

AGENDA FOR GROWTH

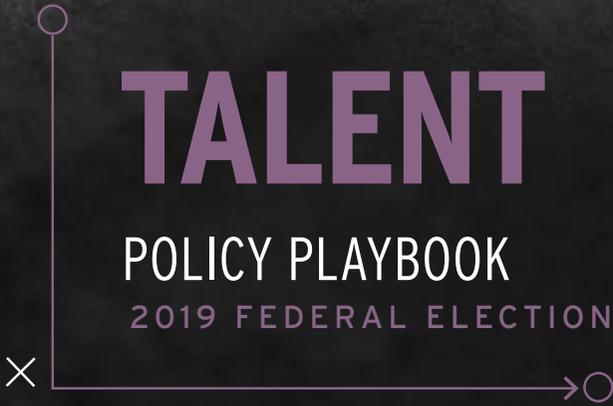
Policy playbooks to elevate Canada

Canadian Global
Cities Council 

TALENT

POLICY PLAYBOOK

2019 FEDERAL ELECTION



TALENT

Increased global investment to Canada has been fueled by our diverse and skilled talent pool and the role it plays in innovation, business development, economic growth, and global competitiveness. Our universities, colleges and vocational institutions continue to produce top-tier talent, while a streamlined and strategic immigration system brings in-demand foreign nationals to help drive business operations.

And yet, businesses across the country and in nearly all industry sectors report that finding, recruiting, and retaining talent with the right skills is one of their top challenges and a significant barrier to growth. In addition to the increase of tech-related proficiencies, overall complexity in new and existing jobs, and the demand for higher skilled talent, many businesses also report being unable to fill entry level positions or those that require minimal or no credentials. In the Bank of Canada's Business Outlook Survey, firms reported one of the highest levels of labour shortages since the 2009 recession, with job vacancies totaling 550,000 across the nation.

Hiding behind the impressive job growth numbers and the historically low unemployment rate, Canada's tight labour market is under pressure by an aging workforce, declining workforce participation rate, stagnating wages, and the rapidly changing nature of jobs.

In this federal election, it is more important than ever that all campaigning parties commit to effective talent development strategies, including continued strategic immigration, reducing mobility and trades certification barriers, better alignment between skills training and available jobs, and incentives for lifelong learning and continued reskilling and upskilling.

Read our complete series: [AGENDAFORGROWTH.CA](https://www.agendaforgrowth.ca)



OUR TALENT PLAY IN 4 MOVES

1 SUPPORT FACILITATIVE IMMIGRATION

Without continued and increased strategic and facilitative immigration to supplement our labour force as baby boomers retire, our businesses will have limited access to the talent and skills they need to be successful.

Increased population through immigration drives up the demand for goods and services, contributing to economic growth, and widens the tax base helping to maintain the status of our social system, including our public health care and education.

Over the last 10 years, immigration has accounted for 75% of Canada's population growth and as much as 90% of all labour force growth, with net employment growth in the last five years almost entirely accounted for by landed immigrants. Real GDP per capita, productivity, and innovation have all seen an increase in the last 20 years largely due to immigration.

As nearly all immigrants settle in urban centres, it is a priority for the Canadian Global Cities Council (CGCC) and the business community to ensure the immigration system is not politicized and remains employer-responsive, demand-driven and fast-tracked. We recommend that this can be achieved in five ways:

Maintain and build on the Global Skills Strategy

- The Global Talent Stream has already been used by 1,100 Canadian employers to fast-track high-skilled talent. Building on this program, the list of pre-identified occupations in Canada should be further expanded in consultation with employers and using labour market information to

help address shortages in high growth industries.

- Region-specific programs like the Atlantic Immigration Pilot Program should be made permanent. Some regions of the country are facing out-migration of youth and declining populations. Redirecting skilled foreign nationals can supplement specific labour shortages in those areas, including highly in-demand healthcare professionals.

Introduce a Trusted Employer Program

- To reduce red tape for businesses, get people into in-demand jobs faster, and streamline compliance, the next federal government should institute a Trusted Employer Program similar to the ones used in Australia, the UK, Netherlands, and Ireland, while strengthening audits and inspections.
- This model would help reduce Labour Market Impact Assessment processing times and provide compliant firms accelerated access to the TFW Program.

