Ontario's Changing Labour Market

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Agenda

1   **Labour Markets**

2   **Barriers to Employment**

**3**   **Skills Gaps and Opportunities**

4   **The Way Forward**

ABOUT THE DIVERSITY INSTITUTE

Based in the Ted Rogers School of Management Diversity Institute is an **action-oriented research centre** working with partners to:

- Undertake research to advance diversity and inclusion in the workplace
- Develop customized strategies, programming, and resources
- Research lead for the Future Skills Centre, Women Entrepreneurship Knowledge Hub, SSHRC PG - Inclusive Innovation and Entrepreneurship Network (IIE-Net), Ecosystem Partner – 50-30 Challenge

10 Regional Hubs
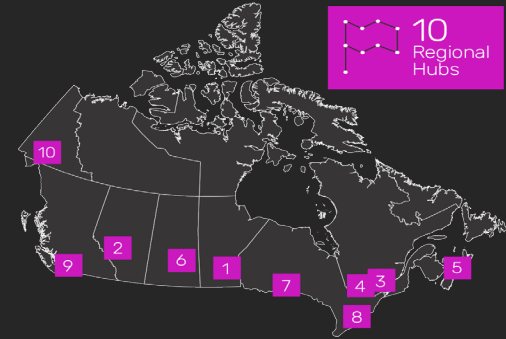
- Founded in 1999
- Committed to social justice but grounded in "the business case" for diversity and inclusion and ecological model of change
- 130+ full-time research staff
- 250+ industry, community and government partners
- Named a UN Prime "best practice"

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LABOUR MARKET

- Not just highly skilled
- Not all work can be done remotely
- Not just large employers
- Biggest labour shortages are in:
- Accommodation and Food Services (65%)
- Construction (49%)
- Manufacturing (48%)
- Retail trade (46%)
- 45% of businesses plan to increase wages to existing employees
- Growing use of gig worker platforms and outsourcing
- Increased exits from the labour market
- Retention is also an issue

"We have dropped the entry level requirements for positions."
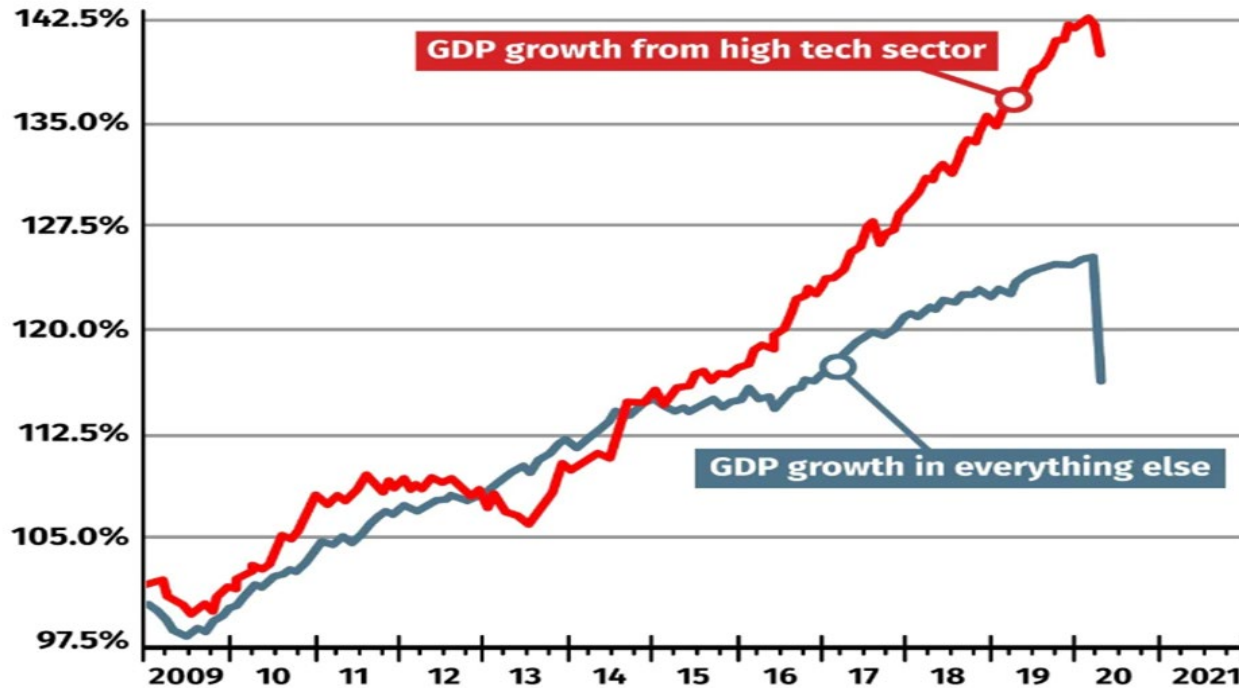*"We have a supervisor shortage"*
"Two thirds of applicants do not show up for interviews"
"Skilled trades programs are out of date"
"We need help connecting to newcomers"
"We have 5000 positions to fill across Canada. Many require only minimal language skills"

