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Building and Educating
Tomorrow's Workforce
Alberta's 10 Year Strategy

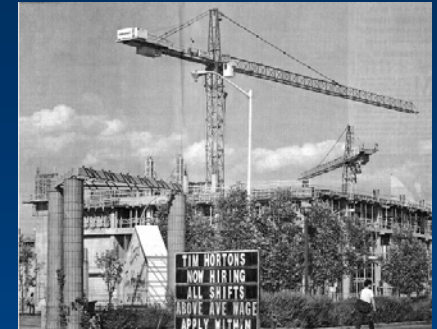
Building & Educating Tomorrow's Workforce: Challenges & Opportunities

September 19, 2006

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Signs of the Times



HEADLINES:

- “Alberta’s battle with growing pains”
- “Plenty of work, not enough bodies”
- “When home is not where the jobs are”
- “Amid job boom, hundreds of thousands left behind”
- “Alberta labour crunch expected to worsen”
- “Hot job market opens for disabled”
- “Foreign workers placed on fast track”
- “Inconveniently women are leaving the labour market”

Sources: Canadian Federation of Independent Business, Urban Futures Institute, Statistics Canada: Heather Scoffield/The Globe and Mail, August 21 & 22, 2006
Eric Beauchesne, CanWest News Service Published: Tuesday, June 20, 2006
Kelly Cryderman, Calgary Herald Published: Friday, September 08, 2006
Jason Fekete, Calgary Herald Published: Tuesday, August 01, 2006
PHOTOS: Doug Beazley, Alberta Venture, September 2006 and The Globe and Mail, August 21, 2006 John Ulan/Canadian Press

Framework

☠ Challenges

☠ Opportunities



Challenges

- World-wide Shortages: A Global Challenge
- Skilled Labour
- Workers with Competencies Needed for the Future
 - Personal Characteristics and Attributes
- Accreditation of Competencies and Abilities – Going Beyond Credentials



Challenges

- Regional Shortages
- Portability and Limited Mobility of Workforce:
 - East/West
- Underemployment
- 127 year old system is not meeting today's needs
- Pension Transfer Restrictions/Lack of Portability of Pensions

Challenges

- Tactical versus Strategic Planning
- Lack of Accurate Strategic Data on Employment Needs
- Demographics: Age and Birthrates
- Recognition and Evaluation of Competencies and Credentials
- Mobility of Workforce



Challenges

- Shortage of over **300,000** Alberta workers by 2025 (Conference Board of Canada)
- Dire shortfall of over **85,000** Alberta workers within 10 years
- Record **53,000 apprentices** in the province, a 130% increase since 1995
- Nearly half of Alberta's 25,000 trade employers are taking an **active role in training**
- **\$500,000**: total **amount** of scholarships available for RAI apprentices
- **500**: total **number** of scholarships available to RAI apprentices – **increased from 50**

