

Future Skills Council Summary of Preliminary Engagement

Preamble

In February 2019, the Honourable Patty Hajdu, Minister of Employment, Workforce Development and Labour announced the appointment of members of the Future Skills Council with a mandate to:

- engage and gather perspectives from across private, public, labour and not-for profit sectors on:
 - emerging and persistent skills gaps;
 - identification of transferable skills and competencies needed across different sectors;
 - new skills development approaches and technologies; and
 - innovative measurement approaches to offer timely and reliable evidence on in-demand skills and effective skills development and training models.
- develop a strategic plan that includes a shared vision and recommendations on pan-Canadian priorities related to emerging and in-demand skills, now and into the future; and
- share promising practices and encourage use by Council Members' networks and more broadly.

In Spring 2019, the Council completed the first milestone in their mandate. Council members met with, and received written submissions from, almost 400 individuals from over 150 organizations to gather perspectives from across private, public and not-for profit sectors. This report is a high level summary of recurring themes on opportunities and challenges for the Council to consider as it develops a robust strategic plan and a call to action for Canada grounded in actionable advice and concrete recommendations.

The Council will continue to engage across all sectors as it develops the strategic plan. The plan will draw from research and foresight scenarios on the future of work to identify key drivers and emerging trends that will drive skills demands in the future. The plan will set out a vision for Canada to position workers' and employers' for success in the future, and will identify priority areas for action to ensure that skills development and training programs are evolving to meet new workplace demands. The Council will share the plan publicly in winter 2020.

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Context

Governments, employers, educators, trainers and individuals around the world are grappling with the challenges and opportunities presented by the changing nature of work, brought on by drivers such as technological advances, shifting business models, climate change, transition to low carbon economy and changes in the global economy. These drivers are introducing changes in the workplace at an unprecedented pace. Significant changes to jobs, in-demand skills and working relationships are projected over the next 5 to 10 years. The future societal impact of artificial intelligence has been described as comparable to that of the printing press.

During spring 2019, the Future Skills Council undertook a first round of engagement activities to gather perspectives on emerging skills and workforce trends from approximately 400 individuals from over 150 organizations nationwide representing the public, private, labour and not-for-profit sectors. There was a sense of urgency amongst stakeholders expressing a need for collaboration across sectors, including within and across governments, to better prepare Canadians for an evolving labour market. Given the complexity of the issues facing Canada, there was general consensus that there is a need for cross-sectoral collaboration and to bring together and mobilize action across public, private, labour, not-for-profit, Indigenous and other organizations. To achieve the Council's shared interest to drive impact nationally and regionally can only be done through collective action.

The Council supports the Government of Canada's commitment to a relationship with Indigenous Peoples based on a recognition of rights, trust, cooperation and partnership. As the youngest and fastest growing segment of the Canadian population, enabling the participation of Indigenous Peoples in the workforce plays a fundamental role in supporting improved socio-economic outcomes and self-determination. The work of the Future Skills Council will reflect the commitment to advance reconciliation as stated in the principles of reconciliation in the Truth and Reconciliation Calls to Action and reduce socio-economic gaps between Indigenous and non-Indigenous Canadians.

This report provides a summary of opportunities and challenges that surfaced across a broad spectrum of partners and stakeholders. In this way, the Council can bring an initial focus to its further deliberations towards the development of a detailed Strategic Plan confident that it is addressing issues of cross-cutting importance to Canadians while being considerate of diversity, regional differences and inclusivity. The Strategic Plan will provide advice and recommendations to the Minister of Employment, Workforce Development and Labour on how to ensure Canada and Canadians are well positioned to succeed in the future.