But tech is key to recovery

GDP growth from high tech sector

GDP growth in everything else

142.5%
135.0%
127.5%
120.0%
112.5%
105.0%
97.5%

2009 10 11 12 13 14 15 16 17 18 19 20 2021

CBC NEWS

Sources: BMO, Statistics Canada, Haver Analytics

Shopify is worth **$140B**

COVID-19 Pandemic Industry Impact

Sectors with highest job losses	February 2020-February 2022 Employment %
Agriculture	-19.1%
Accommodation and food services	-17.2%
Other services (except public administration)	-12.5%
Business, building and other support services	-8.0%
Transportation and warehousing	-0.9%
Goods-producing sector	0.3%
Manufacturing	0.6%

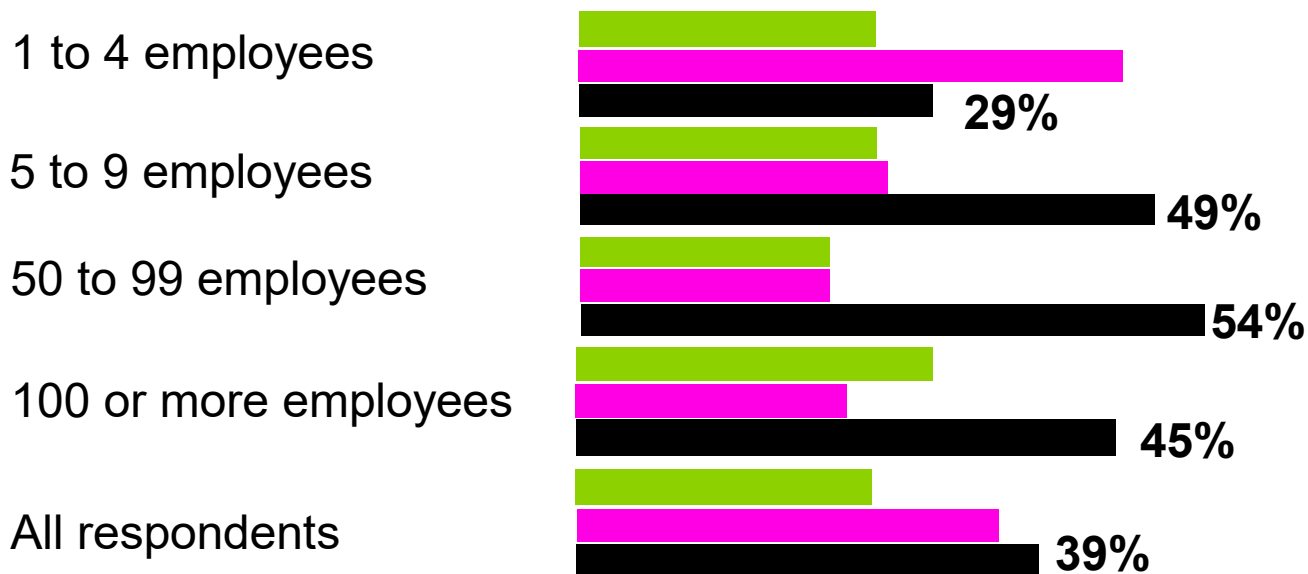| Sectors with lowest job losses	February 2020-February 2022 Employment %
Professional, scientific and technical services	+14.7%
Public administration	+8.9%
Finance, insurance, real estate, rental and leasing	+8.0%
Educational services	+6.8%
Forestry, fishing, mining, quarrying, oil and gas 9 10	+5.7%
Health care and social assistance	+4.4%
Information, culture and recreation	+4.0%

SMEs are 90% of private sector of employers

- Shortage of skilled workers (37%)
- Increased cost of the workforce (37%)
- New organizational practices (27%)
- Cognitive skills (solving complex problems), technical skills, systems and social skills present a challenge

71% of survey respondents said they had difficulties recruiting workers with the skills employers need

