les carrefours jeunesse-emploi*)*

Emploi-Québec draws on over 400 external employability resources and 110 Youth Employment Centres (CJEs) to round out and diversify its services. The vast majority of these external resources are community organisations seeking to enhance employability. Some of these organisations possess unique expertise in the regions where they are based. Others have specialised over the years in assisting particular target groups, such as young people, the disabled, immigrants or employed workers.

Collaboration by community-based employment organisations in 2012-13 contributed to 115 579 new participations in Emploi-Québec measures to facilitate labour market entry and continued employment.

For a number of target groups, the local employment centres rely on services offered by non-governmental agencies. One of the largest networks delivers services for youth (*carrefours jeunesse-emploi – CJE*). This network has the mandate to help young adults aged 16-35 integrate into society by helping their clients find jobs through search assistance or returning to school. There are 110 offices across Quebec serving most regional country municipalities and cities. Services offered include client intake and counseling; career counseling; employment services; entrepreneurial training and support; and youth projects to connect young adults to the workplace and school (Government of Quebec, 2009). Over 50 000 young people aged 16-35 benefit each year from the services provided by the 110 CJEs.

In 2012-13, Emploi-Québec funding totalled CAD 176.4 million for external resources and CAD 45.4 million for the Youth Employment Centres.

Vocational and technical education and training

General education for young people, general education for adults and vocational education and training activities are the responsibility of the Quebec Ministry of Education, Recreation and Sport (*ministère de l'Education, du Loisir et du Sport*, MELS). In Quebec, secondary school (e.g. high school) offers five years of general education, divided into two cycles. Cycle One, which lasts three years, enables students to consolidate the learning acquired in elementary school and to begin to think about their career options. From the third year, optional subjects are added to the general curriculum, giving students the opportunity to explore various subject areas. At the end of the fifth year, students are awarded a Secondary School Diploma (SSD) that provides access to college, but does not lead directly to university.

Vocational education

Vocational education is offered in secondary school by 70 school boards and 29 private establishments, three of which are subsidised. The types of vocational studies diplomas issued by the Ministry of Education, Recreation and Sport (MELS) are: Vocational Studies diploma (*diplôme d'études professionnelles,* DEP) and the professional specialisation attestation (*attestation de spécialisation professionnelle,* ASP). School boards may offer establishment diplomas in response to certain special needs, or the vocational training attestation (*attestation d'études professionnelles*, AEP).

The MELS stipulates curriculum content in collaboration with partners in the labour market and education system. Pursuant to the Public Education Act (*Loi sur l'instruction publique*), the Minister compiles a list of vocational specialities offered by each school board and grants them authorisation to offer curricula leading to a DEP or an ASP. School boards and private establishments are responsible for the pedagogical organisation and implementation of vocational programmes. As a rule, courses are offered in vocational training centres distinct from the secondary schools in which general education is delivered. Most school boards have a Business Services unit (*Service aux entreprises,* SAE). These units play an important role in liaising between educational establishments and businesses in job-oriented training.

Vocational training programmes lead to a DEP, and ASP or an AEP. In the second cycle, 130 programmes leading to a DEP, 24 to an ASP and 36 to an AEP, are proposed in 21 fields of training. Some of these programmes begin during the third year of secondary school. They prepare students to take on a specialised or semi-specialised trade. Holders of a vocational studies diploma may pursue post-secondary studies at a CEGEP.

*Colleges of general and vocational education (*collèges d'enseignement général et professionnel*)*

There are 48 colleges of general and vocational education (*collèges d'enseignement général et professionnel*) – commonly referred to as CEGEPs – and 50 other (post-secondary colleges) institutions in Quebec. CEGEPs are public institutions, while the other colleges are private, although some of them receive public funding. CEGEPs and private colleges typically offer two types of programmes: pre-university and technical. The pre-university programmes take two years to complete, whereas the technical programmes take three years. A pre-university programme covers the subject matter that roughly corresponds to the additional year of high school when compared with other provinces in Canada in preparation for a chosen field in university (e.g. Sciences, Humanities, Commerce or Arts).

Upon the completion of studies, the provincial government issues a DEC (*diplôme d'études collégiales*). CEGEPS and Colleges also offer three-year technical programmes for students who wish to pursue a skilled trade. The technical programmes also lead to a DEC. Though these programmes can also lead to university, they are geared towards immediate employment. Adult continuing education programmes are also offered and can lead to an AEC (*attestation d'études collégiales)*, which is similar to a DEC and targets students returning to studies after a break in their education.

Technology Transfer Centres

The majority of the Quebec's 31 Technology Transfer Centres have been established by CEGEPs (Government of Quebec, 2008). At these centres, applied research is carried out in a specific field in co-operation with industry partners typically supporting the economic development plan for the regional county municipality where the centre is located.

Workplace apprenticeships

It is also possible to learn a trade in the workplace. Workplace apprenticeships are a workplace-based skills development process revolving around job shadowing. The aim is to recognise or acquire the skills needed to perform a given job, as stipulated in vocational standards adopted by industry-wide consensus. At the end of the training process, the employee will be issued a vocational qualification certificate by the Ministry of Employment and Social Solidarity.

Economic development policies

There are a number of departments and public organisations involved in economic development at the local level in Quebec, including the Ministry of the Economy and Finance (*Ministère des Finances et de l'Economie*) and the Ministry of Municipal Affairs, Regions and Land-Use Planning (*Ministère des Affaires municipals, des Régions et de l'Occupation du Territoire*). The government is planning to set up an Economic Development Bank of Quebec (*Banque de développement économique du Québec)* to manage local activities. This Bank will oversee CAD 500 million in funds for regional development initiatives; CAD 200 million for transportation electrification and green technology development; CAD 250 million for supporting the Mauricie, Central Québec and Asbestos regions.

Despite this possible reorganisation, it is expected that the Regional Council of Elected Officials will continue to be the principal consultative body on local and regional development, with specific local activities directed through Local Development Centres.

*Local development centres (*centres locaux de développement*)*

The local development centres (c*entres locaux de développement*) are non-profit organisations with the mandate to nuture and support entrepreneurship. They are jointly financed by the provincial government and the regional county municipalities. There are 120 Local Development Centres in Québec, typically one per regional county municipalities or city with the exception of Montreal and Québec City. Local Development Centres were established in 1998, however significant changes were made in 2004 to give the regional county municipalities greater autonomy in local economic development decisions. The mandate of these centres are to offer technical and financial services to entrepreneurs and potential entrepreneurs; develop a local action plan for the economy and employment consistent with the Regional Council of Elected Officials five year action plan; develop within provincial guidelines a strategy for local entrepreneurship; and act as the principal consultation organisation for the local employment centres in their functional area.

*The local action plan for the economy and employment (*plan local d'action pour l'économie et l'emploi*)*

The local action plan for the economy and employment defines the principle themes for local economic development and employment, objectives, actions and results to be achieved within a regional county municipality. It is generally preceded by extensive local consultations and is developed in conjunction with the five-year plan of the Regional Council of Elected Officials.

In practice, the action plans are driven by the local development centres with other actors closely involved. The plan will normally cover a wide variety of actions, which promote the activities of the regional niche sectors (*créneaux d'excellence*). These niche sectors are defined as a collection of organisations whose activities are connected and interdependent; are based within a defined geographic area; consist of a sector which is noted for its capability and specialised products; and, employs researchers and highly skilled labour. The nice sectors provide a focal point for specific collaborations between educational institutions, employers and government. They have also provided a way for the Government to minimise competition between the regional county municipalities for various inward investments and to promote the regions nationally and internationally.

The development of social enterprises

Quebec has favoured the development of social enterprises as part of its overall economic strategy. Ten Community Business Development Corporations, located in suburban areas, promote local economic development and strengthen the ability of communities to realise their full potential in a sustainable way.

In its 2012–13 budget, the Quebec Government announced new measures to support the development of co-operatives in Québec, including the Co-investment Fund (*fonds de co-investissement*), which will invest in new co-operatives during the pre-start-up and start-up phases. This CAD 30-million fund will be made up by contributions from partners including Desjardins Bank, the Québec government, the Business Development Bank of Canada, and Agriculture and Agri-Food Canada.

The federal government's Community Future Programme (*Programme de développement des collectivités*, PDC) also promotes the development of social enterprises in Quebec. There are currently 57 Community Futures Development Corporations located in designated rural

regions, and 10 Community Business Development Corporations, located in the suburban areas and supervised by the Economic Development Agency of Canada.

Supporting inclusion

"Loi visant à lutter contre la pauvreté et l'exclusion sociale"

An important dimension of Québec's activities with respect to Social Assistance has been its successful fight against poverty (*lutte contre la pauvreté*). Initiated in 2002, it represents a multi-pronged approach to address poverty. Quebec took a comprehensive approach, investing in an array of services that parents needed to work and raise children, including a universal CAD 7-a-day child-care programme, a pharmacare programme, a generous parental leave programme, a refundable tax credit for working parents and growing the stock of affordable housing (Ministère de l'Emploi et de la Solidarité sociale, 2012b).

Québec now has the lowest rate of child and family poverty in Canada. In 2002, the number of Quebecers with income below the poverty line was 9.4% while in 2012, it had 6.9% – the lowest level in 37 years. Action in this area continues with a new plan covering the period 2010-15 focusing on four specific areas: *1)* examining the way decisions are made locally and regionally; *2)* making work an attractive option and promoting individual autonomy; *3)* providing effective income support; and *4)* improving the conditions of families suffering from low income.

In order to achieve further success, attention will be on working more collaboratively, employing greater flexibility to better respond to specific requirements of low income persons, giving authority to local and regional actors to build projects that promote further successes and ensuring that those actions taken are continued.

Aboriginal peoples

The Aboriginal Affairs Secretariat (*secrétariat aux Affaires autochtones*) (SAA) is the official structure created by the government to foster dialogue. Its mission is to maintain harmonious relations between Aboriginals and the government, and between Aboriginals and Quebecers in general. It does this by working with Aboriginal communities to draft government policies, negotiating agreements and advising the other government departments concerned by the negotiations. As part of the process, it acts to protect recognised Aboriginal rights and their rights enshrined in certain conventions. This is achieved, in particular, through the negotiation of agreements, the dissemination of appropriate information and by providing support for the social, economic and cultural development of the First Nations and the Inuit.

The Secretariat must also co-ordinate all government actions in aboriginal communities. It is responsible for ensuring coherency in the policies, interventions, initiatives and positions of the various departments and agencies of Québec involved in this priority area. With this objective in mind, the SAA works in close collaboration with ministerial aboriginal affairs co-ordinators with whom it meets on a regular basis. The assembly of ministerial co-ordinators, created in 1978 at the same time as the Secretariat, is a forum for exchanging information and holding consultations on the government's action.

Policies and programmes for immigrants

The Ministry of Immigration and Cultural Communities (*Immigration et Communautés culturelles Québec*) is the lead Ministry for immigration policies and programmes in Quebec. It provides a variety of programmes and service for immigrants in the province.

Quebec has its own immigration service that operates as part of an agreement with the Federal Government. Immigration Quebec is responsible for the settlement of new immigrants, integration support including language training in French and recognition of credentials and competencies and support in finding work. About 55 062 immigrants entered Quebec in 2012. The vast majority (84%) settle in the greater Montreal area with another 5% in Quebec City (Citizenship and Immigration Canada, 2012). While 68% of all immigrants are economic class, immigration is not a significant factor of work force growth outside of the two major urban areas.

There is an increasingly well-developed system for credential recognition supported by efforts at both the federal and provincial level. Quebec has specific activities to support immigrants obtain recognition of their foreign credentials. Informal skills can be recognised under prior learning and recognition programmes offered by CEGEPs and school boards. However these activities vary considerably from institution to institution.

References

Citizenship and Immigration Canada (2012), Facts and Figures, available at www.cic.gc.ca/english/pdf/research-stats/facts2012.pdf.

Commission des Partenaires du Marché du Travail (2012), *Rapport d'Activité 2011-2012*.

Commission des Partenaires du Marché du Travail (2011), *Plan Stratégique 2011-2014*.

Human Resources Development (1997), *Canada – Québec Labour Market Development Agreement in Principle,* Ottawa, Canada.

Employment and Social Development Canada (2013), *Labour Market Bulletin – Québec: 2012*, available at www.hrsdc.gc.ca/eng/jobs/lmi/publications/bulletins/qc/annual2012.shtml.

Emploi-Québec (2012), *Plan d'Action 2012-2013,* Quebec, Canada.

Fortin P., L. Godbout and S. St-Cerny (2013), *L'impact des services de garde à contribution réduite du Québec sur le taux d'activité féminin, le revenu intérieur et les budgets gouvernementaux*, Revue Interventions économiques, 47.

Government of Quebec (2012) *Budget 2012-2013: Le Québec et la Lutte Contre la Pauvreté,* Quebec Canada.

Government of Quebec (2009), *Investing in Youth Empowering Quebec's Future: Youth Action Strategy 2009-2014,* Quebec Canada.

Government of Quebec (2008), *Rapport D'évaluation de la Performance Du Dispositif des Centres Collégiaux de Transfert de Technologie* (CCTT), Quebec Canada.

Ministère de l'Emploi et de la Solidarité Sociale (2012a), *Rapport Annuel de Gestion 2010-2011,* Quebec Canada.

Ministère de l'Emploi et de la Solidarité Sociale (2012b), *Poverty, Inequality and Social Exclusion in Québec: Looking Ahead to 2013. 2011 Progress Report*, Quebec, Canada.

Statistics Canada (2011), *Population and dwelling counts, for Canada, provinces and territories, 2011 and 2006 censuses*, Ottawa, Canada.

Chapter 4

Overview of the Canadian case study areas

To better understand the role of the local level in contributing to job creation and productivity, this study examines local activities in four case study areas across Ontario and Quebec: 1) *Hamilton, Ontario;* 2) *Thunder Bay, Ontario;* 3) *Mauricie, Quebec; and* 4) *Estrie, Quebec.*

This chapter provides a labour market and economic overview of the four case study regions as well as a description of their employment and training services. It also presents the results from an OECD LEED statistical tool which looks at the relationship between skills supply and demand at the sub-national level.

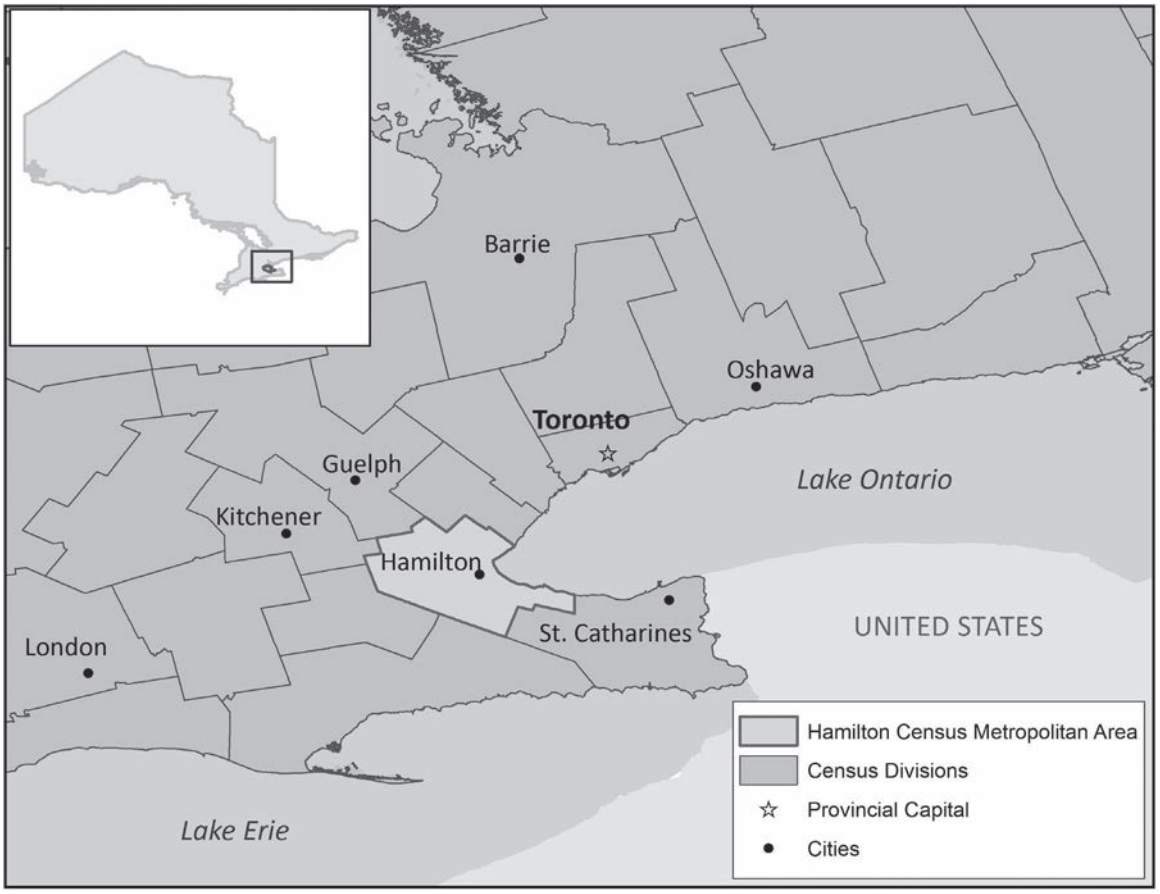
Overview

In-depth field work for this study was undertaken in four regions in Ontario and Quebec. These areas were selected after consultation between the OECD and a steering group of federal and provincial government representatives. In Ontario, the study examined local activities in Thunder Bay and Hamilton. In Quebec, local activities were examined in the regions of Mauricie and Cantons de l'Est (Eastern Townships), also called Estrie.

Hamilton, Ontario

Hamilton is located southwest of Toronto on Lake Ontario. It is Ontario's third largest city and Canada's 9th most populated urban centre. In 2011, the population was 519 949 (Statistics Canada, 2011a). Hamilton has a rich industrial history with the large steel company Stelco setting up operations in 1910 and Dofasco two years later. At its peak, these two businesses produced some 60% of Canada's steel and gave the city the title of "steel town". Industrialisation continued with Proctor and Gamble establishing operations in 1914. Beginning in the mid-80s, Hamilton saw an industrial decline brought about by structural adjustments in the global economy and a move towards more service-based industries. In the face of these challenges, Hamilton has refocused its industrial base on services and high-end manufacturing.

Figure 4.1. **Map of Hamilton**



Behind Toronto, Vancouver, and Calgary, Hamilton's foreign-born population of 23.5% was the fourth highest in 2011 in Canada (Statistics Canada, 2011b). The share of Canada's recent immigrants who settled in Hamilton between 2006-11 was 1.6% becoming home to 18 775 immigrants who arrived in Canada in that period.

Hamilton's local economic and employment development services

Local economic development efforts are focused on ensuring that employers have efficient access to city planners, zoning officials, and other economic development supports. The city's economic development efforts have gained attention in Canada and as a result, several important businesses have located in Hamilton in the last two years. Maple Leaf Foods has elected to locate a modern processing plant in the city creating over 600 jobs. Other companies recently establishing operations in Hamilton include Canada Bread, Carstar and Parrish, and Heimbecker (City of Hamilton, 2012).

There are seven Employment Ontario employment service providers offering assistance to job seekers in Hamilton. These include non-profit providers such as Employment Hamilton which has provided services in the city for 34 years. In addition to these providers, there are other organisations, such as Path Employment Services, which provide specialised services for persons with disabilities. The YMCA provides generalised services both to the general population as well as specialised services for immigrants and youth. College Boréal provides assistance to French speaking job seekers. Goodwill Amity group, VPI Employment Services and Mohawk College provide employment services to the broader population.

Education and vocational training in Hamilton

McMaster University in Hamilton is one of Canada's major universities with 21 025 full-time undergraduate students and 3 436 full-time graduate students in 2012. With total sponsored research income of CAD 325.9 million, McMaster University ranks sixth in the country in research intensity – a measure of research income per full-time faculty member – averaging CAD 248 600 per faculty member. The University is the fifth largest employer in the Greater Hamilton area, with more than 7 300 employees. McMaster's capabilities in research are an essential element in the economic transformation of the city and it plays a central role in many of the economic areas of focus – in particular Life Sciences.

Mohawk College is among Canada's well recognised colleges and has played a strong role in rebuilding Ontario's apprenticeship and trades system. Mohawk has 11 000 full time students and over 4 000 students enrolled in its 22 apprenticeship programmes. Mohawk has 46 000 students enrolled in its continuing education programmes. Mohawk offers one and two-year Ontario college diplomas, three-year Ontario college advanced diplomas, one-year Ontario college graduate certificates and four-year collaborative degree programmes, the latter in association with McMaster University. Mohawk is specialised in health science and engineering technology education and is the largest trainer of apprentices in Ontario. The college is also at the centre of adult training whether it is English as a Second Language (ESL) for immigrants, literacy and secondary upgrading or pre-apprenticeship training.

In addition to Mohawk College, the Collège Boréal Access Centre in Hamilton offers a wide range of postsecondary education programmes, immigrant integration services and related services for local businesses and communities in French.

Thunder Bay, Ontario

Thunder Bay is the most populous municipality in Northwestern Ontario with a population of 108 359 and the second most populous in Northern Ontario after Greater Sudbury (Statistics Canada, 2011b). The city is often referred to as the "Lakehead" or "Canadian Lakehead" because of its location at the end of Great Lakes navigation. The City of Thunder Bay was formed through the merger of the cities of Fort William, Port Arthur and the geographic townships of Neebing and McIntyre.

Figure 4.2. **Map of the Thunder Bay Region**

Historically, Thunder Bay has been a hub for the forestry sector and as break bulk point for shipping east west, primarily grains from the Canadian prairies. Major employers in the forestry sector include Resolute Forest Products and Buchanan Forest Products with over 1 500 employees. Bombardier Transportation operates a plant in Thunder Bay that manufactures mass transit vehicles and equipment, employing approximately 800 people. Most other major employers are government, the university and college.

The city has been working to attract knowledge-based industries, primarily in the fields of molecular medicine and genomics. The prospect of several thousand mining jobs coming with the resource development of the "Ring of Fire" area offer potential job creation opportunities for the region.

Thunder Bay's local economic and employment development services

Thunder Bay's economic development is driven through the Thunder Bay Community Economic Development Commission (CEDC). The CEDC was incorporated as an arms-length organisation in 2006. It is responsible for business development, business retention and expansion, entrepreneurial support, opportunity promotion, and collection and assessment of key business data.

CEDC receives formal proposals on projects that will contribute to economic development. It responds quickly to new opportunities and initiatives to attract direct financial involvement from government and the private sector. Important areas of activity for the CEDC are mining (potential for 7 000 direct jobs and up 20 000 related jobs), forestry (new value added forestry manufacturers), transportation, energy and green energy, and health sciences

There are two Employment Ontario service providers in Thunder Bay: *1)* Your Employment Services (YES); and *2)* Confederation College. Both services cater to all clients groups.

Education and vocational training in Thunder Bay

Lakehead University is the University of the North West of the Province. It is a small university with 7 900 full time students. As a percentage of total student population, Lakehead University has one of the largest aboriginal student communities in Canada. The University has nine faculties but is best known for its Paleo-DNA lab and the Northern Ontario School of Medicine (NOSM) formed as a joint initiative with Laurentian University in 2005. NOSM has a number of teaching sites across the North and in making great advances in the delivery of medicine in remote communities. Most recently, a Northern Policy Institute was created to undertake research on issues of unique interest to the region and position community leaders better with region specific policy analysis.

Confederation College was originally founded as a trade school in 1967. Since then, it has evolved into a technology and arts institute serving the vast area of North-Western Ontario through its main campus in Thunder Bay plus eight other campuses in the region. The college offers a full range of programmes and educational services throughout the region, which includes full-time post-secondary programmes, part-time credit and non-credit courses, specialty programmes for business and industry, pre-employment and skills training programmes, apprenticeship programmes and co-operative/workplace training programmes. Confederation College has 3 200 full-time post-secondary students, 410 apprentices, 550 adult training students and 17 000 part time and continuing education students. Confederation College is leading the development of advance work in the mining sector with a mining preparation programme designed to ready the region's workforce for the coming expansion in mineral resource development.

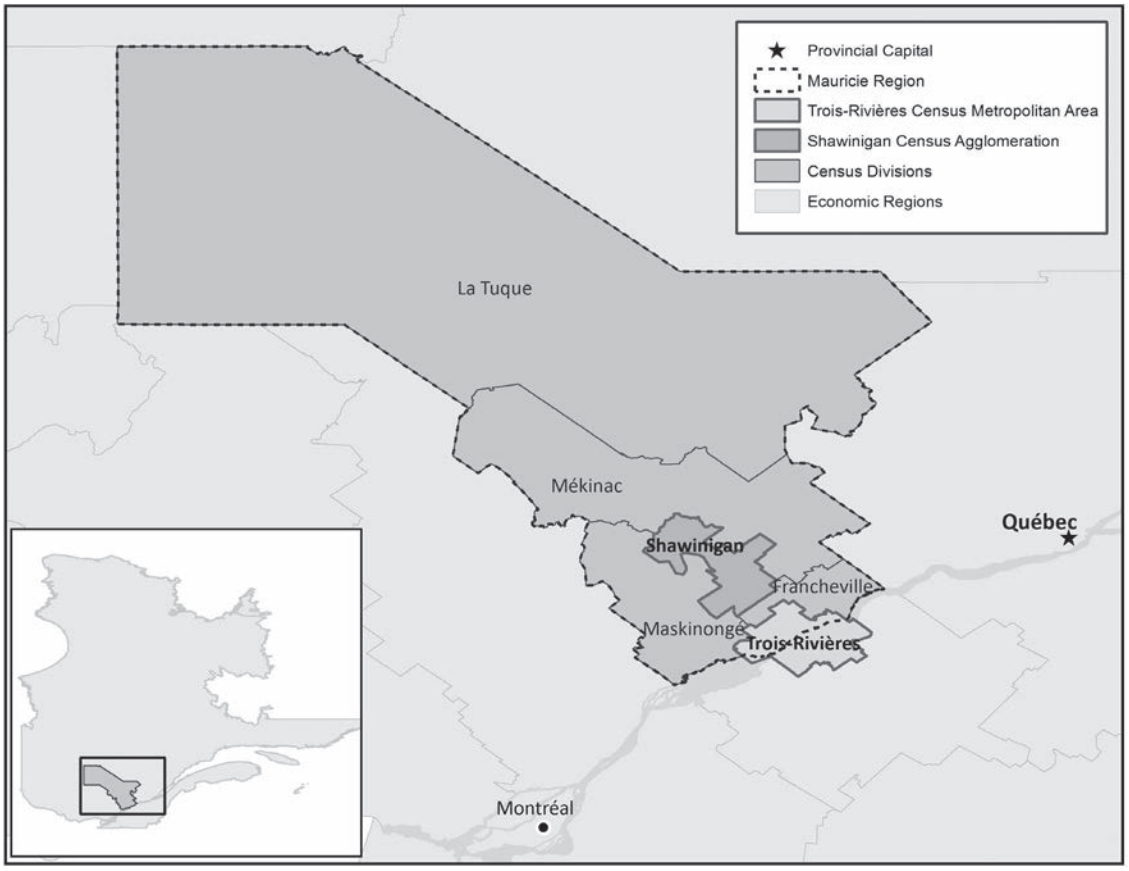
Mauricie, Quebec

The region of Mauricie is situated in the centre of Quebec about half way between Montreal and Quebec City. It is composed of six territorial entities, including the three regional county municipalities (*municipalités régionales de comtés,* MRCs) of Les Cheneaux, Maskinongé and Mékinal, the cities of Trois-Rivières and Shawinigan, and the urban agglomeration of La Tuque. As of 2011, the population of the region was 262 399 – an increase of 1.8% since 2006 (Statistics Canada, 2011a). The city of Trois-Rivières has a population 129 519, which is 50% of the population of the region, while Shawinigan has a population of 51 083 which is about 20% of the region's population.