Retain international students

- Diversify source countries of international students to Canada and expand opportunities for Canadian students to study abroad.
- Streamline paperwork and timelines to better support retention and employment of international students post-graduation.

"Canada has made its mark on the international scene for the quality of its educational network, the flexibility of its immigration system and its capacity for innovation. We need to leverage these assets to improve the training, attraction and retention of talent. This is how we will build on our momentum and respond to the glaring labour needs that are affecting key sectors of the economy. We need to establish a close link between government policy and the needs of companies to stimulate investment and economic growth"

MICHEL LEBLANC, PRESIDENT & CEO, CHAMBER OF COMMERCE OF METROPOLITAN MONTREAL



IN 2018 A RECORD HIGH 572,415 INTERNATIONAL STUDENTS CAME TO CANADA.



Implement sector-specific open work permits for Temporary Foreign Workers (TFWs)

- Partner with industry associations to implement open work permits in high-demand and growth sectors that would enhance labour mobility and offer more competition to recruiting in-demand talent.
- A clear and guaranteed pathway to residency should also be instituted for TFWs to minimize turnover and the burden and costs of re-training for employers.

Improve credential recognition

- Despite immigrants' entry to Canada being tied explicitly to their in-demand skills, their credentials and experience are not always recognized, resulting in unemployment or underemployment. The next federal government should introduce

a streamlined credential and experience recognition program in a select number of occupations with willing regulatory bodies and associations that would establish objective criteria across all provinces (e.g. education and certification, minimum years of experience). Professional regulatory bodies should be empowered to:

- develop a plan to provide accreditation pathways within a 12-month period for high-skilled immigrants in partnership with educational institutions; and,
- work with the next federal government to start the process while the applicant is still in their country of origin, providing them with complete and updated information so they can start the credential recognition process as early as possible.



1,800 FISH-PLANT JOBS WENT UNFILLED IN THE ATLANTIC REGION IN 2017. AN ADDITIONAL 2,500 WORKERS WILL BE NEEDED OVER THE NEXT 5 YEARS TO REPLACE RETIREES.



7:1 WORKING TO RETIREE RATIO IN 1971

2:1 WORKING TO RETIREE RATIO BY 2035



UP TO 60% OF CANADIAN EMPLOYEES EXPERIENCE SKILL MISMATCHES.



2

INVEST IN TRAINING AND RESKILLING, INCLUDING LIFELONG LEARNING

New and existing jobs will require increasingly complex skills. As technology changes and permeates every industry sector, job functions and roles will also change, demanding a more nimble and adaptive workforce and skills training system. The necessity to upskill and retrain more effectively and quickly becomes even more important for incumbent and mid-career workers to reduce job displacement and ensure in-demand skills are developed.

Support employer-recognized and workplace training

- Existing federal programs and funding criteria should be recalibrated to better support employer-recognized and workplace training for both new entrants and incumbent workers. Programs like the Canada Job Grant, the Canada Summer Jobs Program, and the Labour Market Development Agreements (LMDAs) with provinces and territories should be reviewed to ensure a demand-driven system that aligns skills training, including technical, essential and soft skills, relocation opportunities and employment programs for workers with industry demand for talent.
- To further support “learning-while-earning” and programs like the new Canada Training Benefit, the next federal government should introduce a training tax credit for SMEs to recognize the importance of on-the-job training that takes place.
- Programs like Literacy and Essential Skills should focus on job-specific language and math training to help individuals transition faster and more successfully into their roles.

Boost Indigenous workforce participation

- Canada’s Indigenous workforce is the fastest-growing demographic in the country and under direct federal jurisdiction. More emphasis should be placed on adopting flexible funding approaches that encourage successful local Indigenous-led economic development partnerships, including Aboriginal Capital Corporations.
- A review should be conducted of existing federal programs that provide skills training to Indigenous workers to determine which programs have had the strongest outcomes and where gaps may exist between federal and provincial programming.

“Our nation is in a global contest to attract the world’s best and brightest. Encouraging initiatives that skill, re-skill and support life-long learning contribute significantly to every Canadian family’s prosperity. Ensuring Canada has policies that match talented people with high-demand jobs is our nation’s competitive advantage.”