Hiring has been difficult

When asked "How easy has it been for your business to hire new employees", here is what firms of various sizes said:
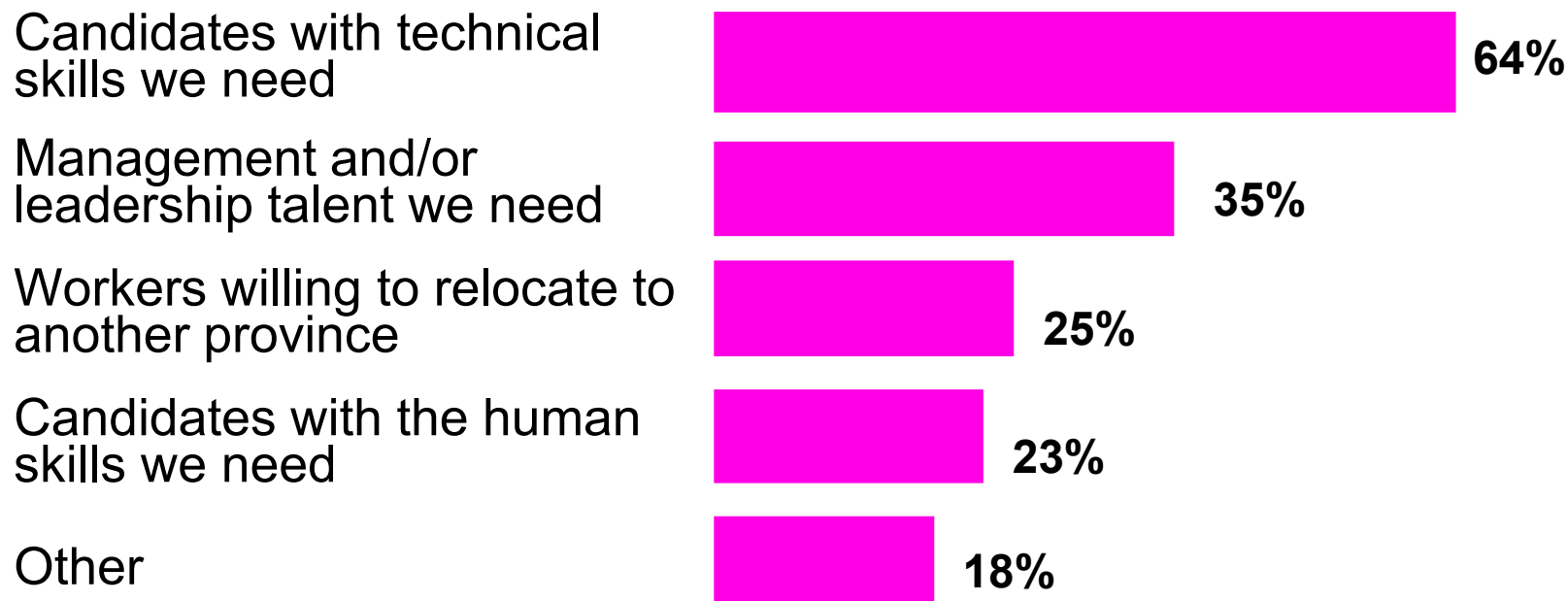
1 to 4 employees

29%

5 to 9 employees

49%

50 to 99 employees

54%

100 or more employees

45%

All respondents

39%

(BDC 2018) ■ Easy to hire   ■ Neither easy nor difficult   ■ Difficult to hire

Skills gap: Employees in short supply

Category	Percentage
Candidates with technical skills we need	64%
Management and/or leadership talent we need	35%
Workers willing to relocate to another province	25%
Candidates with the human skills we need	23%
Other	18%

BARRIERS TO EMPLOYMENT

Education is one of the strongest drivers of social mobility in Canada

Access to skills and employment are unevenly distributed

Employment and skill gaps: Underrepresentation of women in STEM; Devaluation of foreign credentials and perceptions of skills

Barriers to employment: e.g. Indigenous peoples face both historic and contemporary impacts of colonization, including discrimination, bias and negative stereotypes which continue to present barriers to employment and workplace advancement

Barriers to leadership: Perceptions of barriers by management results in realized barriers to advancement for newcomers, persons with disabilities, and racialized women

Occupational segregation: e.g. persons with disabilities are disproportionately represented in low-skill, low-education jobs, often jobs at risk for being automated

Looking for skills in all the wrong places?

- **44%** of engineers with foreign degrees were underemployed, compared with **21%** of Canadian degree-holders
- Applicants with "foreign-sounding" last names 20% less likely to get interviews
- Women still experience a wage gap
- University graduates with severe disabilities have worse employment outcomes than high school drop outs
- Indigenous youth are the fastest growing segment of the population

44%

21%

Perceptions of Barriers - Newcomers

Barrier Identified	Newcomer Perspectives	Employer Perspective
Language and communication skills	27% reported as a barrier	95% reported as a barrier
Educational qualifications	43% reported as a barrier (many were highly educated and likely interpreted this as over-qualification or credential recognition)	89% reported as a barrier
Identifying employment opportunities and availability of candidates	72% reported challenges finding employment opportunities	47% had no difficulty finding suitable candidates

Discrimination, Bias, "Othering" of newcomers

- **Employers devalue the education and skills of immigrants** and discriminate in a variety of ways
- Experiments which sent out identical resumes one with an anglo saxon name and another with a **"foreign sounding name" 30% less likely to get called for an interview** by large organizations and 60% less likely to get an interview
- "No Canadian experience no job, no job no Canadian experience" is not restricted to immigrants but affects others "job entrants"

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Internationally trained newcomers

Foreign degree holders are more likely to be underemployed

In 2015:
- **44%** of engineers with foreign degrees were underemployed, compared with 21% of Canadian degree-holders
- This increases to **49%** from women with foreign engineering degrees