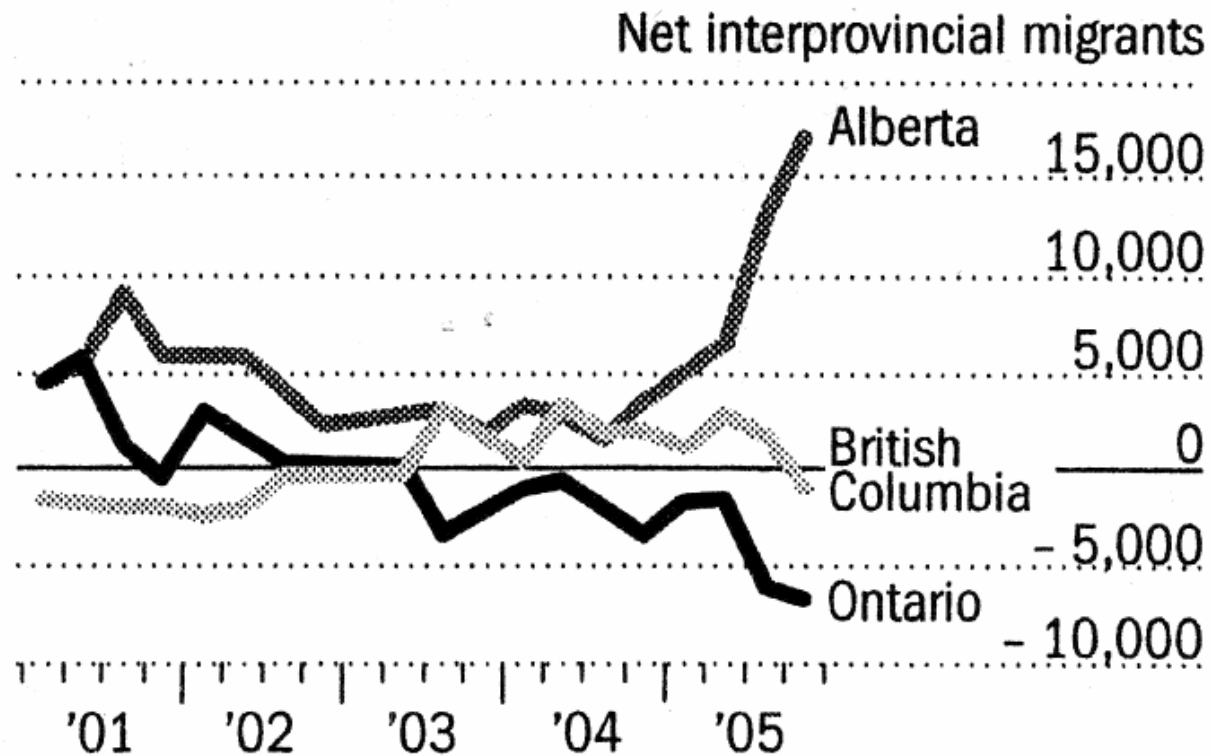
Challenges

- Immigration
 - 225,000 annually is NOT enough
 - Types of skills needed
 - Lifestyle and climate issues
 - Fast track is inadequate
- Temporary workers