Mauricie's local economic and employment development services

Emploi-Québec's regional directorate for Mauricie is located in Trois-Rivières. The region has six local employment centres (*centres locaux d'emploi,* CLEs): one in Trois-Rivières, one in Shawinigan, one in La Tuque, with the remaining three in cities of the other MRCs. In addition, Mauricie has six youth employment centres (*carrefours jeunesse-emploi)* – one in each of the region's territorial entities.

Figure 4.3. **Map of Mauricie**



Services are provided both to individuals seeking employment as well as employers looking to fill jobs. Clients are primarily lower skilled workers who are in receipt of either Employment Insurance or social assistance.

Mauricie has six local development centres (*centres locaux de development*, CLDs), or one for each territorial entity. The Shawinigan CLD has built a new entrepreneurial development centre. The focus on entrepreneurship is driven by recognition of the structural changes in the local economy resulting in a declining manufacturing sector. In Trois-Rivières, the CLD has taken advantage of the presence of the university in its region and is focusing on the development of a micro-sciences park and municipal airport.

Education and vocational training in Mauricie

The University of Quebec, Trois-Rivières (*Université du Québec à Trois-Rivières*) is the only university in the region. It has approximately 12 500 students studying in over 165 programmes. The University is active with employers and is seen as an essential element in the city's and region's economic development. There is a CEGEP in Trois-Rivières with 4 400 students in 26 technical programmes. The city also has another private college. In Shawinigan, another college serves the local population.

The Mauricie Regional Education Table (*Table régionale de l'éducation de la Mauricie,* TREM) was established in 2002 and brings together secondary schools and colleges, universities, Emploi-Québec, the CRE, representatives from provincial ministries and education-focused civil society actors, such as the Regional Youth Forum (*Forum régional de la jeunesse*).

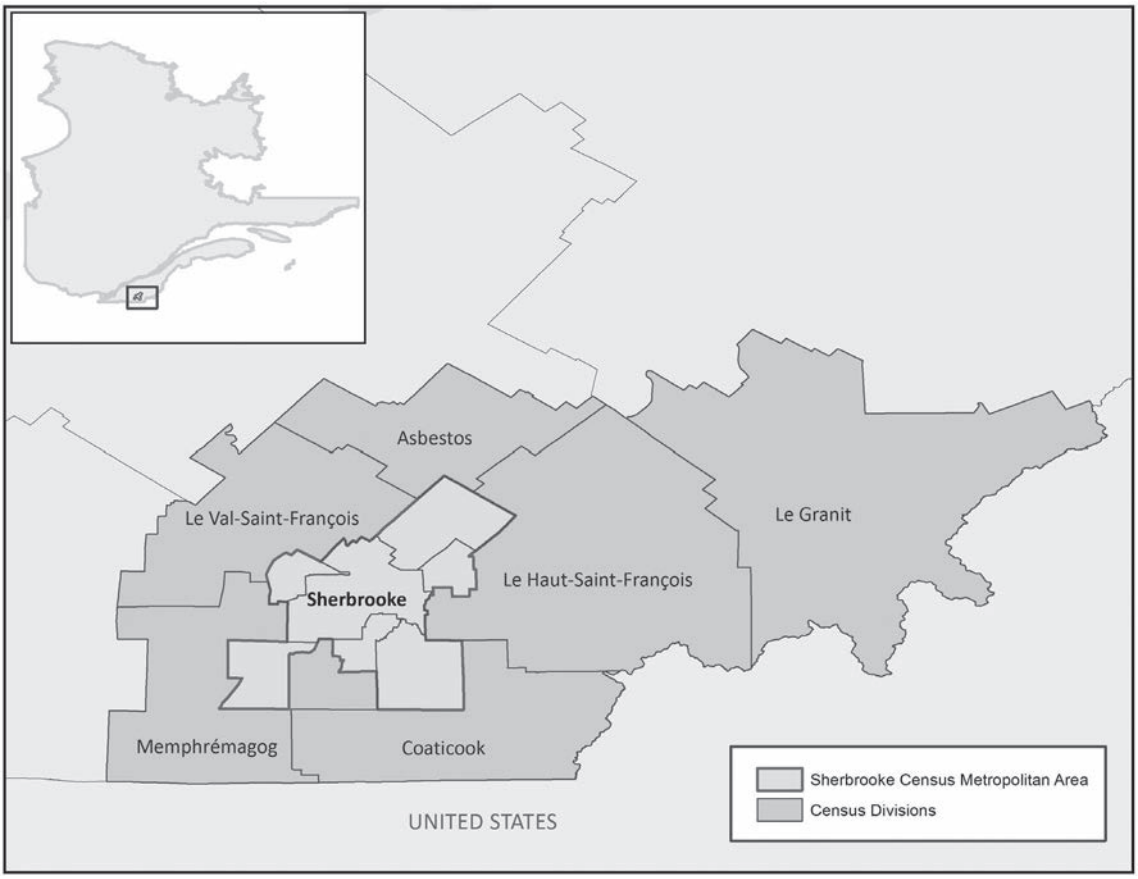
Estrie

The Estrie region is situated south of the St. Lawrence River about an hour east of Montreal. It is composed of seven regional county municipalities (*municipalités régionales de comtés*). The population of the region is 312 150 with the majority of residents located in the city of Sherbrooke (158 056). 36% of Estrie's population live in rural areas as opposed to 19.5% of the population of Quebec as a whole (Statistics Canada, 2011a).

Estrie's local economic and employment development services

Emploi-Québec's regional directorate for Estrie is located in Sherbrooke. There are seven local employment centres and seven youth employment centres in Estrie. – one for each of the regional county municipalities. Sherbrooke's CLD, Sherbrooke Innopole, focuses on six key areas: life sciences, clean tech, ICT, micro- and nanotechnology and advanced manufacturing sectors in the region aligning with the regions niche sectors

Figure 4.4. **Map of Estrie**



(*créneaux d'excellence*). The local development centre of Haut Saint-Francois has focused much more on the rural nature of its population working with the agro-forest sector and looking for locally developed innovations.

The CRE is engaging local stakeholders in the development of the region's five year plan (2013-18). The current plan (2008-12) has six objectives: protect and develop the region's natural capital; support business and entrepreneurship; improve the educational attainment and the health of citizens; develop future economic activity of the region; encourage rural development; and, build solidarity among the region's principal actors.

Vocational, technical and university training in Estrie

Estrie has two universities, which are both located in Sherbrooke. And two colleges: one of these – the largest CEGEP, with 6 200 students, is in Sherbrooke, while the other – an English-speaking institution – is in Lennoxville. In addition, four school boards (three French-speaking and one English-speaking) cover all of Estrie. Eight vocational training centres and two private institutions offer vocational curricula. The school boards have set up Business Services units (*Service aux entreprises,* SAEs) so the needs of businesses can be taken more into account.

Estrie has had a significant problem with dropouts and an action plan has been established to address the issue. The action plan was developed by the regional education co-operation table (*Table estrienne de concertation interordres en education*), which brings together the principal actors dealing with education issues in the region. Considerable progress has been made in encouraging young people to resume their studies however challenges remain as the remaining unemployed are much further away from being job ready.

Employment and labour market overview of the four case studies

Comparison across the four case study areas in Ontario and Quebec demonstrate different economic and employment dynamics. This section examines the labour market characteristics of each region as well as the results of an analysis of the relationship between skills supply and demand within the local areas.

Employment characteristics

Table 4.1 outlines the unemployment, participation and employment rate across all four case study areas in 2013. Mauricie has the highest unemployment rate (9.4%), while Thunder Bay has the lowest (6.0%) among the four areas. Mauricie also has a significantly lower participation rate (53.4%) and employment rate (48.3%) compared to the other case study areas. Thunder Bay has the highest participation rate (64.1%) and the highest employment rate (60.2%) among the four regions.

Table 4.1. **Employment indicators across the case study areas, 2013**

in percentage terms

	Ontario		Quebec	
	Hamilton	Thunder Bay	Estrie	Mauricie
Unemployment rate	6.4	6.0	6.3	9.4
Participation rate	63.8	64.1	62.7	53.4
Employment rate	59.7	60.2	58.8	48.3

Source: Statistics Canada, 2013.

Labour force dynamics

A dynamic economy is one in which jobs are constantly created and destroyed, which may occur even when net employment changes very little. Table 4.2 shows employment change from 2008-12 across all four case study areas relative the provincial and federal average. While positive in 2010-11, both the Estrie and Mauricie regions experienced downward pressure on employment in 2011-12, as did Quebec. In 2011-12, net employment increased in Thunder Bay but declined in Hamilton and Ontario as a whole. Thunder Bay was the only region to experience negative employment growth in 2010-11. In 2008-09, the global recession had repercussions on three regions, except in Estrie, where the rate of employment growth increased.

Table 4.2. **Net employment changes, 2008-12 (%)**
in percentage terms

	2008-09	2009-10	2010-11	2011-12
Canada	-1.9	0.0	0.1	0.0
Quebec	-1.2	0.4	-0.1	-0.1
Estrie	1.2	-3.7	2.8	-3.6
Mauricie	-1.8	0.6	1.6	-3.1
Ontario	-2.4	0.2	0.3	-0.3
Thunder Bay	-2.4	0.3	-0.1	1.2
Hamilton	-0.7	-1.1	-.6	-0.4

Source: Statistics Canada, Labour Force Survey.

Industry structure

Industry structure dictates the types of jobs in a region and the qualifications that workers must meet in finding employment. Table 4.3 shows employment by industry across the four case study areas. Estrie and Mauricie depend more on manufacturing, which represents 18.9% and 14.3% of their employment structure. While manufacturing represents 12.8% of employment in Hamilton, it is 5.7% in Thunder Bay, which has the lowest share among the four areas. Public sector jobs are prominent in all four case study areas with health care and social assistance, educational services, and public administration representing significant shares of employment (over 25% of employment in all four areas). Trade is also a significant employment sector. Forestry, fishing, mining, quarrying, oil and gas are most prominent in Thunder Bay (representing 2.6% of employment).

Balancing skills supply and demand

As part of its *Skills for Competitiveness* project, which was carried out in 2009, the OECD LEED Programme developed a statistical diagnostic tool which helps to understand the balance between skills supply and demand within local labour markets (TL3 areas). According to this methodology, local economies can fall into four different categories: low skills equilibrium, skills gaps and shortages, skills surplus and high skills equilibrium.

Figures 4.5 and 4.6 show the relative performance of local economies in Ontario and Quebec in 2011 correlated to the provincial unemployment rate. This diagnostic tool can provide policy makers with important information on the relationship between supply and demand, which can inform place-based policy approaches at the local level. It can also help policy makers in determining whether certain areas may be experience skills mismatches.

Table 4.3. **Employment by industry, 2012**
in percentage terms

	Ontario		Quebec	
	Hamilton	Thunder Bay	Estrie	Mauricie
Agriculture	1.5	-	2.1	2.7
Forestry, fishing, mining, quarrying, oil and gas	-	2.6	-	1.4
Utilities	0.6	-	-	1.6
Construction	7.1	6.6	4.6	6.5
Manufacturing	12.8	5.7	18.9	14.3
Trade	16.3	14.1	12.7	16.3
Transportation and warehousing	4.7	4.8	3.0	3.8
Finance, insurance, real estate and leasing	7.2	4.4	5.4	3.0
Professional, scientific and technical services	6.6	5.2	5.5	3.8
Business, building and other support services	4.2	3.9	3.4	3.2
Educational services	8.6	10.5	8.9	6.3
Health care and social assistance	1.6	17.5	16.3	17.2
Information, culture and recreation	4.4	4.4	2.9	4.3
Accommodation and food services	5.8	7.7	6.2	6.5
Other services	3.8	3.9	5.0	4.5
Public administration	3.6	6.7	4.1	4.7

Source: Statistics Canada, Labour Force Survey.

Box 4.1. **Explaining the diagnostic tool**

In order to approximate the demand for skills a composite index was developed including the percentage of the population employed in medium-high skilled occupations and Gross Valued-Added (GVA) per worker. The supply of skills was measured by the percentage of the population with post-secondary education. The indices are standardised using the inter-decile method and are compared with the national median. The analysis is carried out at the level of Territorial Level 3 regions (regions with populations of approximately 150 000-800 000).

Further explanations on the methodology can be found in Froy, F., S. Giguère and M. Meghnagi (2012), "Skills for Competitiveness: A Synthesis Report", OECD Local Economic and Employment Development (LEED) Working Papers, No. 2012/09, OECD Publishing. http://dx.doi.org/10.1787/5k98xwskmvr6-en.

In Ontario, Thunder Bay (which falls into the Northwest economic region) and Hamilton (which falls into the Hamilton Niagara-Peninsula region) have unemployment rates below the provincial average. The Hamilton-Niagara-Peninsula Economic region falls between a high-skills equilibrium and skills shortages quadrant while the Northwest region falls between the skills gaps and shortages and low-skills equilibrium quadrant. Toronto and Ottawa are in the high-skills equilibrium quadrant, which means there is a relatively high supply of skills being matched by high demand from employers. In other OECD countries, metropolitan centres would typically be in a high-skills equilibrium. Data presented for Ontario show Economic regions, while the case study areas fit into a small disaggregation, which is not possible to retrieve due to the way the data and information is collected by Statistics Canada.

Figure 4.5. **Balancing Supply and Demand, Ontario, 2011**

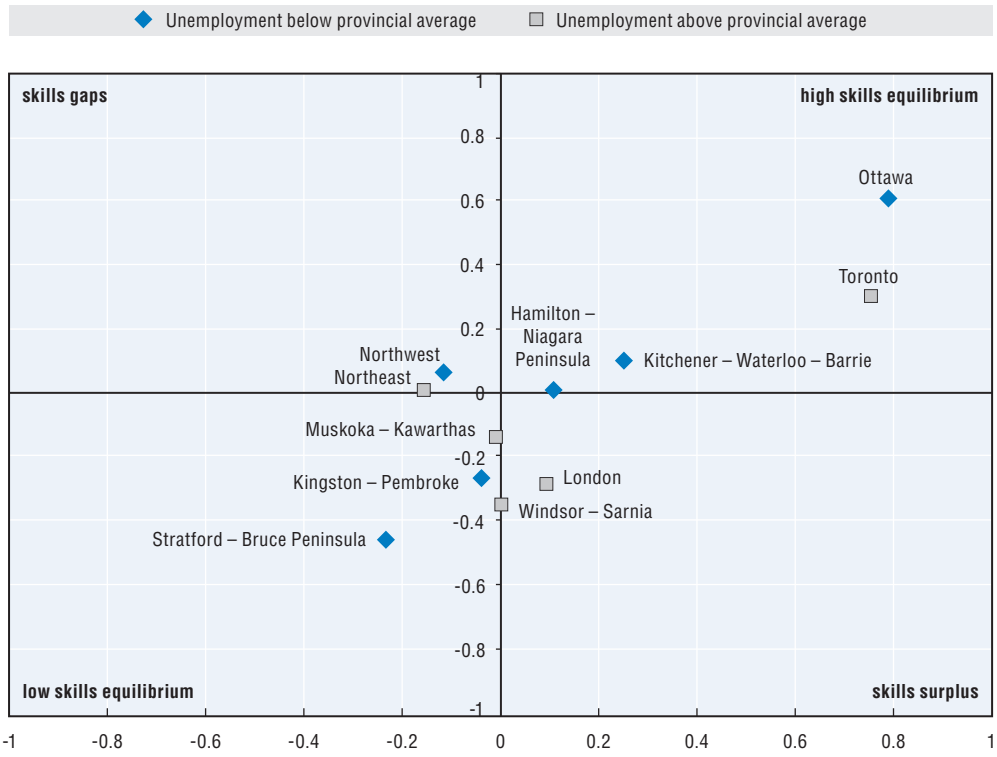


Figure 4.6. **Balancing Supply and Demand, Quebec, 2011**

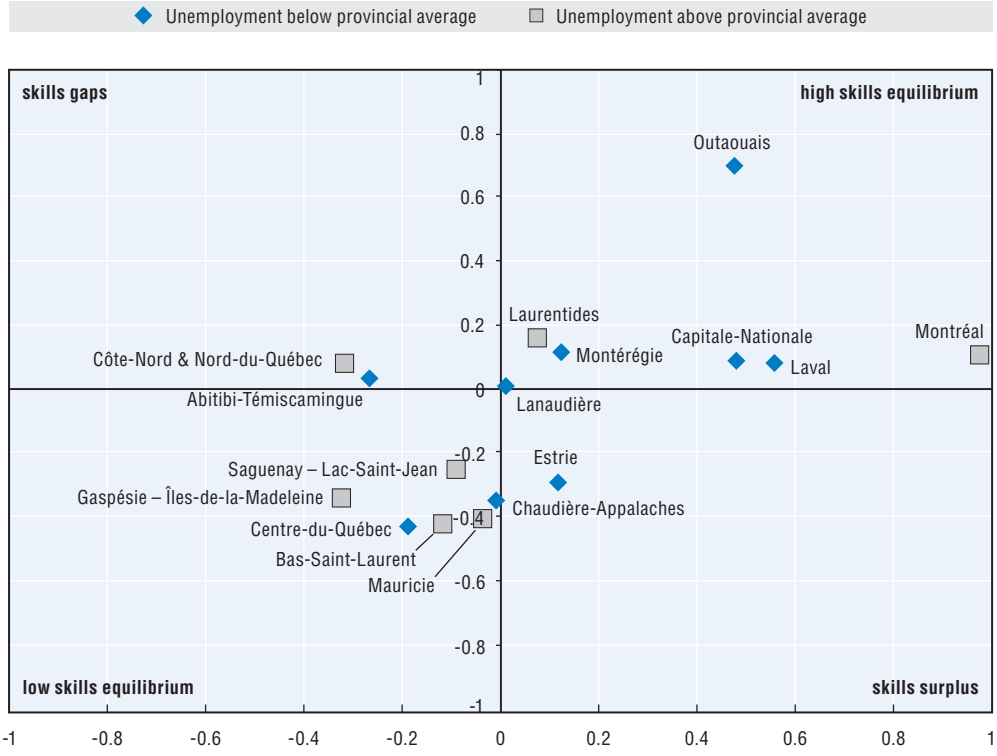


Figure 4.6. shows the results of the analysis for Quebec. Both case studies are located in the lower part of the figure meaning that they have a level of skills demand, which is lower than the provincial average. This means the percentage of medium-high skilled jobs located in both areas is relatively lower than other areas of Quebec. Estrie has a relatively high supply of skills and falls in the skills surplus quadrant indicating the jobs in the region may not be effectively utilising the skills available while Mauricie falls in a low-skills equilibrium. This would indicate a higher proportion of low-quality jobs in the region relative to other areas of the province. For Quebec, it is interesting that the biggest city falls close to the high skills equilibrium and skills surplus quadrants. This would indicate a relative higher supply of skills which could be more effectively utilised by employers in higher value added jobs.

In both provinces, there appears to be a weak relationship between falling in a high-skills equilibrium and having an unemployment rate, which is below the provincial average. There are no noticeable trends or clusters, which indicates that there is not a positive correlation between the two variables.

References

City of Hamilton (2012), 2012 *Annual Report to the Community*, available at www.hamilton.ca/HealthandSocialServices/PublicHealth/2012AnnualReportToTheCommunity.htm.

Emploi-Québec Estrie (2013), *Bilan des Réalisations de 2011-2012*, Montreal, Canada.

Emploi-Québec Mauricie (2011), *Plan d'Action Régional 2011-2012*, Montreal, Canada.

Froy, F., S. Giguère and M. Meghnagi (2012), "Skills for Competitiveness: A Synthesis Report",*OECD Local Economic and Employment Development (LEED) Working Papers*, No. 2012/09, OECD Publishing. http://dx.doi.org/10.1787/5k98xwskmvr6-en.

Statistics Canada (2011a), *Population and dwelling counts, for Canada, provinces and territories, 2011 and 2006 censuses*, Ottawa, Canada.

Statistics Canada (2011b), *National Household Survey*, Ottawa, Canada.

Statistics Canada (2009), *Immigration in Canada: A Portrait of the Foreign-born Population, 2006 Census: Portraits of major metropolitan centres*, Ottawa, Canada.

Workforce Planning Hamilton (2012), *2012 Labour Market Plan*, Hamilton, Canada.

Chapter 5

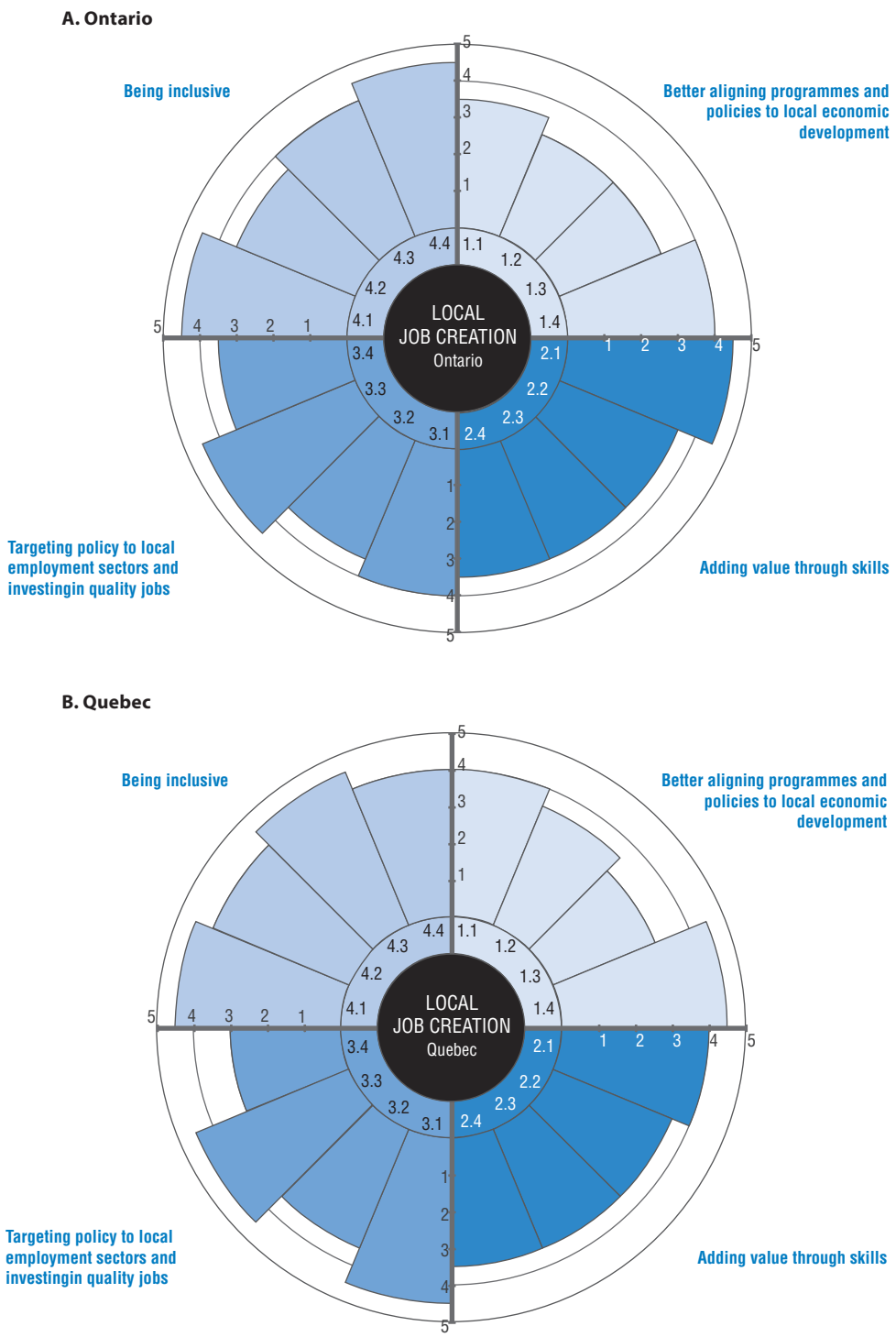
Local job creation dashboard findings in Canada

This chapter highlights findings from the local job creation dashboard in Ontario and Quebec. The findings are discussed through the four thematic areas of the study: 1) *better aligning policies and programmes to local employment development;* 2) *adding value through skills;* 3) *targeting policy to local employment sectors and investing in quality jobs; and* 4) *inclusion.*

Overview

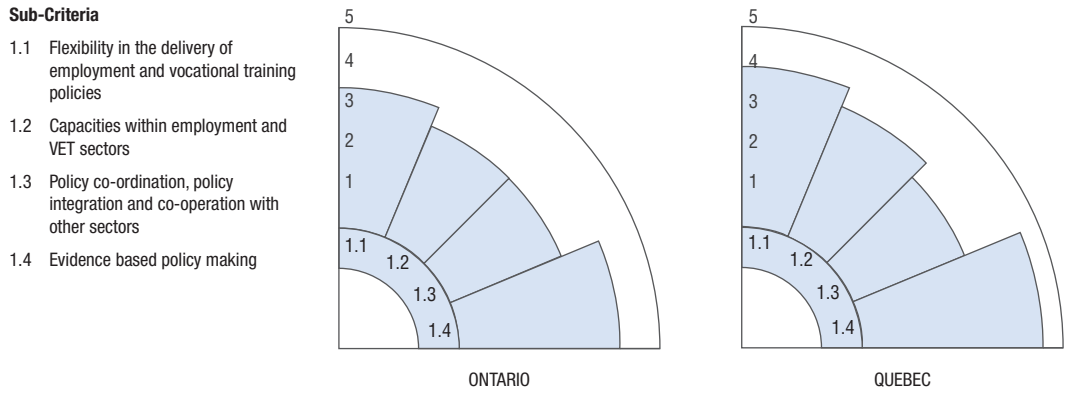
Each of the four thematic areas of the study is presented and discussed sequentially, accompanied by an explanation of the results. The full results of the Local Job Creation dashboard in Ontario and Quebec are presented in Figure 5.1.