OSPE-2015

49%
Underemployed women engineers with foreign degrees

44%
Underemployed engineers with foreign degrees

21%
Underemployed engineers with Canadian degrees
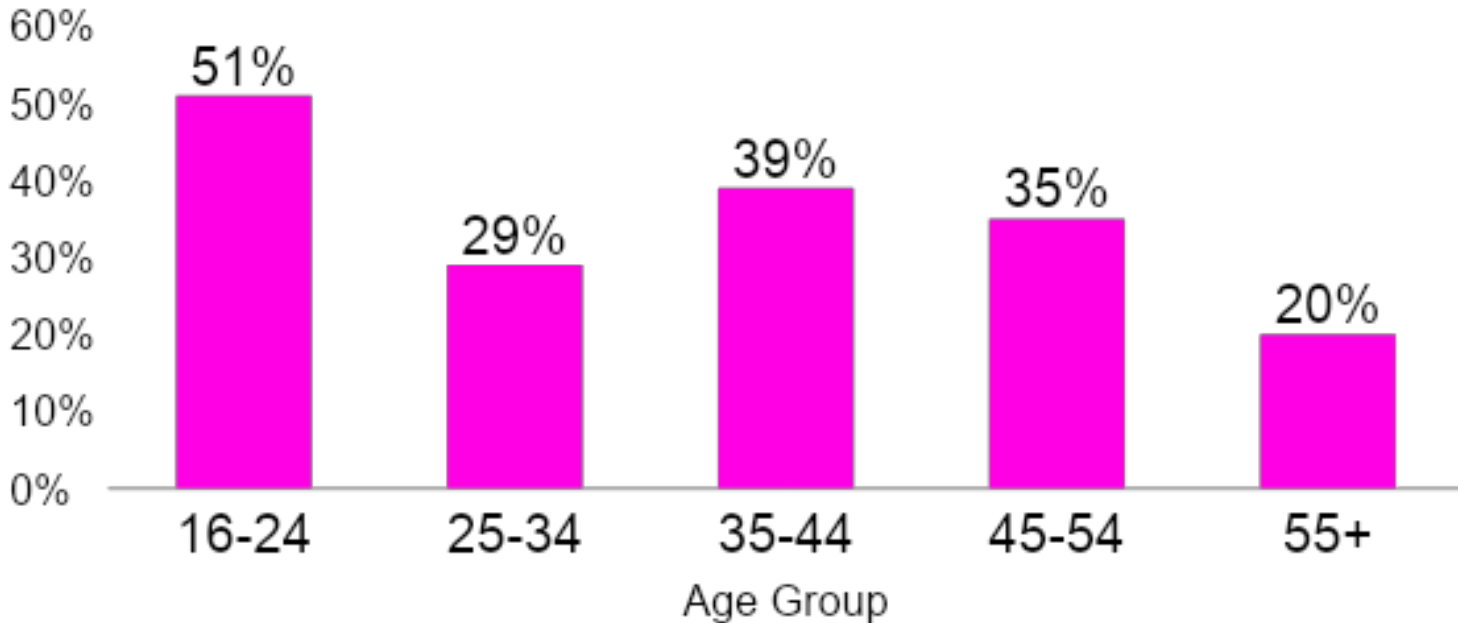
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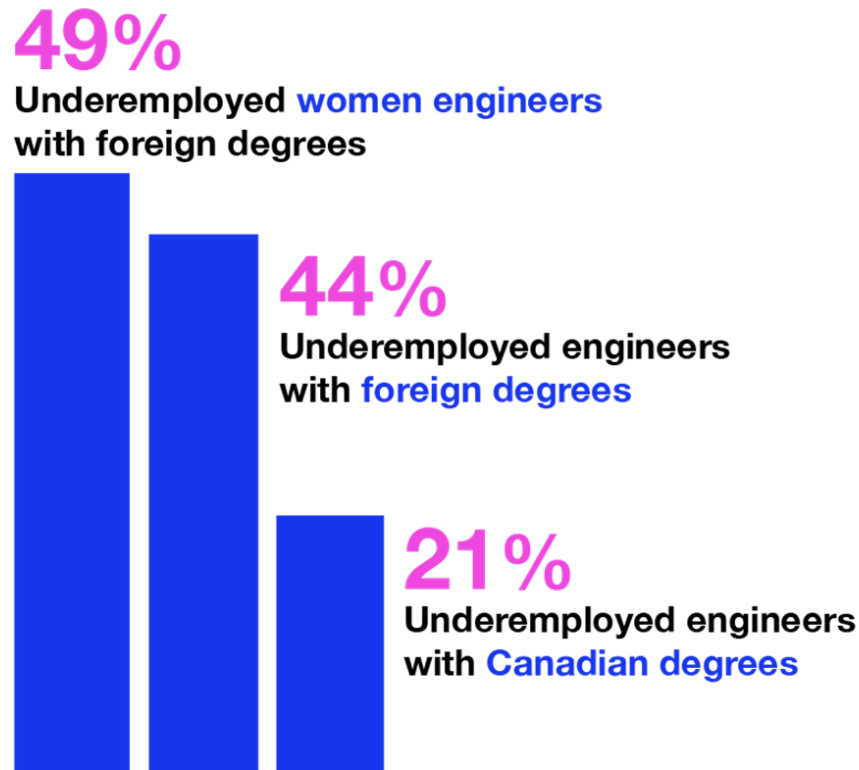
Barriers facing Black youth