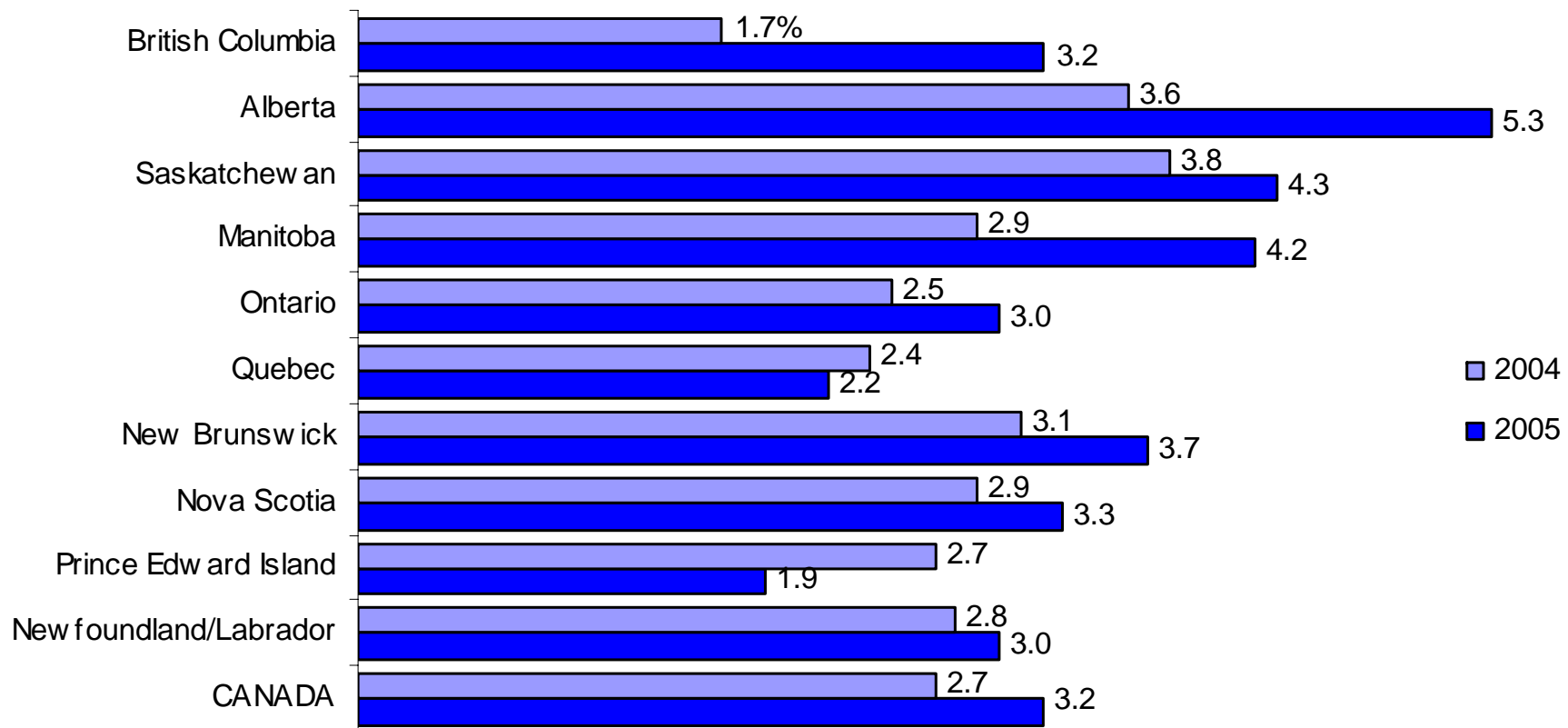
Inmigration

INTERPROVINCIAL MIGRATION BEHIND



LONG-TERM JOB VACANCY RATE

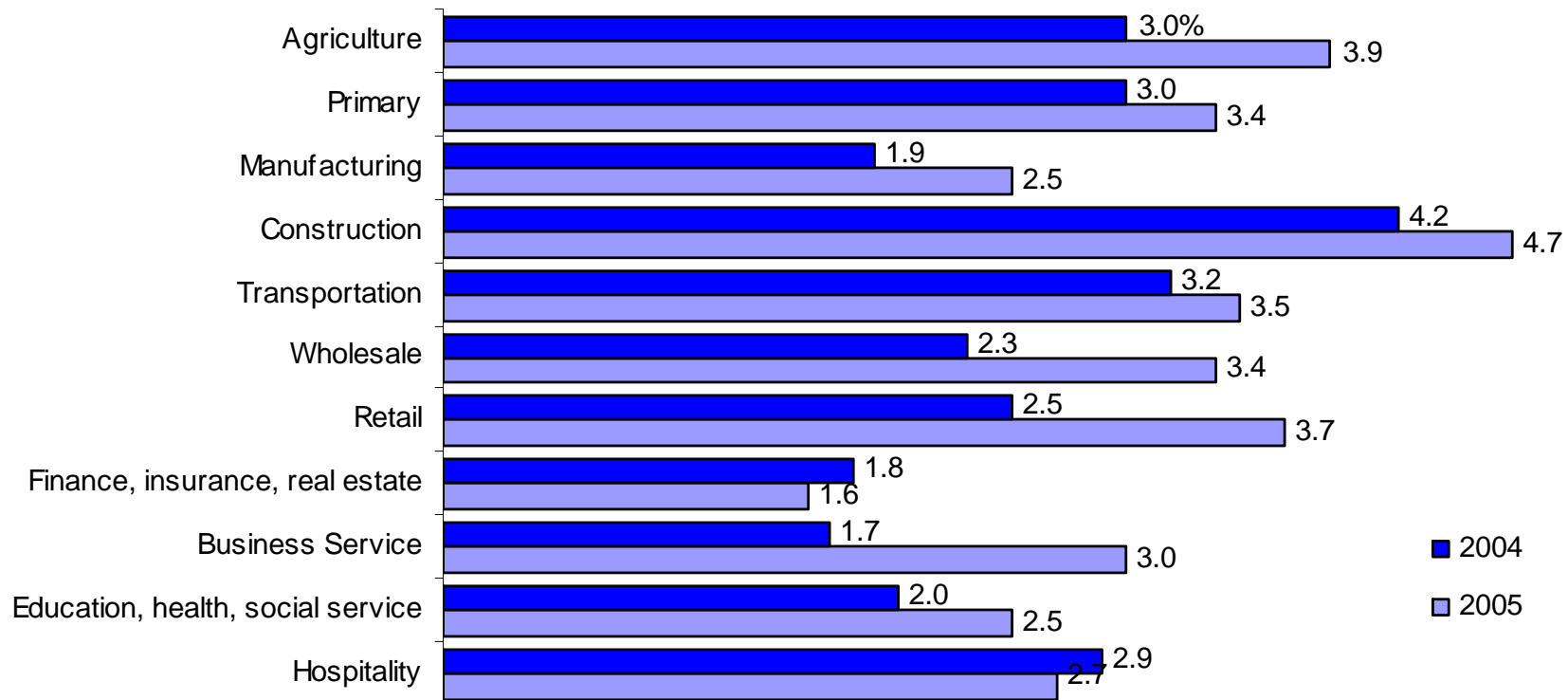
LONG-TERM JOB VACANCY RATE