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Opportunities and challenges

- 1. Lack of sufficient high quality, relevant, timely, and accessible labour market information .** This was cited by a broad cross section of stakeholders as a challenge for making important decisions for example students, apprentices, workers, employers, educators, training providers, guidance and employment counsellors and policy makers. Canadians nationwide are increasingly concerned with the uncertainties driven by the changing nature of work and its impact on job security. They need improved labour market information to position themselves to make informed decisions to ensure they have the relevant skills to seize opportunities that arise in the emerging economy. Stakeholders pointed to the opportunity to engage with the experience and capabilities of the information and communications technology sector to inform future skills mapping. They also highlighted that new and emerging technologies could be leveraged to improve labour market information collection, analysis and dissemination as part of efforts to address the specific needs of various users.
- 2. Structural barriers and skills shortages.** We heard from stakeholders that Canada's skills training ecosystem is fragmented, challenging our ability to ensure coherent and coordinated approaches for Canadians to access quality training and skills development supports. These supports are critical to ensuring that all Canadians develop the right skills to address shortages, meet demands, and adjust to changing job requirements. They also expressed a need for considering various plausible future scenarios regarding the future of work in the short, medium and long term to help stress test policies and programs to be more responsive and adaptable to employers' and workers' evolving needs.

Effectively supporting mid-career transitions will be essential to ensuring the workforce responds to new demands and remains competitive in the global economy. We heard that some Canadians face challenges throughout their working lives due to limited access to upgrading their skills for example time, information and geography, insufficient foundational skills, and affordability of skills development programs. Stakeholders emphasized the particular needs of groups most impacted by structural barriers such as Indigenous peoples and women under-represented in certain sectors. There was recognition of the potential for differential impacts for men and women within occupations and across sectors affected by technological disruption and new business models. Displaced workers will also include many who are highly-educated and/or highly skilled, but need significant reskilling or upskilling.

Stakeholders pointed to adults who face barriers to recognition for competencies developed through prior formal learning, informal learning, and on-the-job experience. Given Canada's diversity, stakeholders emphasized that the Council's advice should also take into consideration whether communities are urban, rural or remote and additional characteristics such as language and cultural differences,

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including Indigenous-specific contexts, industry concentration, job availability, lack of connectivity and structure, as well as access to broadband.

- 3. Essential skills.** There was resounding agreement that essential skills are indeed essential and need to be incorporated into all facets of skills development policies and programming as they are foundational for upskilling, reskilling and adapting to change. It was noted that individuals with low levels of essential skills face significant challenges in meeting on-the-job expectations and learning new skills therefore increasing their vulnerability.

Sustainable competitiveness and improved productivity in all parts of the economy depends on the quality and quantity of advanced, intermediate and essential skills. Many stakeholders recommended increasing access to targeted supports and leveraging multi-jurisdictional, multi-sectoral partnerships and new approaches to better define, deliver and promote these skills and develop lifelong learning mindsets among Canadians.

There was also significant feedback on the need to reassess these skills within the evolving context. For example, the term “durable” skills had resonance with some stakeholders as it captures that these are enduring marketable skills in a context of rapid technological change and the rise of machine intelligence. Others suggested that the concept of essential skills needs to evolve to encompass a broader range of skills deemed necessary for sustainable employment including soft skills, global competencies, 21st century skills, life skills, critical thinking, etc. Stakeholders told us repeatedly that there needs to be a common understanding of how we define, measure and recognize these skills noting their complementarity to job-specific technical skills.

- 4. Need for lifelong learning.** Canada’s future success depends on the response of all Canadians, including but not limited to younger generations, to the challenges posed by the changing nature of work. There was widespread agreement on the need to foster greater public awareness about the importance and necessity of continuous learning for workers, businesses, communities and the nation. Some pointed to the need to promote a culture and mindset of lifelong learning; however, it was generally acknowledged that awareness must lead to action and results. Stakeholders underscored the need to improve Canadians’ access to timely and accessible upskilling and reskilling opportunities throughout their working lives. It was noted that the barriers to access include: financial costs, time constraints, family and work obligations and precarious employment. Deployment of prior learning assessment and recognition was noted as a potentially transformative approach to help workers to address skills gaps. It will also be important to enhance the capacity of those who function as intermediaries and advisors to those seeking to improve skills and plan careers for example teachers and guidance counsellors, employment counsellors, human resources professionals.