Academic Success
- Significantly lower proportions of Black students report having positive feelings about their school experience
- Fewer Black students felt that school was a safe and welcoming place.
- Less likely to get help and the support they needed
- Enjoyed school less that other students (Cameron, 2019; Yau, 2017)
- Graduation rates for Black students are increasing - however, overall, rates are lowest when compared to other groups
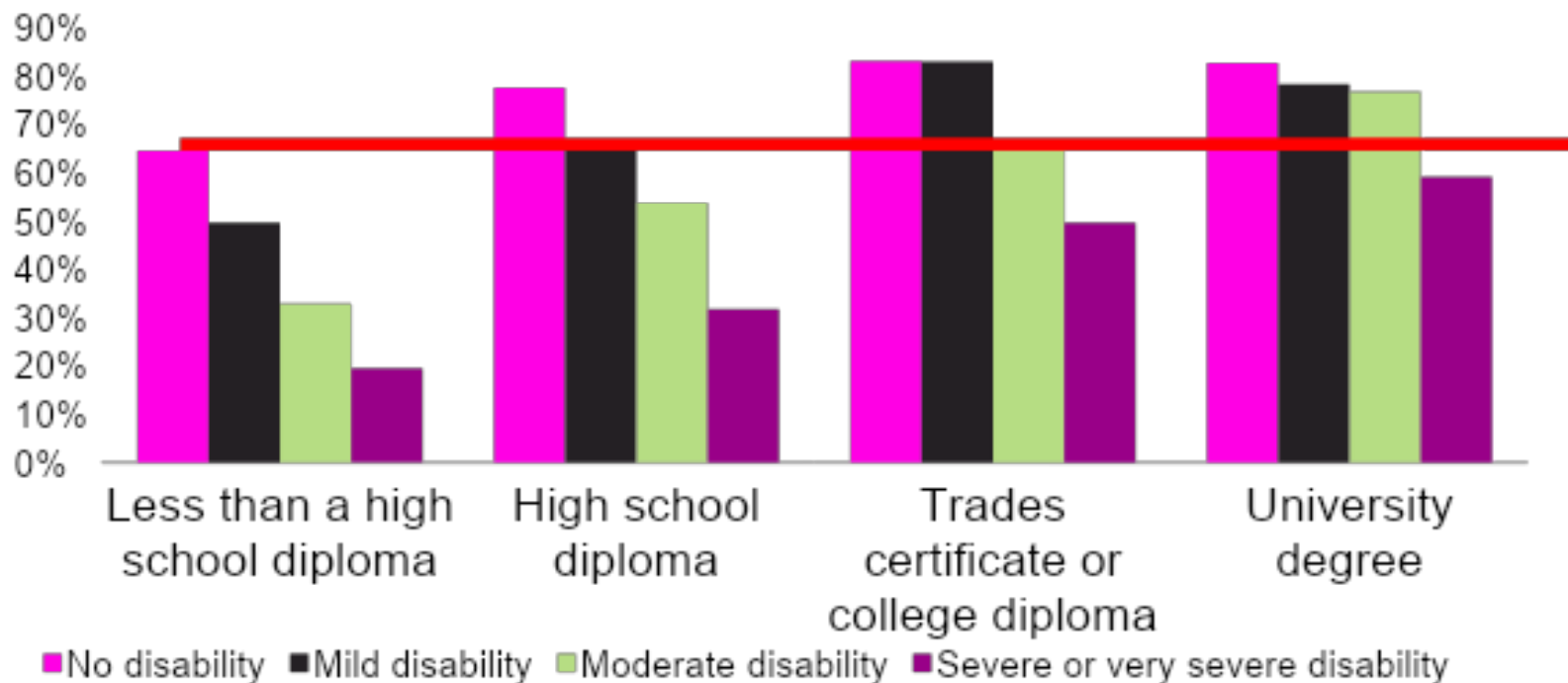
Intersectionality
- 60% of Black Canadians are also immigrants
- 3% of Canadians are Muslim
- Higher levels of poverty, trauma, other challenges

Racism / Stereotypes Viewed as Greatest Challenge Facing Black Community (by Age)

Employment Rates for Persons with Disabilities

Less than a high school diploma | High school diploma | Trades certificate or college diploma | University degree

■No disability ■Mild disability ■Moderate disability ■Severe or very severe disability

Career Pathing through an EDI lens

Context:
- Barriers to employment, occupational segregation and under-representation of designated groups (women, racialized and Black, Indigenous peoples, persons with disabilities, +2SLGBTQ2S+, others)
- "Skills gaps" reported by employers

Questions:
- What is the role of career advising? (k-12, PSE, non-profit)
- What is the impact of career advising?
- Where are the systemic barriers in career advising?
- What works for whom? (user journeys and personas)
- What are the implications, innovative approaches and way forward?