Figure 5.1. **Local Job Creation dashboard results for Quebec and Ontario**



Theme 1: Better aligning policies and programmes to local economic development

Figure 5.2. **Dashboard results: Better aligning policies and programmes to local economic development**



1.1. Flexibility in the delivery of employment and vocational training policies

Flexibility within employment services

The OECD defines flexibility as "the possibility to adjust policy at its various design, implementation and delivery stages to make it better adapted to local contexts, actions carried out by other organisations, strategies being pursued, and challenges and opportunities faced" (Giguère and Froy, 2009). Flexibility deals with the latitude that exists in the management system of the employment system, rather than the flexibility in the labour market itself. As noted by the OECD, the achievement of local flexibility does not necessarily mean that governments need to decentralise or regionalise policies (Giguère and Froy, 2010). Governments just need to give sufficient latitude when allocating responsibilities in the fields of designing policies and programmes; managing budgets; setting performance targets; deciding on eligibility; and outsourcing services. It is important to differentiate between flexibility in the service delivery framework (operational flexibility) and flexibility in the ability of local actors to design strategies (strategic management flexibility).

Looking at flexibility in the management of employment and training policies between the federal and provincial level, both provinces exercise a considerable degree of flexibility in determining how services are organised and delivered. Provinces are given funds from the federal government to design and administer active labour market programmes. Flexibility in the use of federal funding is limited in determining client eligibility. Programme funding from the Labour Market Development Agreements (LMDAs) is for EI-eligible clients and may not be adjusted at the provincial or local level. However, federal funding for non-EI eligible clients is provided through the Labour Market Agreements (LMAs), the Targeted Initiative for Older Workers, as well as the Labour Market Agreement for Persons with Disabilities (LMAPD). In some provinces, including Quebec and Ontario, some of the budget allocations for public employment services, apart from LMDAs and LMAs, may come from the government.

Ontario

In Ontario, Employment Ontario is a network of mostly not for profit service providers operating under a contract with the Ministry of Training, Colleges, and Universities. These services providers deliver employment services through a common performance management framework, which includes a range of indicators and targets that are monitored by the Ministry. Local service providers are required to report on activities through a common case management platform, which is used for administration and evaluation purposes. Services providers have limited flexibility to design strategies outside of the terms and conditions of the Employment Ontario contract. Furthermore, there is limited flexibility for providers to adjust client eligibility or programme design features. Budgets are allocated within specific terms and conditions with limited flexibility to move funding between programmes. Service providers do not have flexibility to set performance targets or make adjustments to take into account local employment conditions. Performance targets are not negotiated with local service delivery organisations, however, changing local conditions may be considered in the evaluation of a service provider's performance.

Service providers have flexibility in service delivery as they are able to determine what available services within their organisation should be provided to the individual client – ranging from facilitated self-services, such as the use of a computer (to search for job openings or to prepare a résumé) to intensive counselling. If a client is not eligible to receive "assisted services" through a service provider, they are referred to an organisation where they may be able to receive services.

As a rule, service providers have budgets they must use within a specific framework, and funding may rarely be transferred from one programme to another. Moreover, the strategies that service providers implement may depart only slightly from the terms of the contract concluded with Employment Ontario.

Quebec

In Québec, the employment service is a civil service function where staff in the local employment offices (*centre locale d'emploi*) are government employees who report through a local and regional management structure to the Ministry of Employment and Social Solidarity (*Ministère de l'Emploi et de la Solidarité sociale).* The Ministry provides regional offices with considerable flexibility in how programmes and services are designed and managed. Each regional office gets a broad budget allocation for services and can deploy those resources according to established needs and priorities within these budgets. The regional office can also designs programmes which are delivered at the local level.

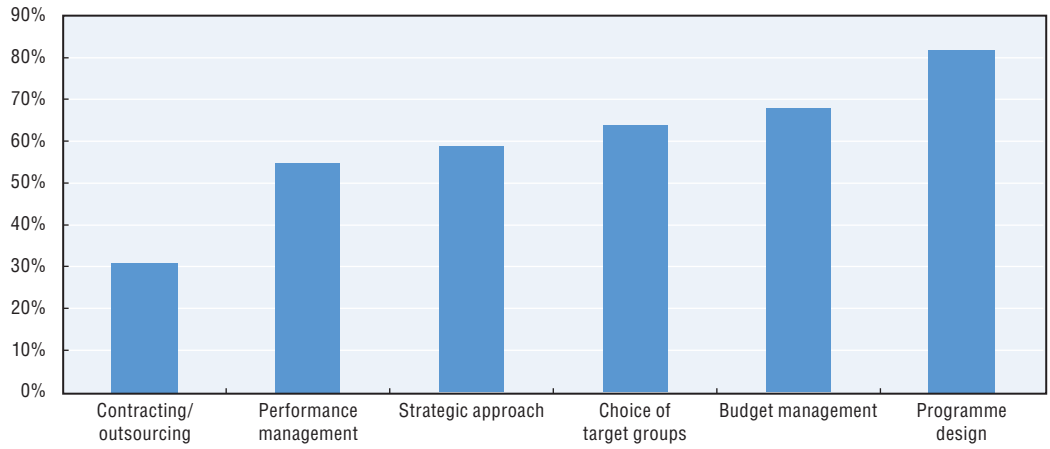
With regard to flexibility, regional employment offices and local employment centres (*centres locaux d'emploi*, CLEs) have considerable autonomy in determining how to target employment and training programmes to local client groups within a flexible funding pool allocated from the Emploi-Québec regional budget allocation. In terms of outsourcing services, it is the regional directorate that negotiates and manages service agreements. However, the local employment centres determine which providers deliver the programmes. Services delivered under these types of contracts are based on expected outcomes in terms of volumes or clients to be served and performance indicators (back to work, back to school), the parameters for which are established at the provincial level by Emploi-Québec.

Results from the OECD questionnaire

The OECD distributed a questionnaire to employment service providers in both Ontario and Quebec to ascertain their views on how much flexibility they enjoy in designing programmes and strategies for local job creation. In Ontario, employment service providers indicated programme design and budget management are areas, in which they would like to have more flexibility. The choice of target groups was another area that was identified for greater flexibility in the management of employment programmes and services – more than 60% of respondents indicated that it was a high priority (see Figure 5.3).

Figure 5.3. **Areas in which local offices would like to have more flexibility, Ontario**

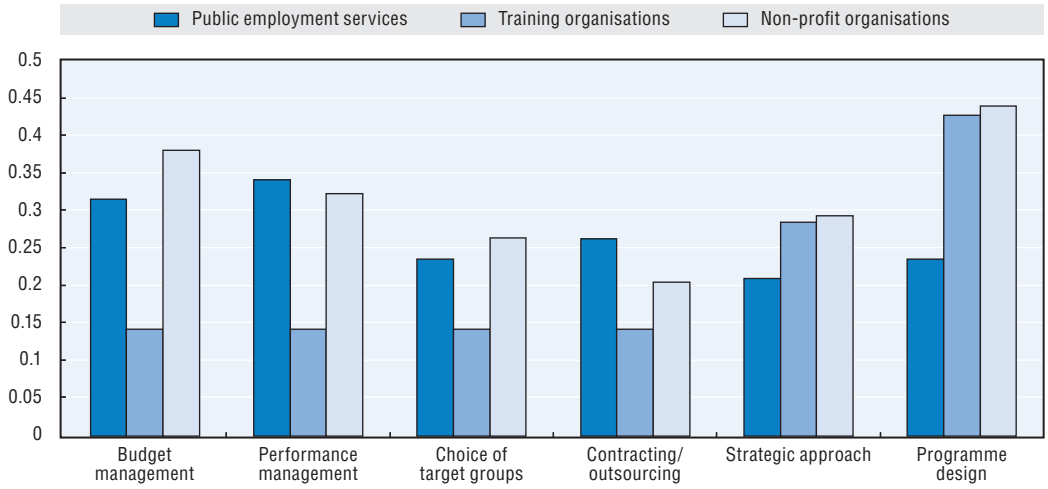
% of respondents stating that is a high priority



In Quebec, the questionnaire was distributed to the government's local employment centres (*Centres locaux d'emploi*, CLEs), as well as non-profit and training organisations, which are contracted to deliver some employment and training services under Emploi-Québec. For the CLEs, budget and performance management were areas identified as a high priority for flexibility in the management of employment programmes and services.

Figure 5.4. **Areas in which local offices would like to have more flexibility, Quebec**

% of respondents stating that is a high priority



Nevertheless, overall, the responses from the employment centres indicated additional flexibility in the management of employment programmes was a low priority. This may possibly reflect the high level of flexibility that already exists within the employment system. For the training and non-profit organisations, an average of 40% responded that programme design was a high priority for flexibility in the management of employment and training programmes.

Flexibility in vocational education and training

Ontario

In Ontario, contracted services providers can refer individuals to training programmes where it is determined that this is the most appropriate intervention. The most generous funding for training is provided under the LMDAs and individuals must qualify under the provisions of Employment Insurance Act. The local colleges have considerable flexibility to design and deliver courses within a broad accountability and quality framework. Since 1998, colleges have been mandated by the Ministry of Training, Colleges, and Universities to collect and report performance data in five areas – graduate satisfaction, student satisfaction, employer satisfaction, employment rate, and graduation rate (Colleges Ontario, 2013). The colleges are community-based and maintain close linkages with employers, unions, and other stakeholders in the community. Because of these linkages, the programmes and courses delivered by each college are well informed by local demand. Each college has a Programme Advisory Committee, which reports to the President of the college through a Board of Governors. This Committee helps to define graduate requirements and course content.

In terms of the future planning of training, the colleges rely on locally based research conducted by the local Workforce Planning Boards, the Chambers of Commerce or Sector Councils on growth occupations. In general, the colleges adjust course provision as necessary based on local labour market intelligence. Local labour market information can also inform the design of new training programmes. For example, Confederation College in Thunder Bay has recently introduced mining preparation courses, which were informed by a local labour market study sponsored by the Northern Superior Workforce Planning Board and the Mining Industry Human Resources Council on the importance of the growing mining sector in the Thunder Bay region.

Quebec

Local employment centre staff come to an agreement with each client, depending on their profiles (work experience, education and training), needs and aspirations (vocational choices), as well as the features of the local and regional labour markets, as to the optimal path to employment, which may entail taking part in one or more active measures, including training.

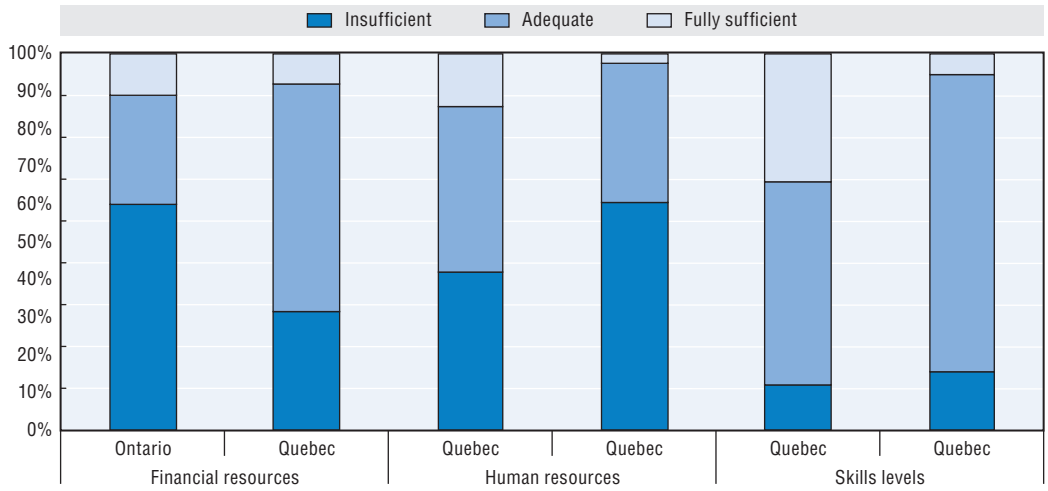
The determination of local training needs is done through consultation tables involving Emploi-Québec, the colleges, school boards, other training providers, local economic development representatives and industry representatives. The colleges and school boards have limited flexibility to adjust training programmes and courses to local demand. Training courses are difficult to re-design or cancel because of the incumbency rights of teaching staff. Furthermore, it can be difficult to design and deliver new training programmes because they require approval from the provincial level.

Another source of inflexibility within the training system in Quebec is in the area of adult education. It is difficult if not impossible for people who have not completed their secondary studies to access the technical training programmes run by the CEGEPs, for lack of the required credits. Training courses that could be offered jointly by school boards and CEGEPs, so that the missing credits could be accumulated at the same time as the training, would be one way to help get drop-outs back.

1.2 Capacities within employment and VET sectors

This study examined capacity at the local level by looking at the financial resources, human resources (e.g. number of staff), and skills levels of local employment and training organisations.

Figure 5.5. **Employment offices with sufficient, adequate and insufficient capacities in Ontario and Quebec**



Note: for Quebec only responses from public employment service are used in this graph.

Ontario

During the OECD study visit, local service providers from the employment and training sectors indicated that capacity is adequate. In the areas of financial resources, the number of staff, and their skill levels, there was a general sense that resources are sufficient for delivering objectives. However, in both Hamilton and Thunder Bay, it was noted that additional resources could be helpful to extend services and training to a number of disadvantaged groups.

The results from an OECD questionnaire contrast some of the views of local stakeholders from Hamilton and Thunder Bay. 29% of respondents considered financial resources to be adequate while 11% responded that they were fully adequate. Staffing levels (e.g. the number of staff) were seen as generally adequate. 58% of respondents indicated that they were adequate to fully sufficient. Staff competencies were rated as sufficient or fully sufficient by 88% of respondents.

Quebec

During the OECD study visit, it was noted that programmes to promote workplace training and career development of those already employed were low on resources. The local employment centres have small teams of advisers that promote services to employers and help businesses, and primarily small employers, with human resource management planning, as well as with training and employee skills development. The small number of these staff relative to the number of employers in each region would suggest that only a small percentage of employers can actually be contacted each year.

Looking the results of the OECD questionnaire for Quebec, with respect to financial resources, 68% of respondents indicated that they were adequate to fully sufficient to achieve organisational objectives. The skills levels of staff also appear to be quite strong and contribute to well-functioning programmes in 84% of cases. Resourcing levels are determined by region at the provincial level with the Regional Director General having discretion on allocations amongst the region's CLEs.

Responses from the vocational and technical training sector indicate that the skills levels of (network) staff may an issue as 33% of sector respondents deemed these skills insufficient to achieve organisational goals. In Quebec, CEGEP and school board staff work under fairly similar conditions, although salary scales and other benefits may vary between the two systems. Special programmes of the CEGEPs and school boards may make use of contract or temporary employees.

1.3 Policy co-ordination, policy integration and cooperation with other sectors

Ontario

At the provincial level in Ontario, it appears that the co-ordination between ministries is relatively weak with silos between ministries in the policy development process. Various ministry representatives indicated that policy development occurred largely inside individual ministries. While different ministries do meet at the regional level the working through of implementation issues is most frequently handled at the local level. In particular, the Ministry of Training, Colleges, and Universities may be missing opportunities to strengthen policy coherence by more closely aligning its efforts with the Ministry of Education, and the Ministry of Economic Development, Trade, and Employment. Policies for the Northwest region where Thunder Bay is located have not been worked through in an integrated manner and locally a Northern Policy Institute has been established to help bring greater focus to the particular requirements of the region.

While subcontracted service providers deliver similar basic employment services, such as support with job-searches, counselling and job-matching, some have more specialised services and client groups. The extent to which service providers are co-ordinated at the local level to ensure unemployed job seekers know their eligibility for services with an organisation and which types of services are provided is limited. During the OECD study visit, it was noted that it can be difficult for unemployed job seekers to navigate the complex number of services and organisations locally, which may impede their motivation to receive support.

Locally, there are a number of governance structures in place, which connect employment, training, and economic development stakeholders however the role of the local level in designing employment and training strategies is limited. There are 26 Workforce Planning Boards operating across Ontario, which conduct localised research and engage organisations

and community partners in local labour market projects (see Box 5.1). The Workforce Planning Boards do not design or fund local strategies for employment and job creation; their mandate is primarily to develop local labour market information for community planning.

Box 5.1. **Workforce Planning Boards in Hamilton and Thunder Bay**

In both Hamilton and Thunder Bay, the Workforce Planning Boards play a significant role in bring together local organisations, including employers, unions, employment and training organisation, as well as equity groups (e.g. women, francophones, visible minorities and persons with disabilities)

In Hamilton, Workforce Planning Hamilton (WPH) is a local community organisation that builds solutions to labour market issues by engaging stakeholders and working with other partners. The Executive Director of Workforce Planning Hamilton is a permanent member of Hamilton's economic development committee, the chair of the sub-committee on employment for the Hamilton Immigration partnership and a member of a poverty reduction roundtable, literacy committees and postsecondary advisory group. Each year, Workforce Planning Hamilton produces a Labour Market Plan. The Labour Market Plan is the result of Workforce Planning Hamilton's annual local planning process that identifies priority labour market issues in Hamilton and documents their project and partnership solutions. The Labour Market Plan is a community document and, as such, it can be used by organisations and individuals to inform labour market projects in Hamilton. In addition to producing the Labour Market Plan, WPH's annual strategic plan consists of four projects and a few project partnerships every year. These activities rely on the Labour Market Plan and discussion at the Board table.

In Thunder Bay, the Northern Superior Workforce Planning Board engages local community partners in a locally-driven process to identify and respond to key labour market trends. The Executive Director of the Board also participates in committees on economic development in the Thunder Bay area and works closely with the local colleges and university. Similar to Workforce Planning Hamilton, the Northern Superior Workforce Planning Board produce a Labour Market Plan, which is focused on the Thunder Bay region. The Board also produces other labour market reports, which are focused on specific sectors and occupations. For example, in 2013, the Board produced a report on the Mining Industry in Thunder Bay. The report contained detailed information on the outlook for the mining industry as well as potential skills shortages that would be foreseen from increased employer investment in the region.

Source: Workforce Planning Ontario (2013), *Introduction to Workplace Boards*, available at *www.workforceplanning.ca*.

In addition to the Workforce Planning Boards, there are other committees, which bring together local stakeholders on various thematic issues. For example, in Hamilton, there is the Hamilton Immigration Partnership Council, which brings together leaders from the immigrant service provider sector, businesses, unions, community-based organisations, health, local government, media, educational institutions and youth. Through federal funding provided in 2009 by Canadian Citizenship and Immigration, it is leadership forum tasked with implementing a multi-faceted immigration strategy for Hamilton. There is also the Hamilton Roundtable for Poverty Reduction, which is a forum dedicated to reducing poverty in the Hamilton area. This roundtable does not offer programmes or direct services. Its role is to build an understanding about the need to invest in poverty reduction to create a healthier, inclusive and more prosperous Hamilton. The roundtable works locally, provincially and federally on policy and systems-level change to achieve long-term solutions to poverty.

In Thunder Bay, a local committee has been established to implement the Thunder Bay Urban Aboriginal Strategy (TBUAS). The committee was launched in the City of Thunder Bay in 2003, with a goal of addressing urban aboriginal family poverty. The TBUAS is currently administered by Shkoday Abinojiiwak Obimiwedoon. The Urban Aboriginal Advisory Committee is the community body that oversees the strategic direction of the TBUAS and ensures it remains a community driven initiative. The committee is comprised of Aboriginal service organisations, community partners, federal, provincial and municipal representatives.

The Urban Aboriginal Strategy focuses on actions to improve the socio-economic conditions of Aboriginal people in order to create a sustainable and healthy community. Addressing issues related to poverty are a key priority. Findings from the Thunder Bay Urban Aboriginal Task Force Report indicate that a high percentage of Thunder Bay's urban Aboriginal children and their families are living in extreme poverty. Over the last eight years, the TBUAS has made efforts in bringing awareness, collaboration and action on the many issues facing the Aboriginal community in Thunder Bay (Thunder Bay Urban Aboriginal Strategy, 2013). Through extensive community consultation, community strategies have been and continue to be developed that identify priority areas and solutions to move the project forward.

Quebec

Policy integration and co-ordination in Quebec is largely based on administrative regions with a cascading system of governance structures within and across ministries. There are robust government structures in place which bring local partners together. They tend to be very specific purpose-driven with permanent committees facilitating inter agency planning and ad hoc committees addressing particular problems.

Against this backdrop, the regional councils of labour market partners (*Conseils régionaux des partenaires du marché du travail,* CRPMTs) are among the leading instruments of co-ordination. Meeting quarterly, the councils' primary aim is to co-ordinate local employment services. In the region of Estrie, for example, this council includes the regional Director General of Emploi-Québec, six representatives from union organisations, six employer representatives, four representatives from the training sector and two representatives from community organisations, as well as one representative from each of the three government ministries (Education, Industry, and Immigration). The council identifies challenges in the regional labour market, helps formulate and approves a regional action plan for employment measures to address those challenges, and proposes programmes and initiatives to the Labour Market Partners Commission (*Commission des partenaires du marché du travail*).

At the regional level, in addition to the CRPMT, there is the regional administrative forum (*conference administrative régionale)* which brings all Ministries and agencies operating in the region together about every three months. The purpose of these meetings is to inform actors of new developments within a ministry and to identify areas of collaboration, while avoiding overlap. At the regional municipal county level, the local development centres (*centre local de developpement*) bring key local employment and education players together as part of the economic development planning processes.

In some cases, local consultation committees are formed to respond to specific local labour market issues. In Shawinigan, a Diversification Committee (*committee de diversification)* meets every three months with the goal of attracting important economic development projects into the city. The diversification committee was originally formed following the closure of one of the major employers to administer funds that had been established to help diversify the city's economy. The Committee became a vehicle for bringing together the economic,

employment and education actors in a way that promoted common planning and co-ordinated action. The Diversification Committee brought local organisations and actors to produce a local action plan that then guided the activities of the individual actors. Significant local resources were committed to the plan and a number of innovative arrangements used to make various funding streams work together.

One of the priorities identified by the committee was to promote a culture of entrepreneurship with the municipality noting that many dynamic small businesses would be needed to replace the large employers who had left the region. This led to the establishment of an incubation hub and training centre in an abandoned factory. The innovation centre (*centre d'innovation*) involves a high degree of interaction between local stakeholders and creates a focal point for the city's strategy of developing and attracting start-ups. The centre offers space to new businesses on a commercial lease basis and has resident capacity to provide training, establish mentorships and promote interactions among entrepreneurs in the community.

In Estrie, the local development centres appear to have strong relationships with the universities. Inopol (the local development centre in Sherbrooke) and the University of Sherbrooke work closely together on bioscience projects. Its other associations with the university and colleges are linked to its other fields of interest in the Townships' regional niches (*créneaux d'excellence*).

1.4 Evidence-based policy making

Ontario

There is a labour market and information research unit within MTCU, which produces a series of comprehensive reports about labour market trends within the Employment Ontario regions. In terms of monitoring employment service providers, Ontario has invested in a case management system that tracks the majority of clients supported by Employment Ontario programmes and services. While this system tracks client outcome information, the extent to which the Ministry tracks the net benefits (e.g. the incremental impact) of its employment programmes and services to unemployed job seekers is unclear.

One challenge in terms of data collection and analysis in Ontario relates to the poor correspondence between Statistics Canada's Economic and Employment Insurance Regions and Employment Ontario regions. The geographic boundaries are different, which limits the use and applicability of information. Furthermore, the Employment Ontario regions do not align with functional travel to work areas. Their geographical coverage is quite wide, which limits the ability to ascertain more specific local labour market characteristics. Furthermore, the boundaries of CMSMs, which deliver a number of social services and programmes do not align with geographical units of analysis undertaken by Statistics Canada (e.g. Census Metropolitan Areas, Census Division, and Census Sub-division).

Actors in both case study areas extensively use census data produced by Statistics Canada. The Census has historically contained a wealth of information used to establish labour market trends, which are broken down at the local level. The Labour Force Survey is also frequently used but there can be reliability and suppression issues when data is disaggregated to the local level. With the elimination of mandatory reporting on the census long form, there may be repercussions for local information generation. The first release of data from the new National Household Survey occurred on May 8, 2013. A note accompanied the results stating "estimates and trends from other data sources suggest that certain population groups may be overestimated or underestimated." The overall impact will take time to assess.

Locally available data is used quite comprehensively to inform local strategies and programmes. In Hamilton, McMaster University worked with the Hamilton Spectator (the local newspaper) using Statistic Canada's data to gather information on the concentration of individuals living in poverty in central Hamilton. This information and evidence was a catalyst for local strategies, which targeted individuals living in poverty in these areas. In Thunder Bay, a policy institute has recently been created for Northwestern Ontario to expand the availability and use of locally based information.

As highlighted earlier, the Workforce Planning Boards undertake comprehensive local labour market reports, which identify trends, opportunities, and priorities for their region. Their research and publications provide up-to-date labour market information that can help job seekers and employers make informed decisions about careers, education, employment and business plans.