It was noted that in some regions, due to aging populations, upskilling the available workforce and immigration may be insufficient means to fulfill emerging economic

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opportunities. As a result increased emphasis is being put on how to support those who are not part of the labour market to become actively engaged. Addressing the broader social determinants of health for example decent housing, access to healthy food as well as wraparound supports for example mental health and substance abuse services, day care are cited as pre-conditions for effective skills development and training for many of these Canadians as well as others.

- 5. New and emerging models of learning and training.** Stakeholders pointed to the need to explore emerging models and practices created by technological advancements to improve access, diversity, and quality of skills development and training. This included an acknowledgement that the existing skills training infrastructure, with enhanced investments, could potentially boost the capacity of institutions, teachers and trainers to adapt to changing needs. Some examples included:
- multi-stakeholder (business, education, community, Indigenous organizations, labour, not-for-profit organizations, governments), networks, hubs, incubators to steer and accelerate progress collectively;
 - “fast track” pilot programs that are co-led by employers, community to accelerate re-skilling of mid-career and particularly workers in sectors under transition;
 - increased support for online/digital training;
 - blended learning options that enable individuals to benefit from both online/digital and in-person services;
 - work integrated learning opportunities for working Canadians to support upskilling and reskilling;
 - micro-credentials and fast-track education and training programs to develop marketable skills;
 - new “Carousel” models with flexibility for workers to “step on/step off” training programs at any point of the year;
 - the need for approaches to expedite accreditation methods to support skills recognition and transferability across jurisdictions;
 - practices that improve recruitment, completion and certification rates for apprenticeships and the skilled trades; and
 - training and learning models developed in partnership with Indigenous peoples.
- 6. Employer involvement in skills development.** We heard from Canadian industry and employers, especially small and medium-sized enterprises, in both high and low technology-intensive sectors. The challenges they face include building the capacity to innovate and to keep pace with disruptive changes, and to attract, manage, train and retain workers with the right skills sets including technology literate employees. They noted that addressing these challenges is critical to their domestic and global competitiveness and, ultimately, to Canada’s economic growth. Employers pointed to a lack of time and resources to invest in skills training of their employees, and a lack of knowledge and skills to adopt new technology. Employers also noted the need for more quality, timely and accessible sector-specific labour market forecasts, and better

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information about skills in demand so they are positioned to better support on-the-job skills training. We heard that opportunities exist to increase supports for organizational needs assessments to align training with emerging demands and for sector-specific strategies to address transitions.

- 7. Support individuals and groups at higher risk of the negative affects of disruptive change.** We heard that it will be crucial to address multiple barriers faced by groups historically under-represented in the labour market and those that could face additional barriers due to rapid changes in skills and technology with the rise of the gig economy and the erosion of traditional employee-employer relationships. Groups that already face challenges in today's labour market include: people from low socio-economic backgrounds, Indigenous peoples, mature workers, youth, women, LGBTQ+ communities, immigrants, refugees, visible minorities, persons with disabilities and people with low skills. Effectively addressing this challenge will help build a more inclusive workforce, resilient communities and a prosperous economy to the benefit of all.

Next steps

Over the next few months, the Council will continue to engage stakeholders to gather additional perspectives, including more extensive discussions with industry, non-post secondary training institutions, and Indigenous, disability and youth stakeholders and organizations. As part of the strategic planning process, the Council will leverage the existing evidence base and identify credible scenarios for the future of work to inform its deliberations and 'stress test' the advice we bring forward. The Council's strategic plan will include a shared vision and actionable recommendations and outcome measures on pan-Canadian priorities related to emerging and in-demand skills informed by the breadth and pace of technological advancement. It will be a call to action to all the actors in the skills development system, governments, education and training providers, industry, employers, labour, not-for-profit organizations, Indigenous and non-Indigenous peoples to help Canadians develop the skills they need to thrive in a changing labour market.