Methods:
- Systemic review of literature and mapping (types of services)
- Deep dives: PSE, Immigration and settlement, K-12

Perceived versus actual barriers

- Few Canadians access career counselling
- Limited evidence on the efficacy of career counselling
- Perceived gaps in knowledge and expertise among career counsellors
  - Vocational development
  - Tests and measurement
  - Expertise in counselling
  - Psychology of human development, psychopathology and mental health
  - Use of career models to facilitate decision making
  - Other perspectives
- Lack of work experience working outside of education/counselling systems
- Stereotypes, bias and systemic discrimination
- Limited connections to employers
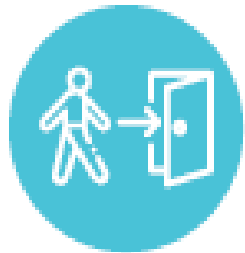
Segmentation: What works for whom

- Industry sectors and size

- Skills and Income Levels

- Employees, Self employed, Gig

- Labour market entry, upskilling, reskilling

- Regional Markets

- Populations – Youth, Women, Immigrants, Racialized and Black, Indigenous people, Immigrants, persons with disabilities, older workers, etc.

COVID-19 has affected some sectors and employment classes more than others.

Inclusive "Career pathing"

The end-to-end reskilling journey

Encouraging user entry	Building self-efficacy	Navigating careers and systems	Assisting with economic and social barriers	Providing good content and good teaching	Sustaining support
Users need an entryway into the lifelong learning ecosystem,	a belief they can succeed throughout the journey,	a clear view of the pathways to success,	help managing barriers like childcare and financial insecurity,	scaffolded, engaging, and positively affirming content,	and continued support for on-the-job success and lifelong learning.

(adapted from Escobari et al., 2019)

SKILLS GAPS AND OPPORTUNITIES

Understanding Skills

- Important differences between skills, techniques, and tools

- Significant issues around measurement and comparisons

- Lack of common definition: undermines the ability of job-seekers to communicate their skills in relation to employers' requirements and employers in understanding and communicating the skills they need

Skills
Developed
Capacities

Techniques
Specific
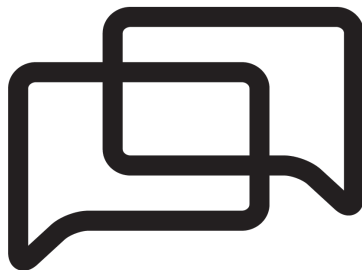Approach

Tools
Software/
Program

Definitional Issues: Eg. Written and Oral Communication Skills

Bridge Gaps in Employer and Graduate Assessments

Student Perception
93% believe they are highly proficient in writing

91% in oral communication

Employer Perception
39% believe recent graduates are highly proficient in writing

47% in oral communication

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STEM is necessary but insufficient

Alternative Narratives and Pathways: only 6 of these CEOs have STEM backgrounds

Digital Skills ≠ STEM:

Skill	Job Postings	
Java	68 847	10%
Software Development	76 120	
Technical Support*	64 084	15%
SAP	62 525	
SQL	100 167	
Spreadsheets	**73447**	**75%**
Microsoft Word	**145 048**	
Microsoft PowerPoint	**149 155**	
Microsoft Office	**306 588**	
Microsoft Excel	**382 851**	

*could be high or low tech skill

(OECD 2020, Brookfield 2019)

What are digital skills?

Deep Technical and Content Creation

Business/ Technology Skills

Basic Digital Literacy
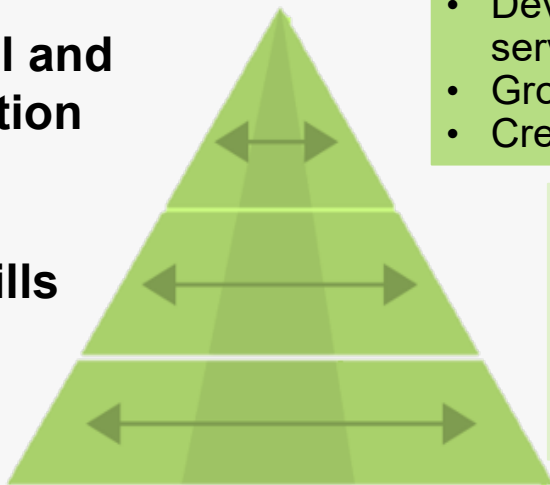
K-12 and PS Education

Occupational Training

Self-Study/ Social Interaction

Knowledge, skills and awareness needed to:
- Develop innovative ICT infrastructure, products and services
- Grow the ICT industry
- Create digital media content advantage

Knowledge, skills and awareness to use ICTS to:
- Build markets for ICTs
- Drive productivity and competitiveness
- Start up and build SMEs
- Capacity to innovate using digital technology

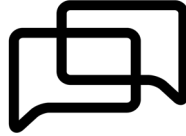**Knowledge, skills and awareness needed by all Canadians to:**
- Participate in the digital Economy
- Enhance personal opportunities, life quality
- Use digital technologies to access products and services

What are Entrepreneurial Skills?