Quebec

Québec's regional approach provides particular strengths when it comes to the production and use of evidence and information. The 17 administrative regions of Quebec correspond to Statistics Canada's economic regions so data generated is available to the regions. As all ministries use the same regional boundaries, data co-ordination is aided by the use of identical administrative boundaries.

Census data is used extensively and contains a wealth of information used to establish labour market trends, which are broken down at the local level. The Labour Force Survey is the other national data source used extensively by the regional economists. Emploi-Québec also conducts short-term labour market prospective exercises (on four-year periods) covering the province as a whole and each of the 17 regional directorates. These exercises provide Emploi-Québec staff, as well as all concerned participants, with relevant information on salaries, demand for labour, estimated unemployment rates and assessments of job prospects for a number of trades and professions. In addition, ad-hoc surveys are also conducted regionally to determine supply and demand of labour (as well as potential employer reported shortages and training requirements).

Quebec ministries still dominate the production of regional data, the bulk of which is carried out from their headquarters. The exception to this is Emploi-Québec, which has a regional economist in each Regional Office. Funding allocations and operational decisions are made based in part on the use of information provided by these economists from their analysis of statistical data.

There appears to be good capacity at the regional level to use data and information to inform local strategies. The Estrie region recently completed a major study on public transportation which looked at the availability of public transport across the region and its impact on access of jobs. In 2010, the Mauricie region completed a similar study and had undertaken travel to work analysis for the Trois-Rivières and Shawinigan areas.

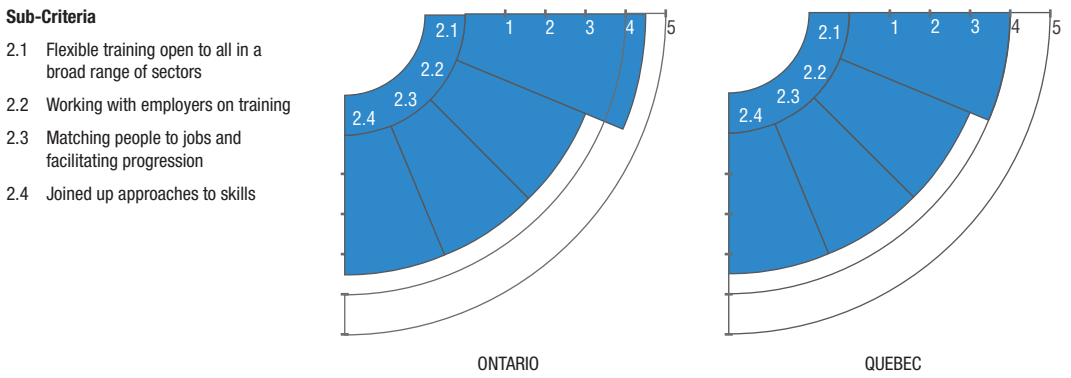
The various data available to Emploi-Québec's regional directorates are very frequently used for regional planning purposes and help to check whether outcomes have in fact been achieved, in particular with regard to labour market trends and the characteristics of client groups. For Emploi-Québec, regional budget allocations are based on data covering a number of socio-economic variables, including data on the characteristics of businesses, labour, employment insurance providers, and social welfare recipients. The use of budgets according to employment measures, including the use of training, is established on the basis of regional labour market characteristics. Assessments are made regularly, and

budgets are tracked continuously in order to ensure that the use of employment measures and services is adjusted regularly.

Performance is monitored using quantifiable targets that are set in conjunction with Emploi-Québec's annual planning cycle and in the regional action plans. For example, the 2011-12 targets for Estrie included: the number of new cases, number of new cases involving EI recipients; number of new cases involving social assistance recipients; number of new cases involving immigrants; persons assisted in finding work; number of EI claimants assisted to find work; number of persons on social assistance assisted finding work; number of social assistance recipients who were assisted who had no major barrier to work; number of businesses assisted for the first time; and, number of apprentices registered.

Theme 2: Adding value through skills

Figure 5.6. **Dashboard results: Adding value through skills**



2.1. Flexible training open to all in a broad range of sectors

Ontario

Ontario's 28 publicly funded community colleges offer a range of training opportunities for individuals which can be adapted to employer demand. Colleges are known to be flexible, responsive to local labour market needs, and accessible to learners from different backgrounds. They play a key role in providing occupationally oriented education and training. This includes a range of modular and after-hours training, which is linked to the Ontario Qualifications Framework (OQF). The OQF is part of Ontario's strategy to improve the quality, accessibility, and accountability of its postsecondary education system by offering descriptions of credentials and apprenticeship certificates. The main purpose is to outline the knowledge and skills that should be expected of holders of each type of qualification and the relationship between qualifications. A large number of programmes also include a focus on developing high-level generic skills, such as networking, communication, leadership, innovation, and problem solving.

At least 12 of Ontario's colleges operate on a year round basis and offer a range of co-op opportunities, which combine classroom study with practical work-based experience. There are some colleges, which offer online learning courses. Colleges participate in the delivery of the Second Career programme, which was introduced to activate recently laid-off individuals by providing long-term skills training into high-skill, demand occupations.

Both Mohawk College in Hamilton and Confederation College in Thunder Bay deliver training programmes, which are funded through the Ontario's government Second Career Programme (see Box 5.2).

Box 5.2. **Ontario's Second Career Programme**

The objective of the Second Career Programme is to provide laid-off workers and unemployed individuals with long-term skills training to help them find employment in occupations with demonstrable labour market prospects in Ontario. Eligibility is for individuals who have been laid off since January 1, 2005 and are unemployed or working an interim job; and are choosing to retrain for a career that is in demand. Individuals are not required to be eligible for Employment Insurance (EI).

The programme provides financial support for tuition, books, travel and other expenses to help eligible workers participate in training programs. Individuals are eligible to take college training programmes in a range of occupations ranging from plumbers and electricians to community and social service workers, and early childhood educators. Individuals may qualify for financial support of up to CAD 28 000.

Source: Ontario Ministry of Training, Colleges, and Universities (2010a), Second Career Programme, programme information, Toronto, Canada.

There are a number of programme options for adults who wish to enrol in continuing education programmes. For example, Mohawk College in Hamilton has 46 000 continuing education enrolments – three times as many as its full and part time enrolments. Training can be customised to employer requirements and developed as part of a company's career management process. To improve access and interest in pursuing vocational education among youth, Mohawk College in Hamilton has introduced a fidelity programme called the Future Ready programme. It is a reward programme that allows students to accumulate points that can be used to help lower the cost of tuition fees. Students accumulate points by participating in activities and related events hosted by the college that highlight postsecondary pathways and clarify career options. The programme enables prospective students to earn up to 1 000 points that they can use to help pay for tuition when they enrol in a full-time Mohawk College programme (Mohawk College, 2013).

Quebec

Quebec has some 48 CEGEPS offering two streams of education: *1)* preparation for university studies and *2)* technical training. All studies lead to certificates – either a DEC or an AEC (see Chapter 3). In addition, 70 school boards offer curricula leading to a Diploma of Vocational Studies, an Attestation of Vocational Specialisation or an Attestation of Vocational Studies. The duration of study varies by programme. There are 130 programmes leading to a Diploma of Vocational Studies, 24 to an Attestation of Vocational Specialisation and 36 to an Attestation of Vocational Studies, offered in 21 training sectors.

The CEGEP in Sherbrooke is the largest outside of Montreal and has approximately 6 200 students studying in 32 programmess (23 technical programmes) covering a broad range of sectors. The CEGEP in Trois-Rivières has 4 400 students with 14 pre-university programmes and 26 technical programmes. Additionally, there are 3 000 students involved in continuing education.

Not all courses are available in all locations. In Shawinigan, Trois-Rivières, and East Angus, for example, students must in some cases travel elsewhere for some courses that are offered by the vocational education institutions in other areas. Sherbrooke is well-served by a university and a CEGEP. The fact that course are not always available may be related to insufficient demand locally but it could also be the result of the process for provincial authorisation to deliver certain types of programmes. As highlighted earlier, CEGEPs must receive central authorisation to deliver training programmes and it is difficult to launch new training programmes which respond to local demand.

CEGEPs are building up after-hours training but these efforts are not as well developed as other provinces, such as Ontario. Programmes to support part time training through loans and grants are not as well developed as those for full time studies. CEGEPs do special training programmes, which are generally paid for by employers. These programmes are responsive to employer needs and developed in close collaboration with the company commissioning the training. However, this tends to be larger employers with SMEs being more difficult to engage.

2.2. Working with employers on training

Ontario

While service providers under Employment Ontario work with employers to match unemployed people to jobs, local stakeholders indicated that there is little opportunity for service providers to engage employers in efforts to promote workplace training. While the Workforce Planning Boards publish comprehensive local labour market reports, they are able to do limited outreach to employers to increase and promote workplace training opportunities. This may relate to the lack of existing programmes, which allow employers to be directly engaged. The recent report on the Reform of Ontario's Public Services recommended that the Ministry of Training, Colleges, and Universities direct Workforce Planning Boards to encourage employers to increase investments in workplace-based training (Drummond, 2012).

Ontario's colleges appear to have good working relationships with a number of local employers in their communities. Employer satisfaction with training that is undertaken is high in both Thunder Bay and Hamilton. In a survey of employers who hired college graduates in 2011-12, 97.5% indicated that they were very satisfied with the quality of their training at Confederation College, while at Mohawk College, 94.3% reported very high satisfaction. At Collège Boréal, 85.7% of employers reported a high satisfication rate (MTCU, Key Performance Indicators Colleges 2013). As highlighted earlier, each college has a Programme Advisory Committees (PAC), which is composed of employers to assist in keeping the programmes offerings relevant and can alert the colleges to training gaps. Both Confederation College and Mohawk College have PACs for the majority of their programmes.

SMEs are much more difficult to engage and in Ontario, there does not appear to be any targeted programmes, which specifically focus on their training needs. Ontario has attempted to increase the supply of skilled trades by encouraging young people to choose apprenticeships. In 2009, the Ontario College of Trades was established to regulate the trades and promote the trades as a career. As an independent, industry-driven body, the College of Trades is raising the profile of and promoting involvement in skilled trades. The College was introduced to make the system of apprenticeship training more responsive to the evolving skills and training needs of Ontario employers and consumers. The College of Trades is governed by a Board of Governors that is comprised of 21 members representing both employers and employees in the sector and the general public.

The Ontario government has committed to increasing the number of apprenticeship training opportunities. The Ministry of Training, Colleges, and Universities has a number of apprenticeship offices in regions across Ontario, which supports individuals and employers in apprenticeship programmes. Ontario has apprenticeship programmes for more than 150 trades across the four sectors of construction, industrial/manufacturing, motive power, and services. The Ministry of Training, Colleges, and Universities has produced fact sheets for the 58 most popular trades. There are also a range of programmes available to both individuals and employers from both the federal and Ontario government to encourage apprenticeship training opportunities. Employers have access to signing bonuses and tax credits (see Box 5.3) while individuals have access to grants, scholarships, tax deductions and loans for tools.

Box 5.3. **Programmes to encourage employers to participate in Apprenticeship Training**

Employer Signing Bonus: The CAD 2 000 Employment Signing Bonus encourages employers in the trades to register new apprentices in sectors where there is a high demand for skilled workers. This initiative assists employers to hire and register apprentices who have left school and require upgrading to meet the registration standards for apprenticeship training.

Apprenticeship Completion Grant: The Apprenticeship Completion Grant (ACG) is a taxable cash grant of CAD 2 000 maximum available to registered apprentices who have successfully completed their apprenticeship training and obtained their journeyperson certification in a designated Red Seal trade on or after January 1, 2009.

Apprenticeship Training, Tax Credit: The Apprenticeship Training Tax Credit (ATTC) is a refundable tax credit. It is available to employers who hire and train apprentices in certain skilled trades. The Canada Revenue Agency (CRA) administers the programme on behalf of Ontario through the federal income tax system. The ATTC is based on salaries and wages paid to an apprentice. The maximum credit for each apprenticeship is CAD 10 000 per year. The maximum credit over the first 48-month period of the apprenticeship is CAD 40 000. The ATTC is available to Ontario businesses that hire and train apprentices in certain skilled trades.

ACGs and ATTCs are also available in other provinces, including Quebec.

Source: Ontario Ministry of Training, Colleges, and Universities (2010b), Apprenticeship Training in Ontario: A Guide for Employers and Sponsors, Toronto, Canada.

Both Colleges in Hamilton and Thunder Bay have active apprenticeship programmes. Mohawk serves 4 500 apprenticeship students annually, and is one of the largest trainers of apprentices in Ontario. ArcelorMittal Dofasco in Hamilton has one of the largest apprenticeship training programmes in Ontario with CAD 100 million invested in the past ten years. One of North America's leading steel operations, the company hires about 30 apprentices each year and currently employs about 1 600 qualified tradespeople in 13 trades. By 2018, Mohawk college is committed to transforming the delivery of apprenticeship programmes by: employing back-to-back education modules, blended and online learning to reduce the time apprentices are away from the workplace and accommodating employer workload priorities, resulting in improved apprenticeship completion. The college is also looking at enabling apprentices to complete portions of their workplace hours by expanding the in-school component to include real world, living lab work experiences and co-op placements.

Ontario has an Aboriginal Apprenticeship Board (AABO) that promotes apprenticeships among the provinces aboriginal youth. Programmes are particularly active in the Northern part of the province where resource development is bringing employment opportunities closer to aboriginal communities. Recently, the creation of the Centre for Aboriginal Apprenticeship Research (CAAR) was introduced, a new programme offering a unique apprenticeship and pre-apprenticeship training model to the surrounding First Nation communities.

Thunder Bay's Confederation College provides pre-apprenticeship training to strengthen academic and work skills to increase successful completions while Aboriginal Skills Employment and Training organisations promote apprenticeships in aboriginal communities, identify promising candidates and developing partnerships with employers like Detour Gold a mining company near several remote communities that will require 500 on site workers. These intensive programmes with Aboriginal communities are increasing the number of apprenticeships among aboriginal youth.

Quebec

Each local employment centre has a team dedicated to business services, which does outreach to businesses and co-ordinates the measures and services offered to them in the area of human resource management and employee training. These teams are small and interact principally with larger employers and those businesses that have a relationship with the local employment centre. With regard to recruiting, a number of employers use private recruitment agencies for higher skilled jobs. The needs of SMEs are sometimes grouped to provide a more accessible and effective response.

The Labour Market Partners Commission *(Commission des partenaires du marché du travail*) has a number of levers it can use to influence incumbent worker training, including administering the Act to promote workforce skills development and recognition (see Box 5.4). The Commission establishes relations with some 30 sector work force committees.

Each administrative region has a labour market partner council devoted to more local decision-making related to work force training and development. Emploi-Québec supports these regional activities and sits on the various committees that have been set up for consultations between employers, educators, trade unions and other local partners. The role of CEGEPs and other colleges in the realm of co-ordination with employers is particularly important as they maintain contacts with them while providing a substantial portion of the training available for employed workers. CEGEPs also play an important role in technology development and transfer for industries in their regions.

School boards also play an important role in adjusting to the needs of businesses. They offer the bulk of the educational training required by apprenticeship programmes in Quebec. About forty of them are offered through the Red Seal Programme to allow mobility between provinces. In Quebec, apprenticeship sometimes raises concerns, with long periods to complete training and apprentices abandoning their training, but efforts are being made to promote and bolster apprenticeship programmes. Moreover, the Labour Market Partners Commission aims to make apprenticeships more attractive through the skills development and recognition framework and the Workplace Apprenticeship Programme (see Box 5.5).

Box 5.4. **The Act to promote workforce skills development and recognition**

The Act to promote workforce skills development and recognition has been in place in Quebec for nearly 20 years. All companies registered in Quebec with a payroll exceeding CAD 1 000 000 are required to invest at least 1% of their payroll in training, or pay an equivalent amount to the province's Workforce Skills Development and Recognition Fund. The purpose of this Act is to improve workforce qualifications and skills through investment in training, concerted action between management, unions and community partners and the education sector, the development of training modes and the recognition of employed workers' skills.

A review of the Act was completed by Paul Bélanger and Magali Robitaille in 2008. The review found that Between 1997 and 2002, participation in workplace training in Quebec increased significantly; from 21% to 33% – the fastest growth rate in Canada. The report shows that over the six-year period, Quebec dramatically closed the gap with the average Canadian rates of participation in training (though Quebec still lags slightly behind the national average).

There have been several changes to the Act since it was first introduced in 1994. In 2001, the Labour Market Partners Commission adopted a General Framework for Skills Development and Recognition to support formal workplace training. In 2007, the Act to promote workforce skills development and recognition authorised the Ministry of Employment and Social Solidarity to issue vocational qualification certificates to any person meeting the requirements for skills recognition under a workplace skills development strategy. By virtue of that same Act, Quebec's sectoral workforce committees are responsible for developing vocational standards and workplace apprenticeship strategies, which Emploi-Québec then applies and makes available to businesses.

In 2003 the original threshold which included all firms with a payroll of CAD 250 000 was raised to its current level of CAD 1 000 000 exempting 70% of the firms originally covered by the Act.

Source: Bélanger, P. and M. Robitaille (2008). *A Portrait of Work-related Learning in Quebec*, Work and Learning Knowledge Centre, Ottawa, Canada.

Box 5.5. **Workplace Apprenticeship Programme**

The Quebec educational system offers a number of vocational and technical training programmes that provide access to the labour market. As an alternate pathway for those who are already employed and for businesses, the Labour Market Partners Commission and Emploi-Québec offer workplace apprenticeship programmes on a voluntary basis.

The Workplace Apprenticeship Programme (*Programme d'apprentissage en milieu de travail*, PAMT) develops labour force skills via a shadowing scheme. An experienced worker plays the role of "buddy" and passes along to the apprentice the skills needed to fully master the trade. This is a simple and flexible way of imparting knowledge, and above all it is one well suited to the everyday realities of the workplace. For some trades, other types of strategies are used: self-apprenticeship, e-learning, and mentoring.

Apprenticeship follows a structured learning plan and is based on vocational standards formulated by industry-wide labour committees. The standards describe the skills specific to each trade and enjoy broad consensus thanks to consultations with the employers and workers concerned.

Box 5.5. **Workplace Apprenticeship Programme** *(continued)*

There are workplace apprenticeship programmes for over 70 trades – a number that is rising steadily, according to the needs of employers. These include traditional trades and more contemporary ones, such as that of a video games tester.

To take part in the PAMT, businesses must simply ensure that their facilities and working conditions are suitable for apprenticeship. Emploi-Québec lends support throughout the duration of the programme and supplies the tools needed for training free of charge: an apprenticeship notebook for apprentices and a guidebook and briefing session for buddies. Apprenticeships vary between three and 36 months, depending on the trade and the apprentice's prior experience. Apprentices must be at least 16 years old and be employed by the business. Apprenticeships are taken on voluntarily and may be ended at any time.

At the end of the apprenticeship, the vocational qualification certificate issued by Emploi-Québec constitutes official recognition and attests that the worker has mastered the skills needed to practice the trade. In the event of partial success, a certificate of mastered skills specifies the abilities that the person had acquired at the time the process was terminated.

Source: Emploi-Québec (2014), *Workplace Apprenticeship Programme*, available at www.guide-qualification.emploiquebec.gouv.qc.ca/normes-professionnelles/liste.asp.

2.3 Matching people to jobs

In both Ontario and Quebec, employed and unemployed individuals have access to the Job Bank administered by Service Canada. In Quebec, they also have online access to labour market information and to Emploi-Québec's online placement service. These web portals provide electronic listings of jobs provided by employers from everywhere across Canada. They include training, career, and worker information to help provide individuals with information on potential career opportunities as well as the required skills and knowledge to work in various occupations and sectors.

Ontario

As part of the Employment Ontario performance management framework, employment service providers report on the number of employed clients after six months so this creates an incentive to match job seekers to sustainable jobs. During the OECD study visit, local stakeholders noted that as unemployment rates have improved, the remaining unemployed are challenging clients with multiple barriers to re-entering the labour market making them more difficult to find a successful job match. It was indicated that within some employment service providers, there are individuals who attempt to build strong relationships with employers which support matching unemployed people to jobs.

Career guidance is being redesigned to target younger students to ensure young people have good information to make labour market decisions and to ensure that postsecondary educational pathways are clearly articulated into either college or university. Ontario's colleges engage in a number of activities to ensure high school students are aware of their programme offerings. Efforts are made along with high school career counselling often in the second year of secondary education to create awareness of college offerings. A number of dual credit programmes are being offered that allow high school students to complete their studies while at the same time beginning a college programme. For example, the

Mohawk College Bridge Programme allows students to simultaneously complete two credits towards their Ontario Secondary School diploma while gaining two elective credits towards their college programme as a part time college student at Mohawk.

Ontario's Workforce Planning Boards take an active role in producing local labour market information that can inform career guidance programmes. Hamilton Workforce Planning supports an employment "crawl", which is designed to connect employers and university graduates (see Box 5.6).

Box 5.6. **"Hamilton Employment Crawl"**

Each year McMaster University, in conjunction with Hamilton employers and supported with labour market information from Workforce Planning Hamilton, organises tours of local companies. "Crawls" are organised by sectors and each crawl involves visiting five enterprises to hear directly from management and staff what is happening in their field as well as upcoming job opportunities.

The tours are followed by a networking opportunity with employer participants at a reception hosted by the University ("Employment Crawl"). Recently, four crawls were offered focusing on areas identified by economic development as targeted growth areas for the city. The four fields were:

- Manufacturing/Clean Air and Technology
- Creative Industries and Communications
- Food Processing/Goods Movement and Transportation
- Life Science and Health Care

Workforce Planning Hamilton produced a brief "Employment in Hamilton" providing participants with employment growth data by industry and occupation as well as the top 10 growth occupations with forecasted requirements.

Source: McMaster University (2013), Hamilton Employment Crawl 2013, available at http://studentsuccess.mcmaster.ca/students/careers/events/networking-events/hec.html.

In Thunder Bay, the North Superior Workforce Planning Board conducted an Aboriginal Trades and Employment Symposium. Held in partnership with Northwest Training & Adjustment Board and the Sioux Lookout Area Aboriginal Management Board, the one day event – held once in Dryden and once in Thunder Bay – saw Aboriginal peoples (First Nations, Métis, and Inuit) living in Northwestern Ontario come together to learn more about the apprenticeships and trades opportunities within sectors such as mining and forestry. Information was presented on academic requirements necessary for entering these fields and apprenticeship opportunities that were available to them. Representatives from industry, unions, colleges, and training institutions were present to speak with participants about their career goals and direct them toward opportunities that might help attain these goals. Information was disseminated through presentations, booths, literature and one-on-one conversations.

Quebec

In addition to the universal placement and labour market information services available on its portal, placement assistance activities are carried out in Emploi-Québec's network. In making job placements through these activities, Emploi-Québec officials attempt to match job-seekers and firms to produce stable, long-term employment. Follow-up on individuals is conducted, subject to staff availability. Informal relationships are forged between the CLE and employers to help promote sustainable employment placements. Staff indicated that their credibility with employers is critical and they do their best to maintain good relationships by promoting good job matches. Interviewees in both Trois-Rivières and Sherbrooke spoke of an increased number of clients facing multiple barriers to employment, demanding more resources of the client service team. Employer service staff follow-up as part of their mandate, but limited resources prevent them from contacting each employer and every person placed.

In Québec, career counselling for youth is handled by secondary schools and colleges, employability development organisations and local youth employment centres (c*arrefours jeuenesse-emploi*). Despite all this, young people sometimes seem at a loss about where their careers are heading. The committee for professional and technical training (*comité de la formation professionnelle et de la formation technique)* in Mauricie brought together the various actors associated with education and the workplace to complete a study of students in the three CEGEP/colleges in the region in 2010. The study indicated that 40% of students were choosing their course of study without any indication of what field of work they would be entering.

A great deal of effort has been placed on making labour market information available to youth through web based applications and to extend conversations about career choice to students in secondary school. Each local youth employment centre offers career counseling for job seekers and the CEGEPS have an orientation service to help students select a course of studies that corresponds to life choices they are making. As part of this counseling, individuals are exposed to labour market information showing where growth in labour demand is occurring.

The local youth employment centres work closely with both the educational sector and the local business community. Projects to orient youth in careers (in particular those at risk of dropping out) have been developed with school boards across the province. IDEO 16-17 use an intensive approach with 16 and 17 year olds in establishing life and career goals and setting academic objectives to meet those goals. Participants are assigned a mentor who works with the student for up to a year meeting regularly providing advice and guidance and helping arrange resources if necessary.

In addition to intensive programmes, the local youth employment centres hold job fairs that bring together local employers and those seeking to establish themselves in the labour market. *Prioité Emploi Estrie* is an annual weeklong event involving local economic development actors, the Chamber of Commerce, *Emploi-Québec*, the local youth employment centres, services for new Canadians, the regional council of elected officials, several economic development councils and the local newspaper. Held in Sherbrooke in March 2012, the event has over 85 organisations sending representatives, offering some 2 000 jobs – over 5 000 job seekers visit the job fair.

2.4. Joined-up approaches to skills

Ontario

In Hamilton and Thunder Bay, economic development officials recognise the importance of attracting and retaining talent for local growth. Local strategies have been taken to ensure that inward investors have been supported through a skilled workforce. In Hamilton, Maple Leaf foods established a new processing plant in the region, which was supported by the development and delivery of a new training programme to develop the skills of employees at the facility. This initiative was supported by the Workforce Hamilton Board and economic development officials within the City. This example demonstrates the significant capacity in Hamilton to build strong connections among the key players in the local area involved in skills activities.

In Thunder Bay, there is a strong recognition that joined up approaches to skills need to be strengthened. A couple of large employers do participate in training development and employment groups but the remoteness of their location complicates participation in these types of initiatives. During the OECD study visit, it was highlighted that many service providers try to do outreach following a hub and spoke model but traveling to stakeholders across a vast area consumes resources. Local stakeholders acknowledged that they do a better job of preparing people to enter the workforce than at up-skilling the existing workforce to attract value added jobs and investment. Local stakeholders recognise that the relationship between economic development and postsecondary education could be further strengthened to better support potential inward investors into the Thunder Bay region. Within the mining sector, many employees are employed based on a "fly-in, fly-out" model, which limits the economic development benefits for the local community.

