

# Six recommendations to increase workforce skills & participation

SENATE STANDING COMMITTEE ON BANKING, COMMERCE AND THE ECONOMY

---

**Speaking notes: Janet Lane, Canada West Foundation**  
**Date: Thursday November 3, 2022, 11:30 am ET**

Madame Chair, Senators, ladies and gentlemen, good morning. Thank you for inviting me to provide testimony with respect to the economy and inflation.

In Canada today there is both a labour shortage and a skilled worker shortage. In many parts of the country, these problems combine to leave businesses unable to fill jobs and unable to meet demand for their products and services. Almost half of the one million job postings open at the end of September, had been open for more than 60 days. Businesses stagnate when they cannot find the workers they need. This in turn reduces investment. Shortages of workers and shortages of skills stifle economic growth.

There are only two immediate answers to the labour shortage: immigration and increased participation in the workforce. Other experts have no doubt spoken about the need for immigration. I will reinforce that we need to do a much better job of recognizing foreign credentials if we are to ensure better outcomes for the people who choose to come to this country. There is a global competition for talent. Wasting the hard-earned skills of immigrants is no longer an option. People will go to where their skills will be rewarded.

Employers can no longer depend on traditional diplomas and degrees to assure themselves that they are hiring people who can meet their needs. Jobs are changing too quickly, every job is now a digital job, trades and professions have become cross-functional and the post-secondary system is not nimble enough to respond.

The demographic shift – more people are leaving the labour force than entering it – means that for Canada to continue to be competitive, Canadian workers must become more productive. Increased productivity can come from an increase in basic skills – including literacy, numeracy, communication, thinking and digital skills. And many people with lower levels of education need to build those basic skills.

It is clear that there is a mismatch of skills – even at the lower-skilled jobs level. Of the one million jobs available at the end of June, 38 per cent did not have a stated minimum education requirement and 23 per cent did not require more than a high school diploma. And, according to the most recent data (from 2021) about a third of people who were unemployed possessed a high school diploma or less. The mismatch is because even low-skilled jobs require some specific skills including the most basic skills – and many people even those with a high school diploma do not have these skills. We all know that education is not the purview of the federal government – but the government has a lever they can use to help to increase both skills and participation in the workforce.

The labour market development agreements with the provinces and territories constitute that lever. This funding should be provided with specific recommendations as to how it is used when training people for the workforce. Canada West Foundation recommendations include:

---

## 01

Work towards the development of a pan-Canadian competency framework. Competency statements provide a shared language to describe knowledge, skills and attributes of each competency. Such a framework would profile for individuals and training program providers the competencies and level of competence each job requires. And while individual employers have specific needs, the basic competency profiles of jobs can and should be standardized.

---

## 02

Assess individuals for the competencies they already have gained and identify their competency gaps. No one comes to the labour market totally unskilled, especially recent immigrants, but they are routinely treated as if they have no competencies at all. Assessment centres would do this also for foreign trained individuals. Assessment would be to standardized competencies against criteria of what competence looks like. These would be determined in conjunction with employers.

---

## 03

Individuals should also be assessed for their interests and aptitudes and be provided with information about what jobs entail – competence is only one part of a good job match.

---

## 04

Individuals should be matched to their best fit jobs, ideally hired into their best fit job, and then trained into the job. Job training programs will teach the required competencies. There is no need for canned curriculum and training that insists that individuals start at lesson one.

---

## 05

Life skills and basic literacy skills etc. are hugely important, and often what is most missing from an individual's competencies. They are most effectively and efficiently taught in combination with more technical job skills, on-the-job. Teaching adults these skills without providing context for how they are used in the workplace does not help them to retain their learning.

---

## 06

And finally: Employers must be encouraged, perhaps even incentivized, to provide on-the-job training. Employers can no longer demand job ready candidates – they need to be part of the training ecosystem.

A system such as I have outlined – would help to ensure that the billions of dollars transferred to the provinces and territories for workforce training actually improves outcomes for individuals, employers and, ultimately, the economy.

I'm happy to discuss these ideas. Thank you.