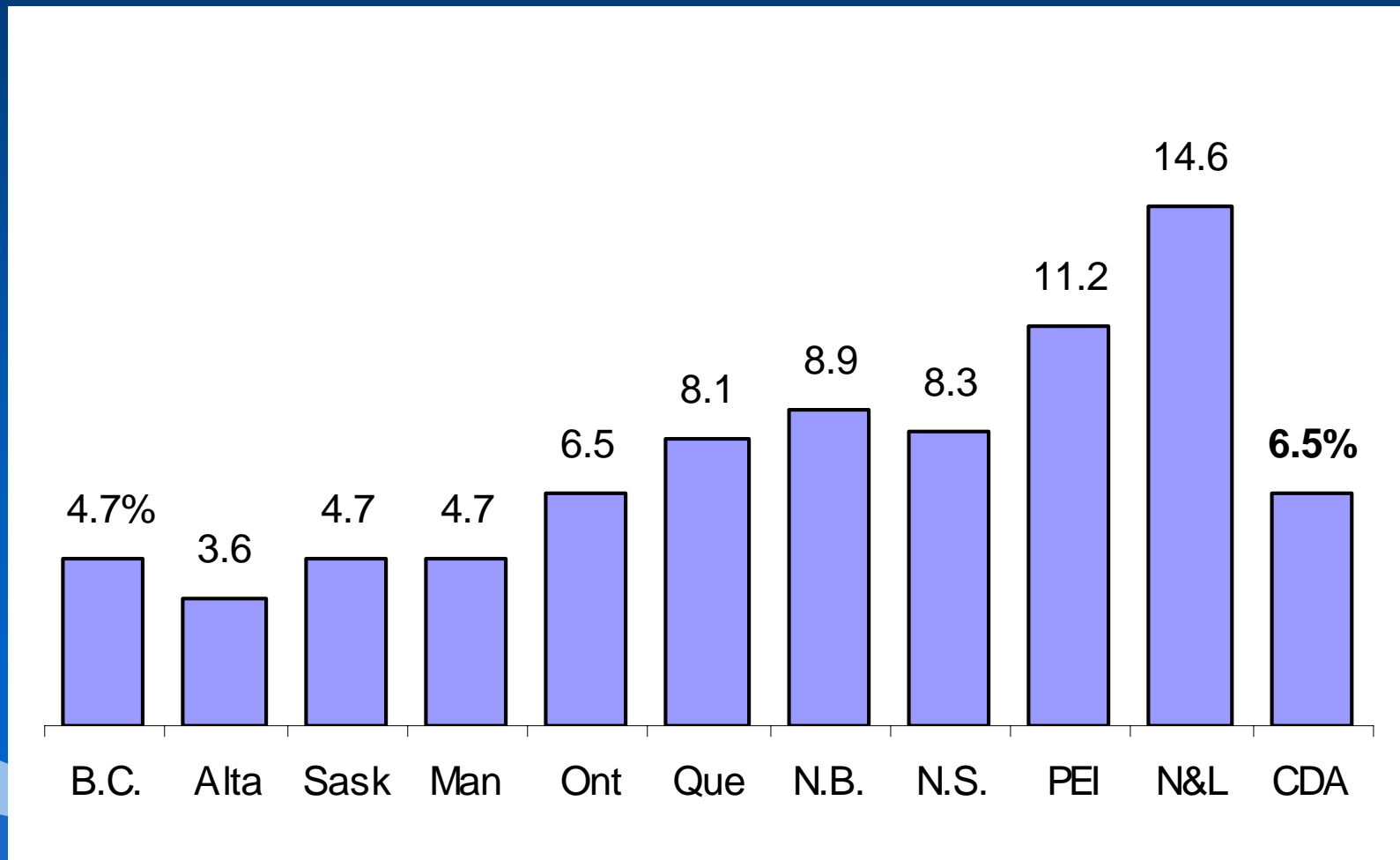
JOB VACANCY RATE

Many industries are finding it harder to find workers, especially construction, retail and transportation