TODD LETTS
CHIEF EXECUTIVE OFFICER
BRAMPTON BOARD OF TRADE



WORKPLACE TRAINING SPENDING DECLINED BY 37% FROM \$1,207 PER EMPLOYEE TO \$800 BETWEEN 1993 AND 2015.



IN THE FIRST QUARTER FOR 2019, THERE WERE 60,170 JOB VACANCIES IN RED SEAL TRADES, AN INCREASE OF 14% FROM A YEAR EARLIER.



ONLY 1 IN 10 APPRENTICES IS A WOMAN, AND MOSTLY IN FEMALE-DOMINATED TRADES SUCH AS HAIRSTYLIST OR ESTHETICIAN.

3 PLACE THE SPOTLIGHT ON THE TRADES

According to Statistics Canada and the Canadian Apprenticeship Forum, Canada needs more than 167,000 new apprentices in the next 5 years to keep pace with current demand. While our Infrastructure and Energy Playbooks focus on the urgent need for more trade-enabling infrastructure, transit, natural resources, and housing developments, we also need to develop our talent capacity in the trades to be able to build and maintain these major infrastructure projects.

The next federal government can help boost the supply of apprenticeships in the trades by:

- Developing a creative national education campaign that can include support for short co-op programs and targeted classroom exposure to showcase the wide range of trade careers, including highly innovative and technology-driven apprenticeships.
- Working with the provinces to support more group sponsors to increase recruitment, registration, and training of apprentices on behalf of companies. These approaches alleviate the burden on SMEs and can increase the supply and completion of apprentices.
- Encourage participation by underrepresented groups in the trades by combating unwelcoming work environments and introducing an increased apprenticeship tax credit from 10% of salary and a \$2,000 maximum per apprentice to 15% of salary and \$3,500 cap for identified groups.

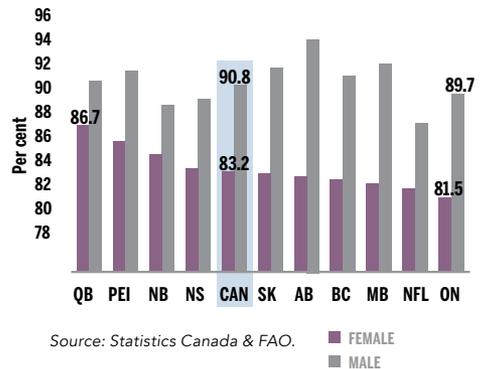
4 EXPAND ACCESS TO AFFORDABLE CHILDCARE

Access to affordable childcare means higher female labour force participation. In Canada's urban centres, the high cost, lack of supply, and long waitlists can limit job opportunities for primary caregivers, which predominantly tend to be women.

The Canadian Child Benefit is a welcome policy, but more can be done to increase the supply of childcare spaces and help parents manage costs. The next federal government should consider, among other proposals:

- Increasing the childcare expense deduction, which is currently limited to \$8,000 per child under 7 and \$5,000 per child over 7 to better reflect the average cost in cities across Canada.
- Reinstating the 25% tax credit to employers to build or expand licensed childcare facilities and help create more convenient on- and off-site daycares.

CORE AGE PARTICIPATION RATES (2018)



BY 2026, CANADA
COULD ADD
\$150 BILLION TO
ITS ECONOMY BY
EMPLOYING MORE
WOMEN IN TECH AND
PROVIDING BETTER
ACCESS TO CHILDCARE.



Read our complete series:
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CANADA NEEDS AN AGENDA FOR GROWTH

Founded in 2015, the Canadian Global Cities Council (CGCC) is a coalition of CEOs of eight of Canada's largest urban Chambers of Commerce and Boards of Trade coast-to-coast: Vancouver, Calgary, Edmonton, Winnipeg, Brampton, Toronto, Montreal, and Halifax. Representing half of Canada's GDP and population, the CGCC is a strong voice for national policies that build competitive and sustainable urban economies.

For Canada and its metropolitan regions to continue to be the best places to live, own a business, and invest, this election we are calling on campaigning parties to champion our Agenda for Growth.

Read our full policy playbooks series on Trade & Innovation, Infrastructure, Talent, and Energy at agendaforgrowth.ca.

Join the conversation online
#Agenda4Growth



**Canadian Global
Cities Council** 