Quebec

In Quebec, the smaller communities appear to have recognised and have established effective joined up mechanisms for working together. The larger centres of Sherbrooke and Trois-Rivières integrate their activities through close partnerships with the universities in their communities. Trois-Rivières has been expanding an aviation park, which requires the identification of skills needed and a recruitment process to bring these individuals into the local community. In Sherbrooke, the health and bio-sciences sector have created a nexus of joined up activity between the University, CEGEP and local development centres.

Shawinigan has built a local skills strategy around creating more SMEs and expanding entrepreneurship. As briefly highlighted earlier, the city has established a new Entrepreneurial Centre that will develop business people and incubate businesses ideas (see Box 5.7). The CEGEP has developed a programme for entrepreneurs and modified its curriculum in the trade's area to promote self-employment and small business development.

Haut-Saint Francois has looked for opportunities that allow it to leverage its proximity to Sherbrooke identifying niches of small activities that promote local economic activity. For example, a recycling facility is being established that will process organic waste from Sherbrooke.

Box 5.7. **Diversification Committee and Entrepreneurship Centre, Shawinigan (Comité de diversification et Centre d'entrepreneuriat, Shawinigan)**

Entrepreneurial activity is seen as one of the keys to diversifying the local economy of Shawinigan. For many years, Shawinigan was an industrial town built around its large electric power facility and heavy industry. Industrialisation brought steady well-paying work in forestry, aluminium production and textiles. The city became a victim of structural changes in the global economy with many employers shutting down their operations. With the impending closure of another enterprise in 2009, prominent people in the community were brought together to look at the future of the city considering its strengths and weaknesses. Based on this collaboration, the city is pursuing an approach that looks to develop a community of entrepreneurs and small business operations as a sustainable economic base.

What is of particular interest about this approach is the partnership of a number of different actors each guided by a different policy focus (e.g. economic development, education or employment) to implement a local horizontal approach. The mechanism for this integration was a small amount of funding directed to the municipality by a departing employer.

A Diversification Committee was established composed of key funding and government agencies. The committee realised that in order to be effective, they would have to create a common local plan that would inform their vertical accountabilities. Specific areas of collaboration have been the strategic use of non-governmental and governmental funding to maximise total grants. An entrepreneurial forum was created to:

- Promote entrepreneurism as a career.
- Increase the percentage of individuals choosing an entrepreneurial path.
- Develop entrepreneurial attributes among the youth.
- Grow synergies among organisations that develop the economy and community.
- Recognise creativity, solidarity and communal engagement.

In collaboration with the school commission, Shawinigan opened the entrepreneurship centre in 2013. It represents a unique project in the province of Québec positioned as a tangible action brought about by the entrepreneurial forum with the collaboration of the Diversification Committee.

The entrepreneurship centre is located in an old textile factory which has been completely renovated. The city of Shawinigan advanced CAD 3 million for the project with approximately CAD 2 million coming from other sources. The entrepreneurship centre offers skills development programmes along with other supports that will allow the growth of a critical mass of entrepreneurs. Future entrepreneurs will be supported over a 5 year period:

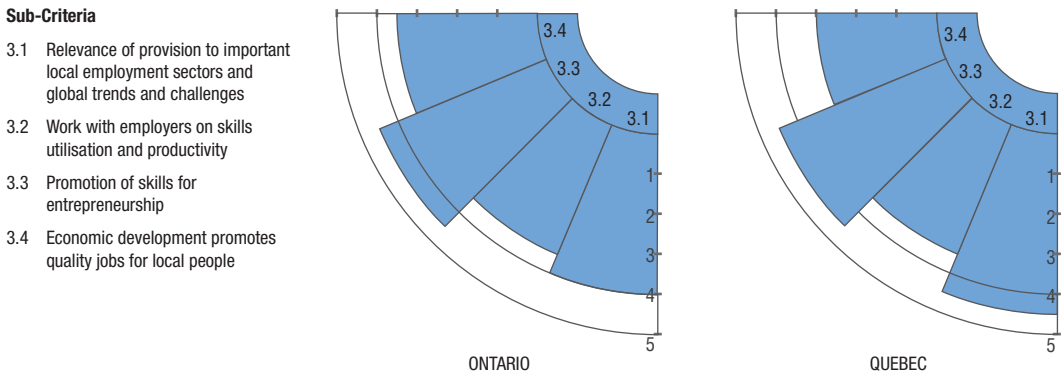
- The first 18 months focused on training and start-up.
- The second 18 months will be dedicated to management and operations within space provided in the Centre.
- The final two years will be given to consolidating the operations of the new enterprise and its relocation into the community.

The textile factory will rent commercial and office space at market rates to established businesses as a way of generating revenue for the centre.

Source: Ville de Shawinigan (2013), *Centre d'entrepreneuriat Shawinigan*, available at www.shawinigan.ca/Affaires/centre-d-entrepreneuriat-shawinigan_12.html.

Theme 3: Targeting policy to local employment sectors and investing in quality jobs

Figure 5.7. **Dashboard results: Targeting policy to local employment sectors and investing in quality jobs**



3.1. Relevance of provision to important local employment sectors and global trends and challenges

Ontario

As previously highlighted, local analysis on employment sectors is carried out by the Workforce Planning Boards. These boards look at local labour market trends across their region, which inform training provision at the colleges in Hamilton and Thunder Bay. In Thunder Bay, the North Superior Workforce Planning Board (NSWPB) has been recently focused on the mining industry expansion in the region and has published in conjunction with the Mining Industry Human Resources Sector Council (funded in part through ESDCs sector council programme) a report on expected regional job growth in that industry. The Board is currently working with individual mine operators to better develop labour market intelligence on demand for mining skills in the region.

Informed by sector studies conducted by the Northern Superior Workforce Planning Board, Confederation College is supporting the Northern medicine initiative and focusing on mining readiness in anticipation of strong developments in that sector. NSWPB has partnered with Employment Ontario, North West Local Health Integration Network, Northwest Training & Adjustment Board, and *Réseau du mieux-être francophone du Nord de l'Ontario* to conduct a comprehensive study outlining the major human resources needs within the health sector across Northwestern Ontario over the next 5-10 years.

Hamilton is one of a few Canadian cities, which have taken a cluster-based approach, focusing on specific industries and sectors that can help to diversify its local economy. The economic development office of the city has identified six key clusters for business development, which include advanced manufacturing, agribusiness and food processing, life sciences, goods movement, creative industries, and clean technology. During the OECD study visit, it was noted that both small and large businesses in Hamilton see benefits from clustering including a local specialisation in labour skills, higher density of supplier networks, and knowledge spill overs from across firms working in the same industry.

One of the City's earliest investments in innovation and technology was the Hamilton Incubator of Technology (HIT). In 1993, a CAD 4 million municipal investment launched the opening of a modern 40 000 square foot building. Over the past 16 years, the Hamilton incubator has been home to dozens of early stage technology-based businesses including: advanced manufacturing and materials, biotech, environmental, information and communication and health care or medical devices. These early stage companies employ a high percentage of technicians, engineers or scientists who engage in extensive R&D to produce new products and services and support Hamilton's broader economic development objectives. In 2009, the City of Hamilton changed the name of the incubator from HIT, to the Hamilton Technology Centre (HTC) assigning programming responsibilities to the Hamilton Small Business Enterprise Centre.

In the goods movement sector, the Hamilton Workforce Planning Board's 2013 Labour Market Plan notes that there have been several recent economic development advancements within the sector. The port of Hamilton has been the recipient of investments totalling CAD 100 million. The Hamilton Airport announced plans for a CAD 12 million cargo terminal in January 2013. The facility is expected to generate 400 direct and indirect jobs. In November 2012, Workforce Planning Hamilton distributed an employer survey, which gathered information from 19 local employers about future employment and growth opportunities.

Quebec

Each region in Quebec has identified niche sectors which provide a focus for economic development activities. The niche sectors (*les créneaux d'excellence*) consist of a cluster of employers operating in the region who both co-operate and compete with each other. The firms are linked with universities, technology centres and training as well as information networks and business support. The actors are grouped in a defined territory where there are researchers, high-level workers, a skilled workforce and a community familiar with the industry.

Many local communities are also focusing on the benefits of the green economy. In Haut Saint Francois, efforts are being made exploit opportunities within this sector. As highlighted earlier, the area is planning to install an organic waste processing facility capable of taking in waste flow from across Estrie. The facility employs a mix of more skilled technical and lower skilled workers in the green sector. The CEGEPs are adjusting their curriculum to build opportunities in the green sector by increasing attention in traditional training to subjects like energy efficient construction and practices around waste handling and disposal as well as introducing programmes focused on wind power and solar energy.

Universities and CEGEPs have research and technology transfer facilities, which promote innovation in the local economy. For example, the CEGEP in Trois-Rivières has a technology transfer centre (Innofibre) which is specialising in cellulose based products bringing industry and applied research together and providing a training platform for students. In Sherbrooke, University Pole bring together eight higher education institutions who work in partnership to develop academic offerings to students, foster the emergence of collaborative research projects and transfers their knowledge to the population and business community to generate wealth. Thanks to University Pole, Sherbrooke hosts more than 40 000 students each year within its two universities and 4 colleges. Institutions can adapt their programmes according to the specific needs of businesses. The co-operative

programme is available in more than 40 educational programmes at the Université de Sherbrooke, producing highly qualified graduates who are ready for the workplace.

As stated earlier, each region has a regional labour market partners council composed of six members representing labour, six representing business, two members from local community organisations, four from educational institutions and the Regional Director General of Emploi-Québec, who serves as the council's secretary. There are also five observers, including the Director General of the Council of Elected Officials and the regional directors of ministries with employment- and labour-related portfolios. The regional council is responsible for identifying labour market problems and challenges in the region, developing strategies for the regional labour market and adapting programmes to local realities. The local economic development authorities influence labour force planning both from a global competitive perspective as well as local adaptation through the regional niches and priority sectors and through the regional economic development plan.

The regional council can establish particular areas for attention. In Mauricie, forest products remain an important industry even following significant consolidation. Labour force planning in this area is assisted through, *inter alia*, technical research facilities at the CEGEP in Trois Rivières specialised in pulp and paper under the name Innofibre, the forest products sector labour market commitee, Emploi-Québec and operators in the region. This close association of postsecondary institutions with public employment services and employers helps keep training relevant in a changing industry as well as altering the employment services of shifting employment requirements.

3.2. Work with employers on assuring decent work and skills utilisation

Skills utilisation entails how the workforce is structured and the relationship between an individual's skills and the needs of business. How efficiently employers are utilising the skills of their employees is not only a key to a firm's productivity, but to better working conditions and greater job satisfaction for employees, who can enjoy greater autonomy. Closer attention to how skills are harnessed limits exclusively supply-side or 'provider driven' training solutions, which in many cases fail to address the breadth of an enterprise's organisational context. Instead, employment and training organisations are encouraged to take on a workforce development role, from a standpoint of product development and innovation in the organisation of work (Froy, Giguère and Meghnagi, 2012).

Ontario

Previous OECD research looked at skills utilisation approaches in Ontario and demonstrated the important role that colleges can play in this area (Verma, 2012). This previous study highlighted efforts that were undertaken by Niagara Colleges to work with local employers to build high quality employment through centres of excellence, which incubate high-tech firms and attract high-skilled jobs. In Particular, Niagara College was very active in working with employers in the wine industry to support incremental innovation and evolve product market strategies. While colleges can play an active role, there is not an explicit policy focus on skills utilisation that has been articulated from the Ministry of Training, Colleges, and Universities.

In both Hamilton and Thunder Bay, specific initiatives to promote incremental innovation and assist companies in moving up product value chains were not observed. However, colleges in both regions have developed a capacity to build and deliver courses for business that can be tailored to their requirements. In addition, the large number of

courses in continuing education enables employers and employees to upgrade their skills. Some work has been done to try to bring several small employers together so that training can be given to larger groups at a lower cost but these arrangements are limited.

Larger employers generally have in place good human resource management systems that allow for the internal development and advancement of staff. In both Hamilton and Thunder Bay, there is collaboration in specific sectors between employers, the colleges and universities to ensure that skilling employees keep these industries competitive globally. Hamilton saw its steel industry restructure shedding thousands of jobs and changing the type of skills required of workers. ArcelorMittal (formerly Dofasco) has an effective professional human resources department that ensures that its workforce is constantly upgrading their skills to stay competitive in the global industry. Human resources staff participate in the local workforce planning activities and are active in promoting company needs to the college which works closely with the company to support its training requirements. In Thunder Bay, efforts are focused on the mining sector with North American Palladium and the forestry sector with Resolute Forest Products.

SMEs face significant challenges in this area. There is relatively limited ability to do significant HR planning work and in many cases relatively less formal training that has been undertaken by the owners or senior staff in HR management. Four agencies (the Chamber of Commerce, economic development, the Workforce Planning Boards and the colleges) are reaching out to employers in both case study areas but the large number of employers and the relatively few resources available to each organisation means the coverage is weak. In Thunder Bay, another issue relates to the "culture of mobility" among mine operators, who covers the travel for employees to fly into the community to work as opposed to providing training to up-skill workers in existing entry-level positions.

Quebec

In recent years, Emploi-Québec has been focusing on working with employers on human resource management practices under the assumption that employers who have good human resource practices tend to have better operations with more stable and productive employees. The resources available, however, limit the number of employers that can be visited. It is therefore also important to identify employers for which support could be useful. Other important factors are employer interest and availability, which vary but are lowest among small employers who are preoccupied with day-to-day operations of their company.

Sector labour committees supported by the Labour Market Partners Commission are taking a greater interest in developing workplace capabilities and are offering work analysis to facilitate job laddering within the sector. This can help employers look at internal development of employees as an option to external recruitment as well as better assist employees in making career decisions including investments in continuing education. Businesses could make greater use of this solution, given the recruiting problems in certain areas, and the fact that workforce ageing could exacerbate the difficulties in the future. An increasing role of the committees is to promote improvements in the organisation of work and better use of labour. Activities include sharing of best practices, thematic comparisons and pooled development of training.

Other agencies are helping businesses to tackle these issues, including the CLDs, school boards and CEGEPs. They are trying to convince firms to taker a broader approach to their immediate labour market requirements and to analyse all of their production processes, the organisation of work and their long-term development opportunities. This task being

a cumbersome and intensive one for businesses, in certain regions, such as Haut-Saint-François, these three institutions and the CLE have undertaken to share the firms' files in order to establish a deeper and more integrated relationship with local businesses.

Some CEGEPs are making especially strong commitments to this mission of promoting the use of skills within businesses, yet this task does not appear to figure prominently, as such, in their mandate. In some cases, CEGEP executives see it rather as a fundraising exercise against a backdrop of budgetary pressures, insofar as the funding of such activities may come from the firms, which may deduct the cost from their 1% training tax (only if their aggregate payroll exceeds CAD 1 million). As a result this function of fostering the use of skills will not be financed by government funding, but by raising funds from businesses in connection with their training activities.

Emploi-Québec in Mauricie has recently made efforts to assist local employers to attract and retain workers by developing guides and human resource management support tools. The Alliance of Chambers is working with Emploi-Québec to increase exposure of management practices to their members and identify firms that are having difficulties.

3.3. Promotion of skills for entrepreneurship

Ontario

Clients who are eligible for Employment Insurance have access to the Ontario Self-Employment Benefit, which provides unemployed people with income and entrepreneurial support while they develop and start their business. Successful applicants experience intensive business skills development training while completing a comprehensive business plan that fully supports their business idea. In addition, participants are provided with on-going business advisor counselling services and income support for up to 42 weeks while they develop and implement their business plan. Support for starting a business or becoming self-employed is also supported for non-EI eligible individuals through LMAs with the provinces and territory.

At the local level, Hamilton and Thunder Bay have a well-developed approach to promoting entrepreneurship. Both communities have created a fit for purpose approach to entrepreneurship building on the local assets and culture of their regions. Colleges in both regions have self-employment and entrepreneurial course work in most trade courses and offer additional stand-alone programmes.

The Thunder Bay and District Entrepreneur Centre is funded through a partnership between the Province of Ontario and the City of Thunder Bay and offers various small business seminars; guides and information packages specific to starting a business in Northwestern Ontario; information on government programmes and services and other financial programmes; assistance with preparing a business plan; and referrals to various agencies or resources.

The Northwestern Ontario Innovation Centre acts as a catalyst to create jobs by supporting innovative entrepreneurs to establish and/or expand their businesses. Aboriginal service providers also offer support to aboriginals looking to start their own business. In practice, there is a long culture of starting your own business in Northern Ontario and these new support capabilities are helping ensure a higher rate of success.

In Hamilton, the Hamilton Small Business Enterprise Centre (HSBEC) works within the City of Hamilton to provide a multitude of resources for entrepreneurs launching or expanding their business. The Innovation Factory (iF) helps advance Hamilton's

innovation community. In addition to providing expert resources for entrepreneurs and fostering connections across the community that accelerate growth, iF runs acceleration programmes. The notion behind the acceleration programme is that every person and every organisation can and should be innovative. Services are designed to help make this happen for entrepreneurs and companies in the start-up cycle and for established organisations.

The City and community partners felt that there remained a gap between available expertise and an "environment" for young companies to interact, collaborate and innovate. The newest initiative is a "made in Hamilton" response based on the successful model of the Innovation Synergy Centre of Markham (ISCM), Ontario. It will rely on public-private partnerships to address six key areas: Clustering of business resources; accessing university research, colleges and key researchers; providing business infrastructure support to growing businesses; accessing business mentorship networks; assisting with access to capital; and providing a Business Centre which will facilitate meetings in-person or remotely

The McMaster Innovation Park houses laboratory, office, teaching, training and conference facilities, in support of research and development in a number of key industrial areas: advanced manufacturing and materials, nanotechnology, bio-technology, and other areas in which McMaster University has recognised research strengths and fit within the key clusters of economic development.

Quebec

Quebec has a somewhat lower rate of entrepreneurial activity than the Canadian average over the last decade (Business Development Bank of Canada, 2012). However, it is taking measures to increase entrepreneurship and has been improving its position in recent years. Self-employment is promoted as an option in employment courses. It is also covered at the CEGEPs and school boards as part of their vocational and technical training.

Similar to Ontario, individuals who are eligible for Employment Insurance are also eligible for new business creation support via an employment measure known as "Support for Self-Employment". This measure is also available to individuals who receive welfare benefits. Financial assistance and technical support are provided for 52 weeks to develop a business plan and get a business off the ground.

In Mauricie, entrepreneurship is seen as the principle source of the region's future employment growth. As highlighted earlier, the Entrepreneurship Centre in Shawinigan is an example of a major push to promote and nurture SME development in that community. It has been estimated that there are about 50 organisations with the equivalent of 47 full time positions involved in the development and support of entrepreneurship. The CEGEP in Trois-Rivières offers an optional course in entrepreneurship and has an Enterprise Development Centre which has provided training and help for business for over 20 years. Additionally, there is a business transfer centre, which promotes good business practices across the region.

In Estrie, Bishop's university has the Dobson-Lagassé entrepreneurship centre, which has the mission of encouraging education and practice in entrepreneurship among students. The University of Sherbrooke has an entrepreneurship institute, which promotes student participation in creating new companies and offers a range of specific activities and services to support beginning entrepreneurs including courses and training programmes, faculties and guidance on business start-up processes.

3.4. Economic development promotes quality jobs for local people

Ontario

In Ontario, the dominant consideration for inward investments is the sustainability of the employers. Less attention is given to the types of jobs than the number of jobs. The types of jobs are indirectly influenced through the focus on building particular clusters. Hamilton promotes its proximity to large markets in both Southern Ontario (e.g. Toronto) and the United States, while Thunder Bay promotes it location as a gateway to Western Canada. Hamilton advertises the ease of doing business within the municipality and has built a model of situating its economic development group with the city administration as opposed to establishing an independent corporation.

Procurement practices and regulations focus attention on public value rather than employment and training objectives. During interviews conducted for this study, staff working in the area of infrastructure signalled that employment was not part of the criteria used in the selection of projects.

Thunder Bay has a living wage policy that stipulates that contractors with the city must pay a wage that allows the worker to have housing and live reasonably within the community. Hamilton has taken a similar approach to ensure that contractors with the city are paying sustainable wages. Living wage practices influence local businesses by setting a 'fair wage" for the local living conditions (see Box 5.8). These types of initiatives can provide an incentive for employer to further invest in the skills of their employees. In these situations, employers may make greater efforts to ensure employee production output is correlated to the wages paid.

Box 5.8. **Hamilton Living Wage Campaign**

The Living Wage Hamilton coalition is comprised of the Hamilton Roundtable for Poverty Reduction, the Hamilton Community Foundation, McMaster Community Poverty Initiative, Social Planning and Research Council, and Workforce Planning Hamilton.

A living wage is the hourly wage needed for a family to afford basic everyday expenses, such as housing, food, clothing, utility bills, and child care. In 2011, Hamilton's living wage rate was calculated at CAD 14.95.

Living Wage Hamilton is currently developing a Living Wage Employer Recognition Programme. The programme will include three levels that will recognise the living wages employers already pay and the steps they want to take towards ensuring all workers earn at least a living wage. The details of the programme are part of the conversations Living Wage Hamilton is holding with employers and workers across the city.

Source: Living Wage Hamilton (2013), Programme Information, available at http://livingwagehamilton.ca/wp/?page_id=11.

Quebec

The administrative organisation of government services and the Regional Council of Elected Officials provide strategies which co-ordinate activities to promote employment within economic development strategies. In considering inward investment proposals, municipal governments must consider benefits including local taxes, knock on economic benefits, as well as the quantity and quality of jobs being created.

Quebec has also favoured the development of social economy enterprises such as co-operatives that usually take into account a larger range of objectives that favour employment and training. A good example is a co-operative microbrewery in Shawinigan that has created a range of local jobs in the restaurant and distribution industry. The co-operative is proud of its local origins and committed to developing the local labour market. In Haut Saint-Francois, an organic vegetable operation has had the effect of producing a large number of local jobs.

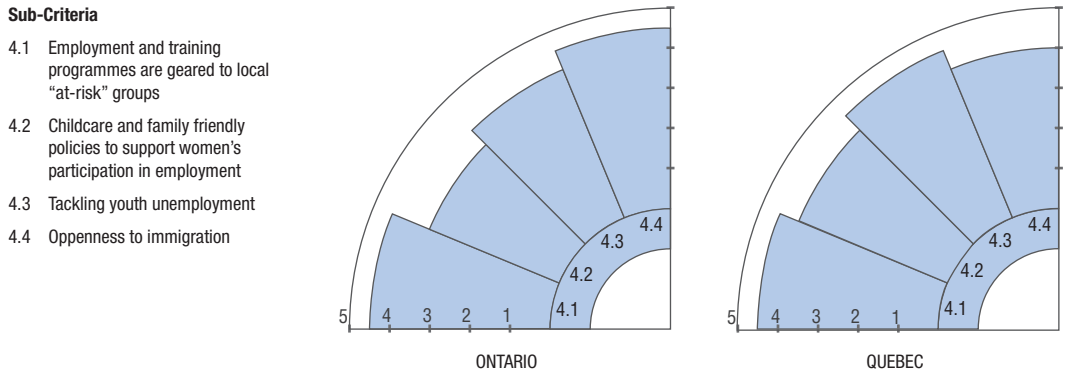
In promoting economic development and inward investment, Mauricie focuses on its proximity to Montreal, its accessibility by all modes of transport as well as its energy and natural resources and service sectors. The Estrie region promotes its proximity to the United States as well as its university assets. Given the recent recession, both regions are focused on attracting jobs with less consideration around the job types.

Québec places limitations on the extent to which municipalities can direct procurement activity, so there is no specific provisions that will favour local labour. Anti-corruption activity will likely further de-emphasise employment related objectives in municipal procurement.

Québec has been innovating with some of its contracting for green energy by making the extent to which bidders are working in collaboration with local groups a condition for funding. While this is to ensure that bidders are doing a good job of engaging local communities, innovations in employment and training benefits can be seen. A recent example is the provinces decision to increase the amount of wind-generated electricity that is bringing large suppliers and local groups together.

Theme 4: Inclusion

Figure 5.8 **Dashboard results: Inclusion**



4.1. Employment and training programmes are geared to local "at-risk" groups

Ontario

In Ontario, there are comprehensive efforts made to provide employment and training programmes to defined at risk groups. This includes specific targeted programmes for youth, immigrants, aboriginals and others who are quite far removed from the labour market. There appears to be a high level of data and information on their labour market and employment outcomes. MTCU tracks employment related outcomes for many under-represented groups who participate in Employment Ontario programmes and services.

Ontario has two social assistance programmes to help eligible residents who are in financial need: *1)* the Ontario Disability Support Programme; and *2)* Ontario Works. Ontario Works is managed by the Ministry of Community and Social Services and administered by the municipalities. Many Ontario Works service providers are also Employment Ontario service providers. Individuals on social assistance have access to employment and training programmes through Employment Ontario as well as Ontario Works.

In Thunder Bay and its surrounding communities there are a number of francophones so efforts through the L'Association des francophones du Nord-Ouest de l'Ontario (l'AFNOO) to increase services to Northern Ontario's French speakers is important. In Hamilton, the College Boreal plays a similar role. There are a number of small francophone communities in the northwest and a small francophone community in Hamilton.

During the OECD study visit, one of the issues raised was how low population density among some under-represented groups means that some do not receive the tailored or targeted support, which may be needed. For example, in Thunder Bay, immigrants are served under general programmes, while in other parts of the province, they would have access to tailored programming.

There are extreme pockets of poverty in both Hamilton and Thunder Bay. In Thunder Bay, there is a larger Aboriginal community that faces a number of barriers to employment. In Thunder Bay between 10% – 15% of the city's population is aboriginal, exact numbers being hard to determine because not all aboriginals self-identify and aboriginals have historically not fully participated in the census. About 48% of Thunder Bay's aboriginal population is considered poor (Thunder Bay Economic Justice Committee, 2007). As part of the Thunder Bay Urban Aboriginal Strategy, a neighbourhood capacity programme was launched that uses outreach workers who deliver in-school and after-school programming that focuses on proper nutrition and regular physical activity for children at seven elementary schools with high concentrations of aboriginal children. The programme has shown positive impacts on families in terms of their social and health well-being (Thunder Bay Urban Aboriginal Strategy, 2013).