Personal skills
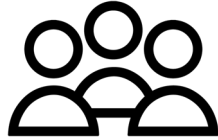
Connection and networking

Marketing and promotion

Finance and regulation

Business skills

"You can't learn surfing from a textbook"
– Jim Basillie

Let's not forget Essential Skills

- Skills needed to participate, adapt and thrive in learning, work and life.

- Include foundational skills – those skills on which all other skills are built, and socio-emotional skills – the human skills required for effective social interaction.

1% increase in literacy level could be associated with a 2.5% rise in labour productivity and a 1.5% rise in the per capita GDP

Language Skills

- Fluency in spoken and written English or French is important to the success of newcomers to Canada: in the immigration process, accessing PSE, navigating Canadian society and finding employment

- Empirical research has shown that skills in English or French are critical to integration and career progression for newcomers

- Studies of the effectiveness of current approaches are not encouraging in spite of government investment - evidence to suggest that we need to re-thinking our approaches and consider new models which offer more accessible, flexible, applied and customizable approaches

- New technologies offer more flexibility, convenience and customization

- Employer centered approaches provide ways to "Learn as you Earn and innovative community based initiatives can provide important opportunities to develop social capital and networks as well as language skills

Assessment of Newcomers' Education and Skills

- Education and skills training programs for immigrants and English Language Learners (ELLs) often lack cultural background knowledge, teaching strategies, and concepts intended for diverse learners

- The impact results in limiting their academic success and not meeting their needs

- Formal school curriculums and entry education often offer little information between groups and immigrants still struggle with recognition of international credentials

Challenges for Service Providers

- Funding restrictions limit ability to innovate
- Uneven results – e.g. English language training
- Fragmentation & silos in the sector affect knowledge transfer
- Unequal geographic service distribution, both between and within provinces
- Awareness and access to pre-arrival services is limited, especially in the area of employment-related information
- Lack of wrap around supports
- Lack of comprehensive evaluation of what works & lack of strategy for innovative programs to be scaled

THE WAY FORWARD

- **Develop common language**
- Important differences between skills, techniques, and tools
- Significant issues around measurement and comparisons
- Lack of common definition: undermines the ability of job-seekers to communicate their skills in relation to employers' requirements and employers in understanding and communicating the skills they need

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Embrace Innovation

- Integrated approach
- Increased awareness of training and upskilling as a competitive advantage
- Shared human resources platforms
- Defining and measuring skills
- New approaches to training
- New tools for recruitment
- Work-integrated learning
- New approaches to retention
- Outreach to diverse populations

Examples of Innovative Approaches - Newcomers

Facilitating Access To Skilled Talent (FAST) provides comprehensive occupation-based pre-arrival employment services program for immigrants
- Served over 800 clients in 68 occupations across three streams: skilled trades, biotech & life sciences, and IT & data services
- Strong partnerships in various industries, academia, and government, in order to provide a place for immigrants to show their skills and experience to Canadian employers

SPRINT (Skills Passport for Newcomers in Tech) is a new initiative implemented under IEC-BC's FAST program.
- SPRINT is designed to test the concept of a 'skills passport' to help internationally trained individuals get hired faster in Canada's growing tech and biotech industries
- Through multi-sector partnership, SPRINT provides a full suite of services to immigrant professionals and connects employers to a skilled talent pool

Examples of Innovative Approaches - Newcomers

ASCEND is an innovative and interactive blended learning program that focuses on developing skilled newcomers' essential workplace competencies: interpersonal, communication and soft skills

- ASCEND uses a strengths-based approach that integrates online and face-to-face learning to support the employment readiness of newcomers and help BC employers recruit, hire and integrate immigrant talent

PowerHack is a virtual hackathon event from the Immigrant Employment Council of BC that allows employers to connect with highly skilled immigrant talents in the Information & Technology sector

# Programs to promote academic success - Youth

- **Pathways to Education** – introduces students to post secondary opportunities

- **Reboot Plus (RP) –** an education and career exploration program to help youth aged 17 to 24 complete high school credits

- **Taking Flight After School Program -** learning experiences for at-risk youth ages 12 -25 (girls/ racialized youth in STEM)

- **The Bridge** – focuses on providing support through the university experience

- **Black Youth School Success Initiative -** tutoring support to Black students in Peel region

Bridging the Digital Skills Gap

ADaPT (Advanced Digital & Professional Training)

- Over 840 trained; 717 placed and counting, 85% placement rate
- 82% of participants belong to diverse groups
- 21+ PSEs represented
- Alternative pathways into ICT from various degree programs
- Virtual Classroom and Online self-directed delivery
- Customizable training on Tech Tools:
  - Pega
  - Salesforce
  - Data
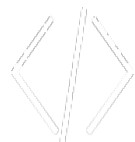
Entrepreneurship as Experiential Learning