In Hamilton, 19% of the population were below the low income cut-off with two neighbourhoods in the core of the city having rates of over 40%. For example, the average life expectancy of a downtown resident in Hamilton is 55 years compared with an individual living in the suburbs that have an average life expectancy of 85 years. A Poverty Reduction

Box 5.9. **Hamilton Roundtable for Poverty Reduction**

The Hamilton Roundtable for Poverty Reduction was formed in 2005 to tackle the City's unacceptable levels of poverty. Roundtable members come from across Hamilton and include leaders from the business and non-profit sectors, from government, education and faith communities as well as individuals who experience poverty daily. The goal is to reduce and eliminate poverty through the aspiration of Making Hamilton the Best Place to Raise a Child.

The Roundtable does not offer programmes or direct services. Their role is to build understanding about the need to invest in poverty reduction to create a healthier, inclusive and more prosperous Hamilton. The roundtable works locally, provincially and nationally on policy and systems-level change to achieve long-term solutions to poverty.

Source: Hamilton Roundtable for Poverty Reduction (2013), Overview, available at http://hamiltonpoverty.ca/?page_id=28.

Roundtable was created in 2005 to address the high number of individuals living within the core of the city in extreme poverty. Hamilton used a neighbourhood development approach, working directly with residents and community partners to set priorities and develop action plans to build healthier communities. The Hamilton Community Foundation took a decision to focus all of its resources towards poverty reduction which made additional funding available to neighbourhoods to compliment resources from the federal, provincial and community organisations.

Quebec

Similar to Ontario, comprehensive efforts are made in Quebec to provide specialised training for persons belonging to groups that are under-represented in the labour market, including programmes for youth, immigrants and those who are far removed from the labour market. In both Mauricie and Estrie, there are pockets of individuals who have not worked for many years that require specialised outreach and intensive support to gain access to the labour market.

Box 5.10. **Quebec's Strategy to Combat Poverty and Social Exclusion**

Quebec enacted a law to combat poverty in 2002. The law establishes national strategy to combat poverty and social exclusion that is intended to progressively make Quebec, by 2013, one of the industrialised areas with the lowest number of persons living in poverty.

The goals of the strategy to combat poverty and social exclusion, as defined in the Act are to promote respect for and protection of the dignity of persons living in poverty and combat prejudices in this regard; improve the economic and social situation of persons and families living in poverty and social exclusion; reduce the inequalities that may be detrimental to social cohesion; encourage persons and families living in poverty to participate in community life and social development; and develop and reinforce the sense of solidarity throughout Québec, so that society as a whole may participate in the fight against poverty and social exclusion.

The Act requires that the government establishes an action plan and reports regularly on progress. The first action plan was established in 2004-05 allocating CAD 2.5 billion over 5 years. The plan covers a number of areas while favoring employment as the principal vehicle to reduce poverty and promote inclusion. The plan provides for

- the full indexation of social assistance benefits for those with significant work limitations;
- the creation of a participation premium for social assistance recipients who are able to work, as well as partial indexation of their benefits; the establishment of a work premium; an increase in the minimum wage; and a new universal refundable tax credit for low-income families with children.
- initiatives to improve access to affordable housing, adapt the dwellings of people with disabilities, support employment for people with disabilities, facilitate the integration of immigrants and members of visible minority groups,
- continued support to develop high-quality early learning and child care services, support young parents and children, facilitate the integration of young people into the labour market, support academic success and literacy programmes in underprivileged areas, and promote the social participation of seniors living on low incomes.

Source: Ministère de l'emploi et solidaité sociale (2012) Fight Against Poverty and Social Exclusion available at www.mess.gouv.qc.ca/grands-dossiers/lutte-contre-la-pauvrete/index_en.asp.

In Québec, students must have completed high school before attending a CEGEP. Most non-completers who wish to get their secondary-school diploma register for adult general-education programmes offered by the school boards. While that is effective for most, a sizeable number of non-completers would benefit from a college environment. The CEGEPs have introduced some programmes to bring technical training to the disadvantaged as a way of addressing this gap but they rely on project funding and on the commitment of CEGEP staff to secure funding for these types of programmes. During the OECD study visit, it was mentioned that these programmes are not well integrated into the overall CEGEP administration.

Within the context of Quebec's anti-poverty strategy, considerable progress has been made in making work a more attractive option and providing disadvantaged groups with pathways to work. Quebec is in the 10th year of the strategy and publishes annual reports on progress. Quebec has recorded the lowest level of incomes below the low income cut off measures in the last 30 years. While the two regions of Mauricie and Estrie have a similar unemployment rates, Mauricie has had a somewhat higher rate of poverty at 13.5% as compared with Estrie at 12.7%. Both regions have higher rates of poverty relative to the provincial average (Statistics Canada, 2011).

4.2 Childcare and family friendly policies to support women's participation in employment

Ontario

Ontario has invested heavily in providing early childhood education on a province wide basis by establishing full day kindergarten for four and five year old children. Ontario began phasing in the Full-Day Kindergarten Programme in September 2010 with full implementation in all schools by September 2015. Each school is also encouraged to offer before and after-school programming (e.g. child care) on site, with the goal of creating a seamless day for children and parents.

Workplaces are for the most part adapting to workers who need to balance personal and workplace demands. There are a number of publications that can help employers build family friendly policies and workers in firms with more than 50 employees have additional protection under Ontario's Employment Standards Act. Ontario has a high participation rate of women of about 62% equal to the national average and about 9% points lower than that of men, which is 71%. In Hamilton and Thunder Bay, the participation rates of women are 64% and 63% respectively (Statistics Canada, 2012).

As the population ages, there will be increasing pressure on employees with aging parents who will need to support family members with appointments and other activities. There is not yet a well-developed system in Ontario to assist with the support for aged care.

Quebec

Québec provides subsidised supports for a range of child care services available to parents at a cost of CAD 7 per child per day, such as: childcare centres, day care centres, and home childcare providers. In 2011, the programme was serving 215 000 pre-school children. A recent study concluded that nearly 70 000 mothers were induced to hold jobs as a result of the subsidised child care – an increase of 3.8% in women's employment (Fortin, Godbout, and St-Cemy, 2008). Waiting lists can be long for subsidised spaces, therefore, the Quèbec government has recently announced that an additional 30 000 spaces will be created.

The labour force participation rate of mother's is 73% in Quebec, which grows to 77% when considering those mothers with children over the age of three. The Ministry of Family (*ministère de la Famille*) also promotes activities with employers to create flexibility so that family work life balance can be better achieved. The Ministry has a tool kit to help employers adapt their workplace to make it more family friendly. While large employers have for the most part adopted measures that make it easier to reconcile family and work life, smaller employers have been more reluctant to make changes.

While the programmes in Québec are administered at the provincial level, participation rates in Mauricie and Estrie differ. In 2012, the female participation rate in Estrie was 65.3%, which was slightly above the provincial average of 65.1%. Mauricie has a significantly lower female participation rate of 56.3% (Statistics Canada, 2012).

4.3. Tackling youth unemployment

Ontario

Ontario has been very successful in increasing high school graduation rates which stand at 81% up from 68% ten years ago. Northern students are less likely to pursue postsecondary education and aboriginal students have lower high school graduation rates than the rest of the population. More than half of aboriginal students drop out of school.

Ontario is experiencing higher rates of unemployment among its young people. 16.2% for those 15-24 years of age are unemployed. The rates vary between young men (17.5%) and young women (14.9%) (Statistics Canada, 2013). This represents approximately 178 000 unemployed young people. The Ontario government announced in its recent 2013 Budget a new Youth Jobs Strategy to help an additional 30 000 young Ontarians find employment (see Box 5.11).

Box 5.11. **Ontario Youth Jobs Strategy**

In Canada, the Ontario government has announced a new Youth Employment Strategy is its 2013 Budget. This strategy is designed to help more young people find jobs, while also ensuring the employers can hire the skilled workers they need in today's economy. The entire strategy is supported by a total investment of CAD 295 million over two years, and is estimated to create 30 000 new job opportunities. The strategy focuses on jobs, entrepreneurship and innovation for youth in Ontario and includes the following new programmes:

- Ontario Youth Employment Fund: This fund provides hiring incentives to employers to offer young people in all regions of the province an entry point to long-term employment. Youth who participate in the programme would learn life and work skills while earning income. It would also help employers better tap the youth talent available in the province.
- Ontario Youth Entrepreneurship Fund: Supports the next generation of entrepreneurs through mentorship, startup capital and outreach supports.
- Ontario Youth Innovation Fund: Supports youth to lead and manage industrial research, development and commercialisation. It would also support young entrepreneurs at universities and colleges.
- Business-Labour Connectivity and Training Fund brings together business, labour, educators and youth to better prepare young people to develop the skills they need to succeed.

Source: Ontario Ministry of Finance (2013), *Budget Backgrounder: Youth Job Creation*, Toronto, Canada.

In Thunder Bay, Confederation College adapts a number of its programmes to accommodate aboriginal youth who do not have the necessary skill level to begin college level studies. Vocational students are provided with additional academic support in mathematics and other subjects to ensure they can master the college level course work. Negahneewin College was established as a college within a college which challenges the status quo yet recognises a history rich in aboriginal and non-aboriginal relationship building in northern Ontario. Beyond academic support Confederation College has Aboriginal Student Support Services which offers counselling, career information and referrals to community services if required.

In Hamilton, high school graduation rates are linked closely to the economic conditions of the neighbourhood where the school is located. The School Board will be closing a number of schools over the next few years due to declining enrolments and will open three new schools. Mohawk's College in Motion initiative has been placing representatives in high schools and community centres, starting in the second school semester. The Mohawk advisers make presentations on the transition to post-secondary institutions and set up one-on-one time with students looking to plan their life after high school. The programme is part of Mohawk's Access Project, a plan focused on increasing high school graduation and post-secondary participation rates among at-risk youth.

Quebec

Although the drop-out rate in Quebec has declined over the last two decades, it remains higher than the national rate. Using the average rate over the three-year period between 2009-12 Quebec experienced a 10.6% rate of drop-outs as opposed to the national average of 8.1% (Statistics Canada, 2012).

The Ministry of Education, Recreation and Sport (*Ministère d'Education, du Loisir et du Sport*, MELS) measures school leaving as those individuals who leave high-school without diploma or qualification. These rates are higher than the Statistics Canada drop-out rate as they do not take into account those who later return to school and get some form of credential but are good estimates of the work load associated with youth initiatives. Using the Quebec definition, Mauricie had an early school leaver rate of 18.8% in 2010-11, which was even with the provincial average, but the rate for Estrie, at 19.5%, was slightly higher (MELS, 2012).

Québec has undertaken major efforts to reduce its dropout rate and each administrative region has a plan to improve completion rates. For the last several years, efforts have focused on promoting academic persistence among 16-17 year olds who are most vulnerable to dropping out. Programmes like IDEO 16-17 and Youth in Action identify youth at-risk of dropping out and provide intensive academic and social support to ensure the completion of secondary studies. These programmes are uniform throughout all regions in the province. In Estrie, the partners for education success (*partenaires pour la réussite educative)* provides a focus on early signs of learning difficulties in particular with language and math so that this does not become a problem in later years. In Mauricie, a number of days dedicated to academic persistence bring attention to the issue and connect young people who need services with organisations who can help.

Quebec has a broad network of youth employment agencies (111 across Québec). These agencies are brought together under an umbrella organisation called the Youth Employment Agency Network. Its mission is to regroup support and represent the centres by developing, promoting, and defending their member interests with the government and equipping them with tools necessary to facilitate the transfer of expertise and knowledge. A major activity includes providing province wide training for its member organisations.

Box 5.12. **Youth in Action (*jeunes en action*)**

Youth in Action is a programme for young adults who want to either return to school or find employment. The programme aims to develop social, professional, and personal autonomy through individual meetings, group workshops, and special learning projects. This is an intensive 20 hour a week programme running from between 20-52 weeks. The average stay in the programme was 24 weeks in 2012. There are professionals that accompany participants and financial aid is available up to 52 weeks – the average in 2012 was 16. 4 weeks. Eligibility criteria for youth in action are between 18-24 years; must not be currently studying or working; and have or want to have a professional objective and be motivated to act and put it in motion.

The programme helps develop professional skills, facilitate a return to school and manage proactive job search techniques, including preparation of a CV and interview tips. In 2012, there were 2 474 new participants and 1 217 individuals active in the programme on 31 March, 2013.

Jeunes en action also focuses on building social skills, such as effective communication, interpersonal relationships, including conflict resolution and accepted work place behaviours as well as developing personal skills, such as setting and managing priorities including organising and mastering a daily agenda

Programme content involves IDEO 16-17 (a sister programme for those still in school but at risk of dropping out) a personalised action plan with individual follow-up, and meetings, exploring community milieu, academic, and other resources, workshops on job search, effective communication, healthy relationships, and mental health issues.

Source: Ministère de L'Emploi et de la Solidarité Sociale (2012), *Youth in Action Programme Description*, available at www.mess.gouv.qc.ca/solidarite-sociale/programmes-mesures/jeunes-en-action/index_en.asp.

What is unique about this in Canada is that all responsibilities have been delegated to these local forums which are composed of individuals aged between 16-35. In Mauricie, there are five local youth employment centres (*carrefour jeunesse-emploi*). They offer a unique youth focused window of services and assistance. Specific services offered include assistance in writing a CV and letter of introduction, simulated interviews, counseling on career and specific job search, academic counseling and support for starting a business.

In Estrie, there are seven local youth employment centres. In addition to the services offered by these organisations, Sherbrooke has a range of special programmes. One includes a project to promote entrepreneurial activity among young people in the greater Sherbrooke area in collaboration with the young entrepreneurs of Quebec *(l'entrepreneuriat jeunesse du governement du Québec*).

A unique effort in Quebec involves the youth regional investment funds (*Fonds régional d'investissement jeunesse*) established through the Youth Secretariat as part of its youth action plan 2009-14. Each region has a forum which is responsible for receiving applications, analysing the proposals and funding projects. The Forum is also responsible for providing ongoing administrative oversight for all projects approved and report to the youth secretariat. Projects funded promote youth integration socially, culturally and professionally working with existing organisations in a complimentary fashion; and promote the establishment of youth in support of their contributions to the economy and social structure of the region.

4.4. Openness to immigration

Ontario

In 2011, Ontario received about 100 000 immigrants – about 40% of Canada's total. English-as-a-Second Language (ESL), French-as-a-Second Language (FSL) and citizenship and language classes are offered by school boards, community agencies, colleges and universities in Ontario. Many school boards also offer adult non-credit ESL and FSL classes that are funded by the Ontario Ministry of Citizenship and Immigration.

In Hamilton, immigration is becoming an increasingly important component of its labour force. The city has established the Hamilton Immigration Partnership Council, which brings together leaders from many sectors of the Hamilton community, including the immigrant service provider sector, businesses, unions, community-based organisations, health, local government, media, educational institutions and youth. HIPC is one of CICs Local Immigration Partnerships (LIP). HIPC provides a leadership forum through collaboration with local partners in order to implement a multi-faceted Immigration Strategy to support the attraction, settlement, retention and economic participation of immigrants as well as create a welcoming community for newcomers. The strategy focuses on improving settlement services such as housing, language training, education and employment support. It also takes steps to eliminate exclusionary practices in organisational policies and programmes.

Workforce Planning Hamilton produced a guide entitled "your new life in Hamilton; building a successful working life" that speaks about future jobs in Hamilton; about where to get foreign credentials evaluated; and, gives tips and advice from local employment counselors. Mohawk College has a prior learning assessment and recognition programme, which recognises other experience in addition to the credential recognition process.

Three important links to employment for newcomers are the recognition of credentials obtained outside Canada, proficiency in the language of work and bridge training in some cases to meet Canadian requirements. The federal government has invested heavily in creating a national system for foreign credential assessment and recognition and in Ontario credentials are reviewed centrally in Toronto. In Hamilton Mohawk College offers in addition to English as a Second Language programmes, enhanced workplace language and workplace communications programmes for internationally trained professionals. Courses cover language of work, culture and modes of communication as well as specialised vocabulary. Mohawk also offers prior learning assessment to give credit for studies already taken and to minimise the course work required to obtain a Canadian credential if that is required.

In Thunder Bay, because of a smaller population pool Confederation College offers a more limited number of language courses. Confederation like Mohawk offers prior learning and assessment services to assess studies for Canadian credit where that is needed.

Quebec

In 2011, Quebec received 51 737 immigrants, which was a small decrease from the previous year. In 2011, Mauricie received just 293 immigrants, while Estrie received 1 010 immigrants. The numbers of immigrants settling in the two regions has remained fairly constant over the last five years.

With such small numbers settling in these regions, the services available to new comers are not well developed, which in turn means that these regions are less favoured as settlement destinations. Estrie in particular realises that immigrants will need to play

a larger role in the development of the region and is taking steps to promote Sherbrooke as a settlement destination and increasing its capacity to provide the services newcomers require. One of the key performance measures for Emploi-Québec in Estrie is the number of new immigrants using the public employment services.

Quebec offers a general service of comparing foreign credentials to Quebec's system. The comparative evaluation for studies done outside Québec (*Évaluation comparative des études effectuées hors du Québec*) is a document issued by the Ministry of Immigration and Cultural Communities (*ministère de l'Immigration et des Communautés culturelles*) that provides a general description of the educational documents presented for evaluation as well as the curriculum followed outside Québec. It indicates how the studies completed outside Québec compare to the Québec education system and its main diplomas (or educational benchmarks).

Quebec has both formal and informal programmes to fight discrimination. The business counsellors at the local employment centres work with employers to overcome workplace barriers. To attract new immigrants, the City of Sherbrooke and local employers have put in place multilateral initiatives. In co-operation with its human resources department, the City is also developing another initiative pertaining to employment equity, multiculturalism and the elimination of racism. There are a range of ethno-cultural organisations that can help newcomers integrate – one of the oldest being the support service to new Canadians (s*ervice d'aide aux néo-Canadiens*). Established since 1954, this organisation provides a full range of services to help immigrants integrate into the social, economic and cultural life of the region, in co-operation with the resources available in the community.

References

Bélanger, Paul and Robitaille, M. (2008), *A Portrait of Work-related Learning in Quebec*. Work and Learning Knowledge Centre: Ottawa, Canada.

Emploi-Québec (2013), *The Workplace Apprenticeship Programme : Programme description*, available at http://emploiquebec.net/guide_qualif/apprentissage-qualification/apprentissage-travail/index.asp.

Fortin P., L. Godbout and S. St-Cerny (2013) *Impact of Quebec's Universal Low-Fee Childcare Program on Female Labour force participation, Domestic Income, and Government Budgets*, Revue Interventions économiques 47.

Froy, F., S. Giguère and M. Meghnagi (2012), "Skills for Competitiveness: A Synthesis Report",*OECD Local Economic and Employment Development (LEED) Working Papers*, No. 2012/09, OECD Publishing. http://dx.doi.org/10.1787/5k98xwskmvr6-en.

Froy, F. and S. Giguère/OECD (2010), "Putting in Place Jobs that Last: A Guide to Rebuilding Quality Employment at Local Level", *OECD Local Economic and Employment Development (LEED) Working Papers*, 2010/13, OECD. http://dx.doi.org/10.1787/5km7jf7qtk9p-en.

Froy, F., S. Giguère and A. Hofer(eds.) (2009),*Designing Local Skills Strategies*, Local Economic and Employment Development (LEED), OECD Publishing. http://dx.doi.org/10.1787/9789264066649-en.

Hamilton Roundtable for Poverty Reduction (2013), *Overview*, available at http://hamiltonpoverty.ca/?page_id=28.

Living Wage Hamilton (2013), *Programme Information*, available at http://livingwagehamilton.ca/wp/?page_id=11.

Ministère de L'Emploi et de la Solidarité Sociale (2012) *Fight Against Poverty and Social Exclusion*, available at www.mess.gouv.qc.ca/grands-dossiers/lutte-contre-la-pauvrete/index_en.asp.

Ministère de L'Emploi et de la Solidarité Sociale (2012), *Youth in Action Programme Description*, available at www.mess.gouv.qc.ca/solidarite-sociale/programmes-mesures/jeunes-en-action/index_en.asp.

McMaster University (2013), *Hamilton Employment Crawl 2013*, available at http://studentsuccess.mcmaster.ca/students/careers/events/networking-events/hec.html.

Northern Superior Workforce Planning (2013), *about us*, available at www.nswpb.ca/.

Ontario Ministry of Finance (2013), *Budget Backgrounder: Youth Job Creation*, Toronto, Canada.

Ontario Ministry of Training, Colleges, and Universities (2010a), *Second Career Programme, programme information*, Toronto, Canada.

Ontario Ministry of Training, Colleges, and Universities (2010b), *Apprenticeship Training in Ontario: A Guide for Employers and Sponsors*, Toronto, Canada.

Thunder Bay Economic Justice Committee (2007), *Poverty in Thunder Bay: Rich Conversations with the Poor*, Thunder Bay, Canada.

Thunder Bay Urban Aboriginal Strategy (2013), *The Thunder Bay Urban Aboriginal Strategy*, available at http://uasthunderbay.ca/.

Ville de Shawinigan (2013), *Centre d'entrepreneuriat Shawinigan*, available at www.shawinigan.ca/Affaires/centre-d-entrepreneuriat-shawinigan_12.html.

Verma, A. (2012), "Skills for Competitiveness: Country Report for Canada", OECD Local Economic and Employment Development (LEED) Working Papers, No. 2012/03, OECD Publishing.

Workforce Planning Hamilton (2013), *about us*, available at http://workforceplanninghamilton.ca/about.

Workforce Planning Ontario (2013), *Introduction to Workforce Planning Boards*, available at www.workforceplanningontario.ca/.

Urban Aboriginal Task Force (2007), *Thunder Bay Final Report,* Thunder Bay, Canada.

Chapter 6

Towards an action plan for jobs in Canada: Recommendations and best practices

Stimulating job creation at the local level requires integrated actions across employment, training, and economic development portfolios. Co-ordinated place-based policies can help workers find suitable jobs, while also contributing to demand by stimulating productivity. This requires flexible policy management frameworks, information, and integrated partnerships which leverage the efforts of local stakeholders. This chapter outlines the key recommendations emerging from the review of local job creation policies in Canada, including Ontario and Quebec.

Federal considerations

This review has looked at the role of local labour market and skills policies in stimulating local job creation and productivity. In both Ontario and Quebec, there are a range of comprehensive programmes and policies designed to promote skills development opportunities for individuals. Furthermore, a number of initiatives are undertaken to better link the supply of skills to employer demand.

Federal and provincial authorities in Canada are looking at ways of improving service delivery frameworks to ensure that public resources are used in the most efficient and effective way. Across the OECD, policy makers are recognising the importance of developing policies which are place-sensitive and which enable local communities to take a lead role in strategies to promote skills, quality job creation, and economic development.

Recommendation: Develop policies with an eye to the complexity of implementation at the local level

It is critical to establish a local lens when developing policies and programmes for employment, training, and economic development. At the local level, strategic initiatives to build resiliency, achieve high employment and high productivity can build on concrete engagement with employers and effectively involve policy makers from a breath of different sectors, while also being responsive to local labour market conditions.

At the same time, local organisations are looking for greater latitude in how resources are used, including taking into account local contexts in the application of policies designed at the federal and provincial levels. This review has highlighted the potential for vertical rigidities to negatively impact the ability of local stakeholders to develop horizontal initiatives, which can better link skills supply to demand. Policy and programmes are still developed largely within a single department/ministry perspective and administered within a vertical system of accountability. Authorities in Canada should allow for further localisation of decision making. Greater flexibility can permit more efficient integration of local assets and resources which will produce more effective outcomes

Federal and provincial governments in Canada should also continue to encourage early stage horizontal work on policy. In particular, it is important to engage local organisations early in the policy development cycle to explore what areas of flexibility can increase the effectiveness of implementation at the local level. In some cases, it may be practical to challenge local administrations to produce blue prints for addressing important policy goals within a loose framework allowing for substantial variation on individual local approaches while being consistent on policy intent and outcomes. Efforts are being undertaken to allow greater local flexibility but they are timid and are unlikely to produce the kind of economies or increases in effectiveness for governments in Canada.

Recommendation: Support evidence based policy implementation and the sharing of best practices on "what works" across Canada

This review has highlighted effective practices in both Ontario and Quebec, where local organisations are using a strong evidence base for their actions and taking concrete steps to support job creation initiatives. In Canada, the federal government funds national surveys and the census which provide most of the data used in local analysis. Much of this data is of very high quality and permits locally reliable analysis to be undertaken.

Going forward, the federal government could consider how to further strengthen effective information sharing across provinces and territories about "what works" in the areas of local employment and skills development. This could increase the evidence base

available on local initiatives and provide good examples of successful programmes to support local decision making.

Knowledge exchange can be supported at both the provincial/territorial and federal levels through governance mechanisms such as the Forum of Labour Market Ministers (FLMM). Additionally, the federal government through ESDC could consider the establishment of a web portal, which would provide information on effective practices and tools for local stakeholders in the establishment of local initiatives, which support employment, training, and job creation.

Recommendation: Consideration could be given to how to help smaller communities where a critical mass of services for immigrants does not yet exist build their services as a way of attracting newcomers.

Immigration will continue to be an essential engine of labour market growth, especially considering the demographic and ageing trends in Canada. There is an increasingly well-developed system of foreign credential recognition to support the integration of immigrants. However, services are primarily concentrated in the urban centres because these areas tend to have the highest concentration of immigrants.

Immigration could provide a valuable economic and social opportunity for smaller communities in Canada, which are looking to grow in an inclusive manner. At the local level, the government could explore how to build greater capacity in smaller and more remote communities to promote services and opportunities for newcomers. This would assist these communities in attracting immigrants to these areas, who can be a valuable source of job creation. Building this capacity would require joint efforts across federal, provincial, and local governments as immigration policy is a shared jurisdiction in Canada. While the federal level sets immigration laws, all provinces provide settlement and integration supports, which assist newcomers in their integration. Community-based services for newcomers are mainly free of charge so flexible funding would be also needed for local initiatives, which reinforces the need for multi-stakeholder co-ordination and collaboration.

Recommendations for Ontario

In-depth research in Ontario focused on local activities in Hamilton and Thunder Bay. This study has highlighted a number of strengths and challenges, which should be considered to further promote job creation and skills at the provincial and local level.

Recommendation: Strengthen strategic planning and policy integration at the local level through greater flexibility in the management of employment and skills strategies. Review the mandate of the Workforce Planning Boards to examine whether their role in developing local strategies should be expanded.

OECD LEED research demonstrates that by bringing together key partners in employment, training, and economic development, better outcomes and efficiencies can be achieved (Froy and Giguère, 2010; Verma, 2012). Partnerships at the local level have become a key governance tool to connect the diverse range of stakeholders to develop integrated strategies, which connect the supply and demand of skills to better support quality job creation and growth. However, partnerships need to be accompanied by mechanisms to increase flexibility in the policy management framework to ensure they can adapt programmes and policies to local labour market issues.

In Ontario, a number of committees have been established to achieve co-ordination involving a diverse range of stakeholders from employment, training, and economic development sectors. The amount of flexibility and decision making capacity granted to these partnerships is inconsistent. Local integration could be further strengthened by ensuring that these committees and their members (e.g. employment service providers, colleges, and economic development organisations) have the flexibility to take strategic actions at the local level. Where there is strong capacity, this will further empower these partnerships to develop locally based solutions for community development and economic growth.

Previous OECD research highlighted the critical role to be played by Workforce Planning Boards in assessing local strengths, weaknesses, threats, opportunities, as well as linking supply and demand approaches to skills and employment, particularly in areas in a low skills equilibrium (Verma, 2012). The Workforce Planning Boards are locally based and bring together a wide range of stakeholders. In both Hamilton and Thunder Bay, the boards serve useful roles as information nodes and have led to the creation of valuable and strong networks, which are a form of social capital. They produce labour market reports, which can inform strategic planning for their communities. However, they play a limited role in the design and delivery of employment and training initiatives. There is an opportunity for the Ministry of Training, Colleges, and Universities to review the mandate of these Boards to strengthen their role in developing local strategies which attract investment and economic development into their communities. Any review would need to consider the current resources available to these boards and how they could be provided with greater incentives to design local strategies.

During this review, local employment service providers in Ontario highlighted that more flexibility in the management of programmes would ensure they are able to adequately cater services to particular client groups. Flexibility within employment services could be provided by enabling local offices to identify and prioritise special target groups within their locality for targeted activation measures and/or by granting more flexible funding streams for employment programmes. To ensure accountability within employment services, service providers report on a number of measures through the Employment Ontario performance management framework. While the evaluation of a service provider's performance takes into account local labour market conditions, another mechanism for providing greater flexibility would be to enable providers to have a role in setting performance targets, taking into account local employment conditions.

Another issue identified in this study is the co-ordination between employment services. In many cases, job seekers have to navigate a number of service providers locally who are delivering services. Each Employment Ontario programme has different guidelines and eligibility criteria. While the degree of differences between them may be unavoidable to allow for targeted programme goals and objectives, it can also create administrative challenges locally. Some job seekers may not be eligible for programmes based on the service provider and while they would be referred to a provider who could assist them, it represents a potential barrier to receiving services and support. Job seekers could benefit from greater co-ordination among employment service providers locally and better information about where to go to receive services. A model in Busan, Korea could be considered in thinking about how to co-ordinate services for job seekers in Ontario (see Box 6.1).

Local co-ordination and strategic planning across employment, skills and economic development portfolios could be further strengthened through greater inter-ministry policy collaboration at the provincial level. Local stakeholders during the OECD study visit highlighted difficulties in trying to combine different programme funding envelopes

Box 6.1. **Co-ordinating employment services in Busan, Korea**

In Busan, Korea, there are three Ministry of Employment and Labour Job Centers as well as services provided by local government, the Korea Labor Foundation's Re-employment Assistance Centre, universities and colleges. Even Busan Bank has a job centre where it recruits workers on behalf of its corporate clients. The plethora of employment service providers makes it difficult for jobseekers to know what services are available and how to access them. There is also considerable scope for duplication of services and programmes. To avoid this, employment service providers in Busan meet four times a year to share information and develop joint programmes.

To help jobseekers determine the best service for them, they have produced a map and brochure which lists all the job centres in the city and provides contact details and a summary of the services offered by each, along with public transport information and job-seeking tips. The map is available at all job centres in Busan. This simple initiative seems to be a valuable tool to help jobseekers understand the services available and get in contact with the most appropriate providers to help them find work.

Source: OECD (2013a), *Korea: Improving the Re-employment Prospects of Displaced Workers, Back to Work*, OECD Publishing. http://dx.doi.org/10.1787/9789264189225-en.

together into a single local strategy. Programme criteria across Ministry programmes can be inconsistent requiring approvals at different levels (e.g. regional vs. central office), which creates an administrative burden at the local level. Cross-ministry strategies in the areas of employment and skills would lead to a whole of government approach, which would translate into reduced silos at the local level.

There have been efforts to improve policy coherence at the provincial level but more can be done to support job creation. A good example is the merging of the employment and higher education portfolios under a single Ministry (the Ministry of Training, Colleges, and Universities). In particular, greater co-ordination between the Ministry of Training, Colleges, and University and the Ministry of Economic Development, Trade, and Employment could bring significant benefits in terms of leveraging resources and connecting local stakeholders in their employment and economic development efforts. In some cases, it may make sense for a central body, such as the Cabinet Office to initiate more joined-up initiatives, which combine employment, skills, and economic development efforts across the different government ministries. This will be critical to ensure policies which seek to build the supply of skills in Ontario are well aligned with employer demand and the strategic needs of the economy. The Action Plan for Jobs in Ireland provides an international example of a horizontal effort across government department's to align actions towards job creation (see Box 6.2).

Recommendation: Develop labour market information that is affordable, sustainable, open, and readily interpretable to inform service delivery planning, allocation of resources, and programme and service offerings.

A key part of the policy development cycle is having good information to make decisions. Given the diversity in Ontario and the number of networks engaged in community and economic development, more efforts could be made to promote learning among these various groups, including mechanisms for sharing experiences. This would create greater capacity at the local level by providing more information on successful strategies for skills and employment.

Box 6.2. **Action Plan for Jobs in Ireland**

In 2012, Ireland launched its first annual Action Plan for Jobs, the Government's plan to rebuild the economy and create jobs. The Action Plan for Jobs is the first instalment in an ambitious multi-year process which aims to deliver on the Government's commitment to increase the number of people at work in Ireland by 100 000 – from 1.8 million to 1.9 million – by 2016.

The plan, which contains over 270 actions to be implemented in 2012 by all 15 Government Departments as well as 36 State agencies, will improve supports for job-creating businesses and remove barriers to employment-creation across the economy.

The Plan is accompanied by a detailed list of the Government body responsible for implementation in each case, and the deadline in 2012 by which each measure will be delivered. In order to police implementation of the measures, the Cabinet has sanctioned the establishment of a Monitoring Committee include representatives from a broad diversity of government departments. Quarterly reports on implementation will be prepared and published by this monitoring group.

Source: OECD (2014b), *Employment and Skills Strategies in Ireland, OECD Reviews on Local Job Creation*, OECD Publishing. http://dx.doi.org/10.1787/9789264207912-en.

Authoritative and updated skills profiles of local labour markets are important in framing strategies and strengthening accountability and can also galvanise local actors into a common agenda for action when used well. The source for a majority of the data used at the local level is the census and the labour force survey. For smaller areas, the long form census has been a significant source of data and information. The federal government recently announced a decision to discontinue the long-form census in 2011 and while its effects on the availability and reliability of local labour market information are yet to be determined, it is likely to have an impact on the amount of information available to support local decision making and planning.

New methods and opportunities could be explored to supplement data gathering and analysis at the local level and co-ordinate this information in a user friendly manner, which is accessible to job seekers, employers, and policy makers. This could include examining the role of the college and university sector, where there is a strong capacity, which could be leveraged. The "Code Red" project in Hamilton provide a good example of how locally based information can mobilise local stakeholders into action. McMaster University played a significant role in gathering information on poverty in the local area, which served as a catalyst for developing targeted strategies.

The Workforce Planning Boards could play a role in co-ordinating supply and demand labour market information and generating collaborations among local actors including economic development, the chambers of commerce, universities and colleges.

Recommendation: Create stronger linkages with employers (especially SMEs) while fostering networks to promote workplace training

Colleges in Ontario offer a number of training programmes, which appear to be quite flexible to local employers. In both Hamilton and Thunder Bay, there are good examples of the public college designing customised training programmes to support skills development efforts within local industries. Through the province's accountability framework for public colleges, a key performance indicator includes employer satisfaction with recent graduates, which provides an incentive for colleges to ensure they are well connected with local employers.

During the OECD study visit, it was noted that while Employment Ontario service providers are measured against the number of individuals returned to work, the engagement of employers with employment services is generally weak. Employment service providers in Ontario could be more proactive in their engagement with employers to ensure that they connect unemployed individuals with good local employment opportunities.

In many OECD countries, policy makers are strongly aware of the need to engage employers on their skills needs. To match individuals to jobs, it is important that employment services and colleges build strong linkages with employers. Northern Ireland has recently introduced an Employer Engagement Plan which seeks to simplify its demand side advisory structure (OECD, 2014c). This entails ensuring that employers are able to articulate their skill needs to education and training providers, to input into curriculum development, standards and qualifications and to provide feedback on improvements to the delivery system. They will also advise on government spending and policy in relation to longer term skill needs. The plan also includes the establishment of Skills Solution Service – a small team of trained 'skills advisers' who work with SMEs to provide them with advice on existing skills provision and will assist in design and brokering of customised solutions for skills problems faced by an employer. In Australia, each employment services providers has a "reverse marketer" who develops strong relationships with local employers and generates information about potential job vacancies, while also helping to ensure suitable clients are placed into these jobs.

Box 6.3. **Ireland – Skillnets**

Skillnets was established in 1999 to promote and facilitate workplace training and up-skilling by SMEs. It is the largest organisation supporting workplace training in Ireland. In 2011, it had 70 operational networks through which it trained over 40 000 people for a total expenditure of EUR 25 million. It is a state-funded, enterprise-led body that co-invests with enterprises, particularly SMEs, when they co-operate in networks to identify and deliver training suited to their workforces. A network of SMEs, which are mostly sectoral or regional, is guided by a steering group of the local enterprise representatives. The steering group gives strategic direction and guidance to a network manager who co-ordinates all operational activity leading to the delivery of an agreed training plan with learning interventions suited for the member company workforces. The national programme is co-ordinated by Skillnets Ltd., who contract with all networks and provide programme support and monitoring to ensure the delivery of agreed quantitative and qualitative target outputs.

In 2011, 30 of these networks were located in Dublin, but were predominantly sectoral networks with a national remit and company membership. 25% of all Skillnets member companies and 33% of trainees were Dublin-based. Three networks were specific to the South East region (Carlow Kilkenny Skillnet, South Tipperary Skillnet and Waterford Chamber Skillnet). While Skillnets has a national impact, its influence is largely confined to SMEs which account for 94% of its 10 000 member companies. Originally set up to cater exclusively for the employed, since 2010 Skillnets has a mandate to include the provision of training for jobseekers. This happens both in an integrated manner with jobseekers attending programmes with employees, and also by focusing exclusively on the needs of jobseekers through the provision of dedicated longer-term programmes (e.g. the Jobseeker Support Programme) which includes work placements. Skillnets launched a pilot training initiative, ManagementWorks, providing management training to the SME community with a key focus on owner-managers.

Source: OECD (2014b), *Employment and Skills Strategies in Ireland*, OECD Reviews on Local Job Creation, OECD Publishing. http://dx.doi.org/10.1787/9789264207912-en.

Employers' associations have a critical role to play in supporting job creation and connecting employment and training efforts with the needs of the local economy. Effective policies in this area can build on good bottom up collaboration and employer networks that already exists.

The government should also keep in mind that, in many cases, employers' needs can be short-term and focused on specific technical skills therefore it is critical that other partners, such as unions and the non-profit sector, are also involved in training and that there is sufficient emphasis on equipping individuals with generic skills which will enable them to be more adaptable and resilient. These partners can help to ensure that training programmes are taking a longer-term view on developing skills for stronger labour force attachment.

Demand for generic skills is increasing in today's knowledge-based economy and it is not just those at the top of the employment ladder who need these skills. OECD research has shown that, increasingly, those involved in routine work (e.g. salespeople) can bring benefits to employers by being able to solve problems and feedback information from their communication with customers (Froy and Giguère, 2010). The OECD's Survey of Adult Skills demonstrates the importance of literacy and numeracy skills in creating a foundation for developing higher-order cognitive skills, such as analytic reasoning, which is essential for gaining access to and understanding specific domains of knowledge. In addition, literacy and numeracy skills are important across a range of life contexts, from education through work to home and social life and interaction with public authorities (OECD, 2013b).

Recommendation: Increase the attractiveness of vocational education pathways and apprenticeship opportunities by ensuring young people have good information on local job opportunities and associated skills requirements.

The skill levels and employability of the workforce will continue to be a key driver of local economic development. Many employers in Ontario are reporting shortages in middle skill occupations, which require vocational education. Therefore, it is important that efforts continue in Ontario to promote vocational education and apprenticeship pathways to young people. Young people need information on the local job opportunities available within these sectors and the associated skills requirements.

In Hamilton, Mohawk College has been very active with outreach to the local high schools to build interest in postsecondary education pathways. This outreach effort includes the introduction of a loyalty programme, whereby potential student accumulate points by participating in information sessions, which can then be used to pay part of their college tuition. This is an interesting initiative that along with other programmes, such as Mohawk@Work could be considered by other colleges to ensure youth have good information and school to work pathways available.

Ontario could work together with employers and colleges to develop career pathways, which would be support school to work transitions. For high schools and vocational education institutes, establishing career pathway models helps to connect them to the economy and produce workers with the appropriate skills for jobs in the region. Setting out clear employment pathways can help young people in planning their own future careers and in linking their education with local employment needs. Under these approaches, employers are intensively involved in curriculum development and identifying required competencies/credentials by their industry. Career pathway models are being increasingly used by workforce development actors in the United States as way of bridging the education system with the world of work. For example, in California, PG&E (one of the largest energy and utility companies) reached out to local community colleges, Workforce Investment

Boards and community organisations to develop a pipeline of skilled workers. They saw the vocational education system as one which could produce entry level workers into an industry that provided good jobs with an entry level wage on average of USD 76 000/year. This led to the development of a new credit based programme at Fresno City College – a 12 week Bridge to Apprentice/Utility Worker programme – which prepared workers for a career as a Utility Worker or Line Worker (Hamilton, 2012).

In Ontario, there has been a strong emphasis in the province on apprenticeships, which will remain a critical tool for integrating individuals into the labour market given the importance of medium-level technical skills for the economy, and rising youth unemployment. While concern has been expressed in Ontario that not enough young people are choosing the trades, The Ministry of Training, Colleges, and Universities has prioritised the number of young people participating in apprenticeships. Enrolment targets have been set and pre-apprenticeship programmes have been used to encourage greater take-up. Furthermore, the Ministry recently announced the creation of the College of Trades, which will play a lead role in promoting apprenticeship opportunities in the province. These initiatives are important steps toward encouraging individuals to pursue these educational pathways. Further support services, such as marketing, information, and guidance could be provided to local employers, particularly SMEs, wishing to take on apprentices.

In order to support mobility, it is important that apprenticeships are sufficiently broad for people to use their training in a number of different professional roles within a cluster or sector over their lifetime. In Germany, for example, the range of apprenticeships in the engineering sector have recently been reduced from 47 occupations down to 5 to support more general transferable training (Bosch and Charest, 2010). The OECD has recently identified lessons from the German apprenticeship model, some of which may be useful in informing the future development of Ontario's apprenticeship system (see Box 6.4).

Box 6.4. **Lessons from Germany's Apprenticeship System**

A more transparent, simpler transition for young people

- Make the apprenticeship route an attractive option for good school performers but also ensure entry mechanisms for weaker school performers;
- Ensure schools have good links with firms and further training and tertiary education institutions, alongside strong career guidance;
- Pre-apprenticeship courses can serve as means to better prepare young people for a vocational route and to integrate more young people from disadvantaged backgrounds into apprenticeships;
- Training contracts can be offered to each school leaver with the necessary general skills and who is seeking an apprenticeship. Those not offered an in-company apprenticeship should be offered an recognised alternative by an external provider.

Box 6.4. **Lessons from Germany's Apprenticeship System** *(continued)*

Improving work organisation

- Ensure good work organisation in firms. This includes having high numbers of skilled workers and recruiting managers from the shop floor, thereby ensuring they have the technical skills and good insight into the company. This in turn can promote access to training and results in a mix of management types;
- More decentralised forms of work organisation and giving workers more autonomy can bring about better quality work and allow apprentices to more fully utilise their skills, thus resulting in productivity increases.

Access to career advancement training

- Supplement initial vocational training with advancement training to enable apprentices to progress to higher level jobs. In addition to specific occupational courses, general components could be included in this training, such as business administration and apprenticeship pedagogy;
- It is critical that advancement courses are certified and fit into national qualification frameworks so that apprentices who complete them can widen their professional prospects and are more mobile in the internal and external labour market.

Broad apprenticeship occupations

- Broader apprenticeship occupations mean more mobility and flexibility for apprentices. They also ensure more transferable skills, meaning workers are less vulnerable to unemployment in the face of an economic slowdown;
- Provide a mix of training for apprentices in joint core competences (such as teamwork) and occupation-specific competences.

Commitment to providing training and safeguarding apprenticeships

- An effective apprenticeship system is dependent on employers being committed to providing training. Agreements between the key social partners at all government levels can be crucial in re-engaging employers, particularly as more seek to reduce training costs following the economic crisis;
- Training pacts at the national, regional and local level can be a good way to ensure involvement by social partners and strong employer representation (e.g. via employers' associations, chambers of commerce, as well as unions and government). These do not necessarily require additional financing;
- Put in place mechanisms to keep apprentices on in times of high unemployment and to provide employment after completion, if even for a limited duration.

Source: Evans, S. and G. Bosch (2012), "Apprenticeships in London: Boosting Skills in a City Economy – With Comment on Lessons from Germany", *OECD Local Economic and Employment Development (LEED) Working Papers*, No. 2012/08, OECD Publishing. http://dx.doi.org/10.1787/5k9b9mjcxp35-en.

Recommendation: Develop a provincial strategy, which promotes the better utilisation of skills in the workplace and leverages the role of community colleges and other local actors in this policy area.

In both Thunder Bay and Hamilton, stakeholders are creating partnerships and developing employment and training initiatives in sectors of strategic local importance. This study has highlighted efforts undertaken in Thunder Bay at Confederation College to develop a mining readiness programme, which is designed to develop skills to meet the hiring requirements in the mining sector. Hamilton has identified six key clusters for business development to fuel new growth and development in the community.

To further promote innovation and productivity, Ontario could more fully promote strategies, which seek to better to utilise the skills of the existing workforce. This requires not only considering how skills are provided by the education and training system, but the extent to which employers develop and utilise skills in the production process. OECD research has shown that local public agencies can contribute to improving how skills are put to use by using a number of different policy instruments, such as incentives for employers to invest in new technology and the promotion of more effective forms of work organisation (Froy and Giguère, 2010). Building capacity in firms to optimise the utilisation of skills and to make investments in their existing workforce will be essential as part of an overall productivity and innovation strategy.

Skills utilisation approaches have benefits for both employers and individuals. For employers, better utilising the skills of their workforce can lead to increased productivity and profits while individuals benefit from greater skills development opportunities, making them more resilient and adaptable. Furthermore, ladders within organisations can be created enabling individuals to move up within their company or organisation. In many cases, innovation and local economic development can be promoted by boosting skills in traditionally low skill sectors.

Ontario could consider establishing a provincial level employer forum or governance body, which would be mandated to advise the government on this important policy area. This body could act as a principal advocate promoting skills utilisation approaches and highlighting best practices among employers. It could also advise the government on what programme and policy levers could be best targeted to incentivise employer investment in up-skilling existing employees.

Ontario's Workforce Planning Boards could be given a greater policy "steer" to co-ordinate and promote skills utilisation strategies across the province. Indeed, one of the recommendations of the Commission on the Reform of Ontario's Public Services stated that the province should direct Workforce Planning Boards to encourage employers to increase investments in workplace-based training. Workforce Planning Boards in Ontario are in a strategic position to work with local employers and colleges to encourage these efforts. Because of their governance structure, the board can bring together employers with the college sector to better identify training needs and promote workplace training efforts. The boards could also play an important role in promoting the benefits of skills utilisation approaches to employers. The capacity of the Workforce Planning Boards varies across Ontario so the government should ensure efforts are made to build their capacity over the long-term. Where strong capacity already exists, the boards could be given a role in assigning funding to these types of initiatives.

Local community colleges in Ontario have an important role to play in working with firms to improve local skills utilisation and improve productivity through management training and the co-development and dissemination of relevant R&D, product testing and

technology transfer. Previous work by the OECD through the Skills for Competitiveness project highlighted the role played by Niagara College where synergies were fostered between local companies and the educational and research infrastructure to promote skills development and help employers move up the value chain and expand their product offer (Verma, 2012).

This is a relatively new area for public policy and some OECD countries are seizing the opportunities that can be gained by promoting these initiatives. Recognising the value of promoting skills utilisation, Australia has established the Australia Workforce and Productivity Commission. Australia has also established financing mechanisms through the Skills Connect programme to promote workforce development opportunities (see Box 6.5).

Box 6.5. **Australia Workforce and Productivity Commission and Skills Connect Fund**

Australia Workforce and Productivity Commission

The Australian Workforce and Productivity Agency (formerly Skills Australia) has become the principal advocate of workforce planning, including greater access for industry to government funding for workforce development. This approach avoids exclusively supply-side or 'provider driven' training solutions, which may not address the breadth of an enterprise's organisational context. Instead, providers are encouraged to take on a workforce development role while the funding goes directly to employers.

Skills Connect

Skills Connect is a new approach to integrate workforce development programmes and services and to make them widely accessible to businesses. It provides access to programmes and funding via a national network of advisers, who provide support and advise about workforce development issues. This includes workforce planning, as well as attracting, retaining and developing employees. The specific programmes include support for Australian apprentices, literacy, language and numeracy training and assistance with developing or improving the skills of employees. At this stage, the National Workforce Development Fund is the principal component of Skills Connect. This programme assists businesses to identify and address their current and future workforce development needs by subsidising the training of new and existing workers. So far, CAD 700 million has been allocated to this fund for the period 2011-12 to 2015-16.

Source: OECD (2014a),*Employment and Skills Strategies in Australia*, OECD Reviews on Local Job Creation, OECD Publishing. http://dx.doi.org/10.1787/9789264207899-en.

Recommendation: Municipalities should be encouraged in their efforts to promote local labour market conditions that contribute to social inclusion.

Poverty and income disparity remain an important concern in both case study areas in Ontario. In Hamilton, poverty is geographically focused in the downtown core and associated with multiple barriers to employment and social inclusion. This wide disparity brought local community groups together to come up with targeted measures to assist these individuals in the downtown core with employment and social programmes. Across Ontario, specialised employment programmes and services exist for the most disadvantaged groups, which include Aboriginals, youth, older workers, the disabled, and immigrants.

Municipalities can play an active role in developing the local labour market. Municipalities commission increasing amounts of infrastructure and procure significant amounts of services. Living wage provisions in local public contracts can ensure that individuals employed as part of these contracts receive a level of compensation that permits them to live within the community that they work. Having locally flexible living wage rates is a way of mitigating the impacts of price completion at the contracting phase turning into poor pay for workers involved in those contracts. It has also been demonstrated that living wage provisions by municipalities can influence other employer's decisions about what they offer as entry level wages.

Provincial and municipal tenders can also specify other conditions such as apprenticeship provisions that have the long-term effect of building the local skills base. The municipal role in building a strong local economy and creating skilled jobs has further room to expand in Ontario. The use of public procurement as a means of local economic development and to promote job quality should be more fully explored provincially and locally. It is important to remember that the public sector can play an important role in helping to shape skills demand and utilisation locally, not only as a policy maker but also

Box 6.6. **The Mayor's Apprenticeship Campaign, London: a local case study from the UK**

The London Apprenticeship Campaign was introduced in November 2010 by the Greater London Authority (GLA) and the National Apprenticeship Service to increase London's apprenticeship numbers by 20 000 by September 2011. The aim was to generate an overall increase in the number of apprentices in London to 30 000-35 000. The campaign sought to improve the city's take-up relative to other English regions: London had 14% of the UK's population but only provided 5% of the annual total of new apprenticeships. Growth was planned as part of a national policy shift to invest more in creating additional apprenticeship places and the city target was set in addition to national targets. The capital's top companies were contacted to urge them to help Londoners into work and boost the economy by creating the new apprenticeships (coinciding with the launch of the NAS' London campaign which contacted 54 000 businesses across the city to encourage them to take on apprentices). In addition to improving the capital's training record, it also sought to raise awareness that opportunities are available across a range of sectors from hospitality and travel to fashion and media

Around 20% of total employment in London is in the public sector which gives significant opportunities to boost apprenticeships. In addition, the highest take-up of apprenticeships in Level 2 and 3 are predominantly in public sector organisations – for example, childcare, health and social care (LSEB, 2010). While this demonstrates public sector leadership, it also indicates a relatively low take-up in some of the service sectors which dominate the London economy and suggests a need to improve levels of employer training in large and growing sectors. The recent cuts in public sector expenditure have also meant in many cases significant public sector job losses, but high levels of job turnover meant employment opportunities were still there.

It was expected that the public sector would play a significant role in delivering the apprenticeship growth and lead by example. Two key commitments were made to increase the number of apprentices employed in London's public sector. London Councils (a cross-party organisation, funded and run by London's 33 boroughs) agreed to deliver 2 000 apprenticeships in London's boroughs and partner organisations. The second commitment was by the Mayor of London to employ 2 000 apprentices both directly and through supply chains over two years.