- WE-Hub: Women's Entrepreneurship Hub

- Newcomer Entrepreneurship Hub

- Lifelong Leadership Institute
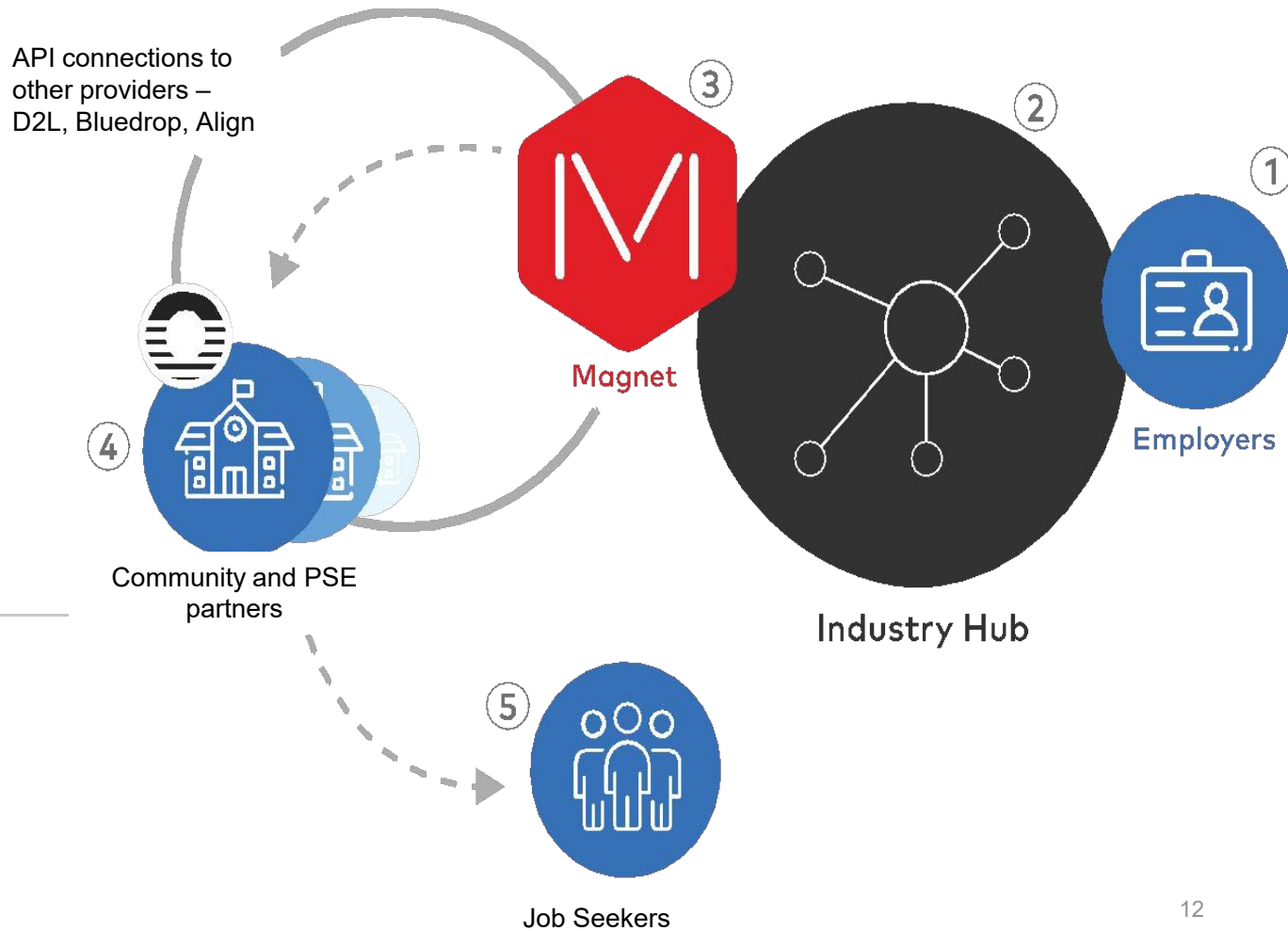
- Boss Women (with BBPA)

Skills development

- Training needs to be quicker and less linked to formal degrees

- Microcredentials and Work Integrated Learning (eg. ADaPT, nPower, Plato, Jelly Academy)

- Digital skills, project and change management are just as necessary to enable transformation

- Resilience, openness and interpersonal are needed to enhance digital transformation

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Magnet Ecosystem

API connections to other providers – D2L, Bluedrop, Align

③ Magnet

② ① Employers

④ Community and PSE partners

Industry Hub

⑤ Job Seekers

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Parting thoughts

- Recognize that COVID has accelerated digitization and the differentiated impacts

- Challenge assumptions about "Digital Skills" definition, assessment and utilization

- Maintain user centered, asset based approach

- Use evidence based strategies to better define, measure, develop and utilize skills

- Explore alternative pathways and innovative approaches

Thank You

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