Source: Evans, S. and G. Bosch (2012), "Apprenticeships in London: Boosting Skills in a City Economy – With Comment on Lessons from Germany", OECD Local Economic and Employment Development (LEED) Working Papers, No. 2012/08, OECD Publishing.

as a purchaser of services (Froy et al., 2012). Governments should ensure that the public sector at the local level has the necessary capacity to influence its local supply chain. This includes being able to require training, apprenticeship and employment opportunities for local people when putting construction, regeneration and other development activities out to tender. Public procurement can be used as a strategic tool to meet wider objectives and can ensure that more public expenditure is focused on having a positive impact.

Recommendations for Quebec

In Quebec, in-depth research focused on local activities in Mauricie and Estrie. This study has highlighted a number of strengths and challenges, which should be considered to further promote job creation and skills, along with sustainable economic growth, at the provincial and local level.

Recommendation: Strengthen policy co-ordination across education, employment, training and economic development portfolio by revising governance structures

Regions in Quebec have the dual challenge of supporting growth while also ensuring those individuals who may need more intensive interventions do not become marginalised. The Quebec policy and governance landscape is dense, with multiple programmes, funds and structures designed to support various target groups and outcomes, from innovation and entrepreneurship to youth employment, in a comprehensive way. These streams are implemented at different territorial levels, with more or less autonomy granted to the local, sub-regional and regional levels, each with its own governance structure.

Labour market policies appear quite flexible according to OECD criteria. Needs are analysed regionally and locally, and interventions are prioritised on the basis of labour market analysis. Targets are negotiated and then adjusted regionally and locally. However, the flexibility of the public employment service would not seem to be shared by other organisations active in the vast field of employment and training. In addition, each programme that is implemented in this area has its own terms and conditions and generates a significant accountability compliance burden. Within this dense institutional architecture, the levels of governance are not always aligned. For example, economic development support can only be adjusted at the level of administrative regions.

The OECD study visit was able to confirm that while it is common practice for local offices to work in partnership, policy-making at the provincial level could benefit from a greater level of collaboration among employment, training, and economic development portfolios. This would include examining the administrative and reporting requirements of each ministry programme at the local level. Local stakeholders confirmed that ministries differ in the degree to which they provide local actors with flexibility to design strategies and ensure their efforts are joined up with other initiatives. Some areas face administrative burdens in trying to achieve synergies across programmes which support education, employment, training, and economic development.

In Quebec, most of the co-ordination and communication between organisations tends to be formal, reflecting a mandated structure as most committees have been established in provincial legislation, regulation or policy. Regions may benefit from a review of governance structures (the various committees and councils) to establish which are essential and whether some might be merged to create efficiencies and better integration. This would require ministries to be clear on what planning and reporting requirements are required at the local level but also to allow local bodies some flexibility in how they form partnerships. Building linkages between local organisations and agencies is valuable in its

own way as a source of social capital, which can support the spread of service innovation and ideas.

It was not always apparent that the local plans at the regional county municipalities (*municipalités régionales de comté – MRCs*) level fit into the regional plans. This was most evident in the area of economic development with plans involving the local development centres (*centres local de developpement)*, regional niche sectors (*créneaux d'éxcellence)* and regional county municipalities plans. Identifying regional niche sectors is an effective way of focusing the efforts of the education, employment, and economic development system on areas of competitive advantage. There are situations where an individual MRC might focus its efforts outside of the regional plans because the niche sectors identified do not fit its local labour market needs. In these situations, effort needs to be given on how to adapt regional plans which may conflict with the strategies of individual MRCs.

Recommendation: Pool resources for data production at the local level and rely on analytical capacities to support local strategic decision-making and more highly integrated planning.

In order to build a strategic approach that is relevant to local conditions, it is essential to have a strong data base. Authoritative and updated skills profiles of local labour markets are important in framing integrated strategies in which the actions of all partners involved are driven by a common agenda. To this end, robust information and metrics are critical for forming and maintaining effective partnerships (Giguère, 2008; Froy and Giguère, 2010).

A particular strength of the Quebec employment and training system is its analytic capacity and use of available data. Using the same administrative regions across all government ministries is significant from the perspective of data gathering and analysis, as well as potential for collaboration among agencies. Furthermore, while they do not correspond to Employment Insurance regions, Quebec's administrative regions align with Statistics Canada's Economic Regions, which provides efficiencies in the use of information and evidence of census and survey data assembled by Statistics Canada at the local level. Much of the ministry objectives observed were outcome-based, and reporting provided a good balance of qualitative and quantitative reporting. At the regional level, there was sufficient capacity to conduct surveys and additional regional specific analysis on skills supply and demand. Emploi-Québec has a regional economist at each regional office that conducts analysis on local labour market trends and patterns.

For many local areas, the long form census has been the significant or even exclusive source of data. Its discontinuation will have an impact on analysis at the regional and local level therefore new ways of supplementing this data analysis could be explored. Quebec has a strong history of building capacity in its universities through the establishment of observatories and specialised research centres. Quebec could consider establishing regional observatories as a way of strengthening local evidence and information. This would ensure that regions can continue to exploit the significant high quality administrative data available.

Recommendation: Develop greater flexibility in the vocational and technical training system to ensure it is responsive to local demand.

There is a broad availability of training in Quebec, across a broad range of sectors, which is promising in terms of building a skills-rich recovery and meeting the diverse needs of the local economy. Quebec also places significant resources into training unemployed individuals, which is important given the increased demand from job seekers in the current economic environment.

However, evidence was provided during this study of limited flexibility in the vocational and technical education and training system, which may limit its ability to adjust curriculum to be more responsive to local employer demand. For example, even if multiple courses are on offer at various training institutions, those without a high-school diploma are not allowed to participate in training delivered by CEGEPs. This structural issue within the education system prevents the up-skilling, whether for basic, technical or vocational skills, of low-qualified individuals, limiting their capacity to enter the labour market and get better jobs. This is a major challenge in Quebec, because about 26% of individuals (rising to 31% if only considering boys) do not complete secondary or vocational education by their 20th birthday (data for 2010-11).

CEGEPs and Colleges seem to struggle when demand for a programme has fallen and there may be a need to reform or initiate a new programme. New programmes need authorisation from the Ministry of Education and this process can be quite time consuming.

There may be ways of adjusting the current system of approvals for training courses to build greater responsiveness locally without losing the benefits of concentrating capabilities to use teaching resource efficiently. A more flexible training policy framework could permit significant innovation and reduce institutional silos in the training system. Both CEGEPs and the school commission's need greater flexibility to adapt their course offerings to both students at risk of dropping out and early school leavers looking to continue training. It could also enable these organisations to be more involved in workforce development strategies in partnership with Emploi-Québec and the Labour Market Partners Commission (C*ommission des partenaires du marché du travail*).

Flexibility in the training system would also ensure employers are fully involved in the design and delivery of training. For example, in the United States, community colleges can rapidly develop courses because they use industry representatives as trainers. Because these trainers are from industry, it also helps to ensure a good relationship with employers. In some cases, community colleges have created a separate branch of their institution from the part of the college which offers more traditional academic courses, in order to be agile to local needs, and this dual institutional structure is particularly evident in California (Hamilton, 2012; OECD, 2014d).

Recommendation: Gear workplace training efforts to low-skilled workers, who in many cases do not have sufficient access to workplace training opportunities, while taking account of sectors of local comparative advantage and which are experiencing skills mismatches.

While major improvements have been made in Quebec by increasing the requirement on employers to offer workplace training opportunities thanks to the 1% Act, efforts could be further targeted to raise skills in sectors, which typically host low-skilled and low quality jobs. Workplace training opportunities will assist in making employed workers more adaptable and resilient. Building adaptability requires the skills training system to be more accessible to the current workforce. As one interviewee put it, "we have been effective in building factories inside our schools and teaching students from a curriculum but we have been less effective in taking our training into factories and working with the specific learning needs of workers."

Workplace training opportunities will lead to greater employment progression, which is a key aspect of job quality. OECD research has shown that low-skilled adults are generally less likely to access training and this situation is often exacerbated for individuals who lack contact with local labour markets through long-term, and sometimes multigenerational

unemployment. Many communities are faced with the need to respond to a 'stagnation of participation' in education and training amongst the lower skilled. Lower-skilled people are increasingly employed on a temporary basis, with it being unusual now for such workers to gain a 'career for life', and it can be difficult to see how one job may lead to another higher up within the labour market. Putting in place the right policy mechanisms for employment progression can support low-skilled employees in particular to advance in a given occupation or sector.

The city of Breda in the southern Netherlands identified retail as a sector with high concentrations of low-quality, low-income and low-productivity work. As it became more difficult to fill job vacancies and reduce labour market churn, a service unit for the sector was set up to better manage labour market transitions, train staff, and improve work organisation and productivity, as well as the sector's image as a place to work

Box 6.7. **Working with the Retail Sector in the Netherlands.**

Economically and socially the retail sector is of great importance to Breda and its surrounding area. The sector has 2 200 establishments in the area, and is currently relatively stable. However, in the context of the ageing of the population it is expected that it will become more difficult to fill vacancies in the future. It is also acknowledged that more has to be done to increase the quality of employment in the sector and the productivity and competitiveness of local enterprises, particularly small and medium sized enterprises (SMEs). Several organisations such as the national board for the retail trade, the retail platform Breda, the association of enterprises in the city centre of Breda, the Chamber of Commerce and Werkplein Breda (the local public employment service) have taken the initiative to establish a service-unit for the retail sector (Servicepunt Detailhandel). The objective of this service unit is threefold:

- Improving the inflow and outflow of workers and better managing labour market transitions within the sector (for example, by improving the match between demand for labour and supply of labour through investments in skills etc.);
- Training of staff: implementing an external information and advice service on human resource management for SMEs, to improve work organisation, productivity and the quality of local job opportunities;
- Improving the image of the sector: stimulating and organising extra promotion with regard to (working in) the retail sector; improving customer satisfaction.

The strength of the service-unit is that the approach is demand driven and based on one-on-one relationships with local retailers. If action is needed this takes place immediately through individual company visits and via visits to the member and board meetings of the association of retailers. These visits are being undertaken by job coaches of the Werkplein Breda. They have extensive experience with regard to contacting local companies and good knowledge of local training opportunities in relation to the retail sector. The work coaches also receive training from the national board for the retail trade. Servicepunt Detailhandel started in 2009 and in early 2010 a similar service point was established for the care and welfare sectors, with plans to develop one for technical professions.

Source: Dorenbos, R. and F. Froy (2011), "Building Flexibility and Accountability Into Local Employment Services: Country Report for the Netherlands", OECD Local Economic and Employment Development (LEED) Working Papers, No. 2011/13, OECD Publishing. http://dx.doi.org/10.1787/5kg3mktqnn34-en.

Recommendation: Promote the better utilisation of skills to increase productivity and job quality, and make this a government priority.

In the near future, a declining labour force growth rate and aging workforce mean that Quebec must make greater use of the skills of the existing workforce and become more productive. This review has identified a weakness in the capacity of employment and skills policies to contribute to skills utilisation conducive to employment in sectors that are more productive. There was evidence of short-sightedness by employers, particularly in SMEs, which pay insufficient attention to planning for the renewal and the development of their own workforce, particularly when it is ageing, developing new markets, upgrading their products and strategies, reassessing the productivity of their production processes, and investing in new technology. Making better use of skills to enhance productivity in Quebec would also enable today's workers to move on to better jobs and improve labour market access for vulnerable individuals.

It appeared that in Mauricie and Estrie, stakeholders are conscious that skills utilisation should be a priority for job quality, and regional competitiveness and attractiveness. They have accordingly used an array of tools and funding sources to get this message across to firms and assist in the process. While stakeholders are conscious of this issue, it appears that there is gap between identified priorities and how policies and programmes provide funding for these types of initiatives.

CEGEP staff seem to be the local champions of this task, but it is not seen as a priority within the institutions' mission. A number of local agencies offer services to enterprises (the local development centres, local employment centres, school boards and the federal business support centres) and can contribute to skills utilisation initiatives, but capacities are uneven, and even when they are co-ordinated well among themselves, it is not clear how each of them can deliver the same quality of advice and support on this complex issue which goes beyond filling skills gaps and needs.

These initiatives should be bolstered, first of all by making them a government priority. There should be clarification of the importance of skills utilisation in attaining the desired goals with regard to productivity, innovation, employment and skills in Quebec. This mission should be translated into the corresponding resources for the organisations involved. The Labour Market Parners Commission can play a considerable role in pursuing this objective and promoting the importance of skills utilisation approaches. It can mobilise employers and trade unions, highlight best practices and promote useful models.

The OECD LEED Programme has looked into the issue and highlighted a number of useful mechanisms (see Box 6.8), stressing the need to not just expand the supply of skills, which can sometimes lead to either a surplus of skills or to areas of low-skills equilibrium, but also to ensure that employers use skills effectively. By working with employers to solve their wider problems within the organisation of work and their production processes, internal upward mobility mechanisms can be implemented in businesses, enabling individuals to move up within their company or organisation while at the same time fostering innovation and motivation. This type of initiative can also create new opportunities and jobs, and in addition it can free up entry-level positions as workers advance out of those jobs to more skilled assignments (Froy and Giguère, 2010; Froy, Giguère and Meghnagi, 2012).

Recommendation: Establish one or two pilot regions to experiment with greater strategic management flexibility and place a greater emphasis on the utilisation of skills.

In the realm of skills utilisation, as in others covered by this review, Quebec has exhibited interesting practices. Stakeholders have instituted some novel practices, some of

Box 6.8. **Tools to raise the quality of jobs and improve skills utilisation**

Guidance, facilitation and training

- **Support technology transfer**: facilitating investment in new technology by employers, setting up partnerships for the sharing of innovation and new technologies.
- **Provide technical assistance to improve working conditions and work organisation**: this may mean the re-professionalisation of front-line positions in some sectors and a reduction in dependence on temporary staff, while in others it may mean applying lean manufacturing techniques. Providing staff with enough time to pass on skills and learning is also important.
- **Encourage participation in training for both managers and workers**: better trained managers are likely to create more productive working environments for their staff. At the same time, companies need to be encouraged to make training and other skills development opportunities available to their employees.

Finance and procurement

- **Ensure the availability of patient capital**: in order to invest fully in their staff and upgrade their production processes, companies need long-term investment security. The availability of local "patient capital" (i.e. funds invested for medium or long term, generally for 5 to 10 years) will be important for this.
- **Develop a quality-driven supply chain**: public procurement can also be used to help local firms think longer term and therefore invest in increased productivity. This can include, for example, longer contracting periods. In addition government contracts can require a certain level of working conditions, and a certain level of commitment to training.
- **Support social enterprise**: given that social enterprises can avoid some of the short-term pressures associated with satisfying private shareholders, they can in some cases take a longer-term perspective to developing and training their staff.

Influencing broader public policies

- **Remove local disincentives to a focus on quality in the public sector**: this may include changing incentive structures for local employment agencies so that they concentrate on the quality and not just the quantity of job-matches.
- **Ensure that skills policies are embedded in economic development policies**: local partnerships are needed between business and policy makers in the sphere of economic development, education and employment, in order to ensure that skills policies are understood in the context of broader economic development.

Work in partnership

- **Work with intermediaries**: brokers and intermediary bodies can be particularly useful when working with employers on productivity issues, particularly as this is not a traditional domain for public policy, at least not in the realm of employment.
- **Work with unions**: unions are natural partners in improving the quality of employment at the local level. Not only are unions increasingly involved in co-ordinating training for their members, but they also have an interest to see that work organisation and employment conditions improve for skilled staff. They are a useful intermediary between the public sector and business.

Source: Froy, F. and S. Giguère (2010), "Putting in Place Jobs that Last: A Guide to Rebuilding Quality Employment at Local Level", OECD Local Economic and Employment Development (LEED) Working Papers, No. 2010/13, OECD Publishing. http://dx.doi.org/10.1787/5km7jf7qtk9p-en.

which warrant being bolstered if not professionalised; others should be taken further and examined closely to extract lessons that could be useful for other regions, and their results disseminated. In the realm of government policy, it is essential not to try to re-invent the wheel or to complicate things for initiatives that are working well. Prudence is therefore essential when it comes time to making recommendations, especially on subjects as complex as improving corporate productivity and job quality by making better use of skills.

Quebec could think about piloting processes in one or more localities where skills utilisation has been identified as a major problem, and in which initiatives to improve the situation have been taken. Ideally, such localities will have developed effective governance mechanisms, which reflect a concerted approach to employment, training and economic development. The Haut-Saint-François and Shawinigan regions, examined as part of this review, would seem to match those criteria. For example, in both cases stakeholders share corporate files and co-ordinate their action towards those same businesses so as to take a coherent and effective approach. The governmental services offered by these actors are integrated insofar as they cross administrative and jurisdictional boundaries. These actions are important, and they are proof of the presence of significant social capital within the institutional fabric.

It might be appropriate to look to these convincing initiatives to extract as many lessons as possible about mechanisms that might be feasible for use in Quebec to carry out some of the main tasks studied by this report as effectively as possible. It might be advisable to assess the results in these localities having greater flexibility in the use of provincial, federal and local programmes and funds for employment and skills. In conjunction with a pilot project, these funds could be redeployed according to local orientations, with skills utilisation, skills identification and access to jobs and upward mobility being the primary targets for action. Successful initiatives could then be deployed regionally, either in Mauricie or Estrie, before analysis could lead to recommendations for methods to be used in other regions of Quebec.

Recommendation: Continue to focus on ways of reducing early school leavers and connecting low-skilled youth to the labour market

Québec has made considerable progress in reducing the rate of early school leaving but more can be done to assist this group and ensure they are exposed to good labour market opportunities. The economic crisis has had a heavy negative impact on youth, particularly the NEET group (those who are not in education, employment, or training). The local youth employment centres (*carrefours jeunesse emploi)* are well organised and have a number of programmes to assist young people. They are also well-positioned to work with local employers, sector councils and the Labour Market Partner's Commission to provide the mix of incentives to support at-risk youth and encourage those who have left high school without a credential to complete this phase of their schooling.

During the study visit, the OECD team heard that employers find that one of their biggest challenges is that people are not work ready, and that young people in particular do not have sufficient work experience and employability skills. A factor in which can often hinder young people in the labour market, and closely related to early school leaving, is low aspirations. This factor was highlighted in meetings with local stakeholders in the case study areas for this project. Motivating young people can help them to recognise their personal and professional strengths, break out of old patterns of thinking and realise that they can attain their goals. Local stakeholders also emphasised the importance of youth having soft skills, which are increasingly important for transferability in the labour market.

OECD research has highlighted the value of cultivating skills through cultural and creative activities (Froy and Pyne, 2011). This is way to provide young people, often disadvantaged youth who can be difficult to reach through more conventional approaches, with new skills and allow them to pursue areas of passion such as music, theatre, literature and film. Young people may have interests not immediately regarded as relevant to the labour market, but if encouraged to develop and pursue these they can prove to be invaluable in giving young people more confidence, greater ambition as well as allow them to acquire new skills valuable in the world of work, or indeed to set up their own businesses.

Box 6.9. **Tackling fragmentation and duplication, Glasgow, UK**

The city of Glasgow has re-engineered its approach to supporting youth employability since the mid-2000s and since the recession. It is believed that one contributing factor to this is the shift from supporting individual projects to one where the emphasis is on improving the entire ecology of interventions available and joining these up. This has included establishing clear leadership responsibility in an area that has traditionally been "everyone's problem but no-one in particular", introducing shared targets for the city, establishing a Youth Gateway model to promote information sharing and joint service commissioning, and embedding schools into the partnership model.

Young unemployed people were commonly in a "revolving door" between publicly funded projects which rarely led to positive outcomes. Steps taken to address this have included action to promote improved joint working and bringing in a tracking system. A number of changes to promote genuine collaboration have also been introduced, including establishing a Service Level Agreement in 2009 outlining roles and responsibilities of all key players, and the introduction of Youth Employability Groups to monitor progress on the ground – each chaired by a head teacher. Addressing structural difficulties at departmental level is a long-term goal. Under the banner of Glasgow Works, a co-commissioning model was piloted where funders have adopted a more transparent approach to financing interventions.

An early recommendation for the Glasgow partnership was to investigate and develop ways to improve the availability and quality of early intervention for young people struggling in schools. Consultation with schools, guidance staff, providers and young people indicated that too often the support and guidance they needed was provided too late in the day. Rather than waiting until their final year of compulsory schooling, a strong argument was made to develop a model which identified problems upstream and brought partners together to address these.

Source: Travkina, Froy, and Pyne (2013), *Local Strategies for Youth Employment: Learning from Practice*, OECD Local Economic and Employment Development (LEED), OECD Publishing.

References

Dorenbos, R. and F. Froy (2011), "Building Flexibility and Accountability Into Local Employment Services: Country Report for the Netherlands", *OECD Local Economic and Employment Development (LEED) Working Papers*, No. 2011/13, OECD Publishing. http://dx.doi.org/10.1787/5kg3mktqnn34-en.

Evans, S. and G. Bosch (2012), "Apprenticeships in London: Boosting Skills in a City Economy – With Comment on Lessons from Germany", *OECD Local Economic and Employment Development (LEED) Working Papers*, No. 2012/08, OECD Publishing. http://dx.doi.org/10.1787/5k9b9mjcxp35-en.

Froy, F. and S. Giguère (2010), "Putting in Place Jobs that Last: A Guide to Rebuilding Quality Employment at Local Level", *OECD Local Economic and Employment Development (LEED) Working Papers*, No. 2010/13, OECD Publishing. http://dx.doi.org/10.1787/5km7jf7qtk9p-en.

Froy, F., S. Giguère and M. Meghnagi (2012), "Skills for Competitiveness: A Synthesis Report",*OECD Local Economic and Employment Development (LEED) Working Papers*, No. 2012/09, OECD Publishing. http://dx.doi.org/10.1787/5k98xwskmvr6-en.

Froy, F. and L. Pyne (2011), "Ensuring Labour Market Success for Ethnic Minority and Immigrant Youth", *OECD Local Economic and Employment Development (LEED) Working Papers*, No. 2011/09, OECD Publishing. http://dx.doi.org/10.1787/5kg8g2l0547b-en.

Giguère, S.(ed.) (2008), *More Than Just Jobs: Workforce Development in a Skills-Based Economy*, Local Economic and Employment Development (LEED), OECD Publishing. http://dx.doi.org/10.1787/9789264043282-en.

Hamilton, V. (2012), "Career Pathway and Cluster Skill Development: Promising Models from the United States", *OECD Local Economic and Employment Development (LEED) Working Papers*, No. 2012/14, OECD Publishing. http://dx.doi.org/10.1787/5k94g1s6f7td-en.

OECD (2014a), *Employment and Skills Strategies in Australia*, OECD Reviews on Local Job Creation, OECD Publishing. http://dx.doi.org/10.1787/9789264207899-en.

OECD (2014b), *Employment and Skills Strategies in Ireland*, OECD Reviews on Local Job Creation, OECD Publishing. http://dx.doi.org/10.1787/9789264207912-en.

OECD (2014c), *Employment and Skills Strategies in Northern Ireland, United Kingdom*, OECD Reviews on Local Job Creation, OECD Publishing. http://dx.doi.org/10.1787/9789264208872-en.

OECD (2014d), *Employment and Skills Strategies in the United States*, OECD Reviews on Local Job Creation, OECD Publishing. http://dx.doi.org/10.1787/9789264207899-en.

OECD (2013a), Korea: Improving the Re-employment Prospects of Displaced Workers, Back to Work, OECD Publishing. http://dx.doi.org/10.1787/9789264189225-en.

OECD (2013b), *OECD Skills Outlook 2013: First Results from the Survey of Adult Skills*, OECD Publishing. http://dx.doi.org/10.1787/9789264204256-en.

OECD/The European Commission (2013), *The Missing Entrepreneurs: Policies for Inclusive Entrepreneurship in Europe*, OECD Publishing. http://dx.doi.org/10.1787/9789264188167-en.

OECD (2012), Policy Brief on Youth Entrepreneurship: Entrepreneurial Activities in Europe, OECD LEED Division, Paris.

Travkina, Froy, and Pyne (2013), *Local Strategies for Youth Employment: Learning from Practice*, OECD Local Economic and Employment Development (LEED).

Verma, A. (2012), "Skills for Competitiveness: Country Report for Canada", *OECD Local Economic and Employment Development (LEED) Working Papers*, No. 2012/03, OECD Publishing. http://dx.doi.org/10.1787/5k9bb1vz5jhb-en.

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The European Union takes part in the work of the OECD.

OECD Publishing disseminates widely the results of the Organisation's statistics gathering and research on economic, social and environmental issues, as well as the conventions, guidelines and standards agreed by its members.

LOCAL ECONOMIC AND EMPLOYMENT DEVELOPMENT (LEED)

The OECD Programme on Local Economic and Employment Development (LEED) has advised governments and communities since 1982 on how to respond to economic change and tackle complex problems in a fast-changing world. Its mission is to contribute to the creation of more and better quality jobs through more effective policy implementation, innovative practices, stronger capacities and integrated strategies at the local level. LEED draws on a comparative analysis of experience from the five continents in fostering economic growth, employment and inclusion. For more information on the LEED Programme, please visit *www.oecd.org/cfe/leed*.

OECD PUBLISHING, 2, rue André-Pascal, 75775 PARIS CEDEX 16
(84 2014 05 1 P) ISBN 978-92-64-20936-7 – 2014-1

OECD Reviews on Local Job Creation

Employment and Skills Strategies in Canada

The Local Job Creation series focuses on the role of employment and training agencies in contributing to job creation and productivity. It explores how OECD countries are implementing labour market and skills policy and putting measures in place at the local level to stimulate quality employment, inclusion and growth.

Contents

Executive summary

Reader's guide

Chapter 1. Policy context for employment and skills in Canada

Chapter 2. Ontario's employment and skills system

Chapter 3. Quebec's employment and skills system

Chapter 4. Overview of the Canadian case study areas

Chapter 5. Local job creation dashboard findings in Canada

Chapter 6. Towards an action plan for jobs in Canada: Recommendations and best practices

Consult this publication on line at ***http://dx.doi.org/10.1787/9789264209374-en.***

This work is published on the OECD iLibrary, which gathers all OECD books, periodicals and statistical databases. Visit ***www.oecd-ilibrary.org*** for more information.

OECD*publishing*
www.oecd.org/publishing

ISBN 978-92-64-20936-7
84 2014 05 1 P