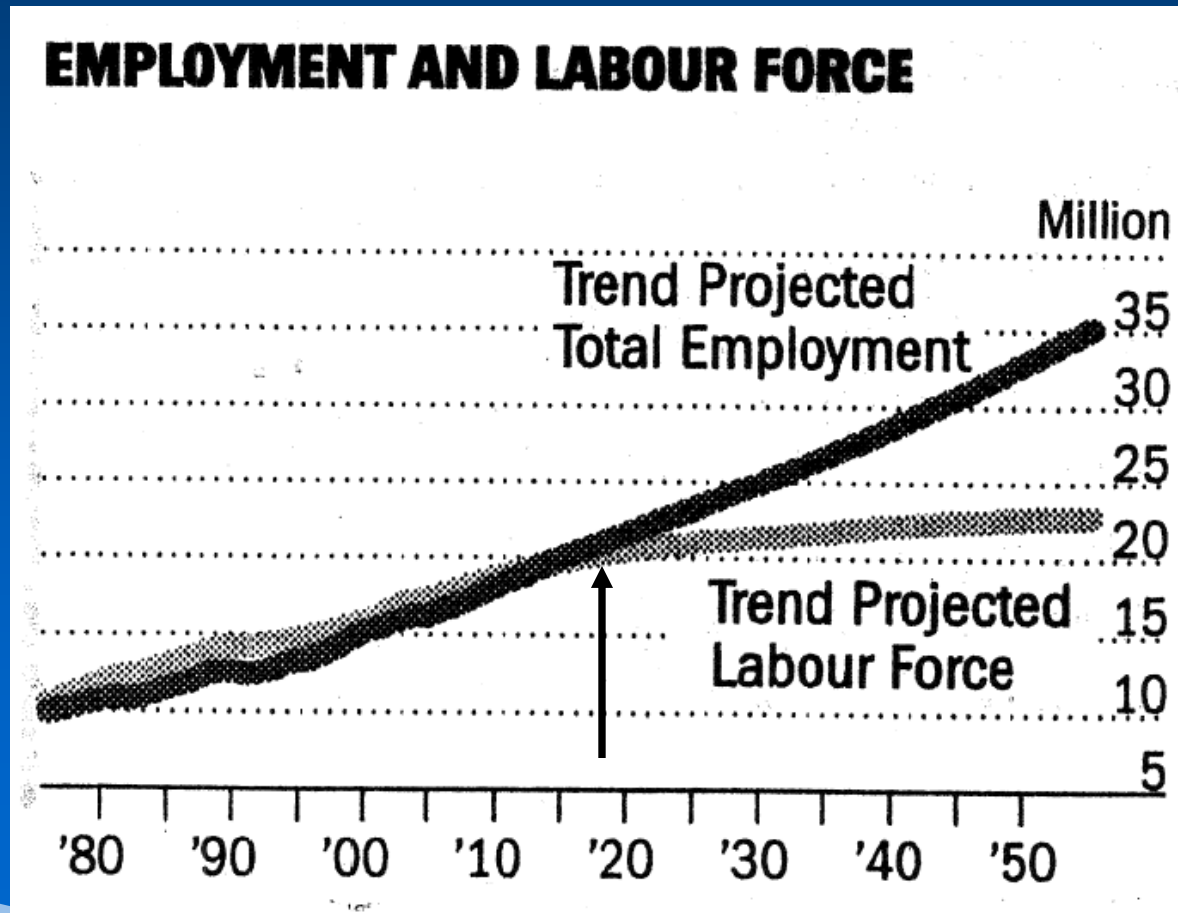
JOB VACANCY RATE




Canadian Unemployment Rate for July 2006



Growth in demand for workers will begin to outpace supply starting in 2016

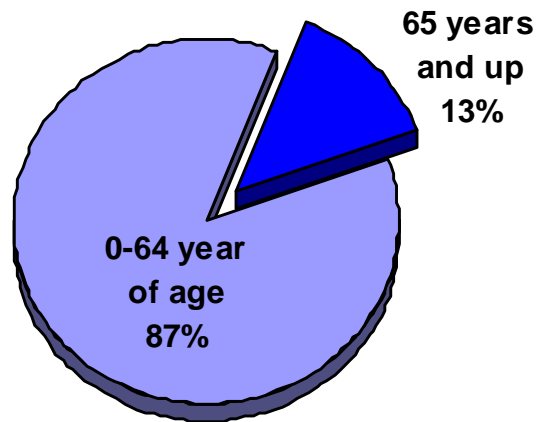




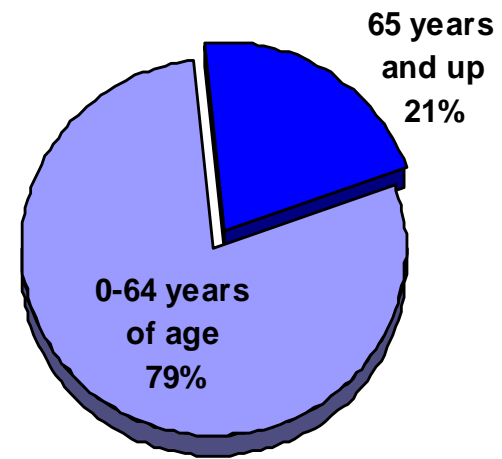
As the proportion of Canadians over 65 doubles in the next decade, the proportion of Canadians active in the labour force as per current retirement practices will fall off steeply

These shortages will only get worse as our population ages, with the proportion of Canadians over 65 nearly doubling in the next two decades

AGE DISTRIBUTION IN CANADA IN 2006 ...



AND IN 2026



Options to Increase Participation by Older Workers

- **CPP could be made more flexible** to allow older workers to collect benefits and work part-time at the same time
- **Pension rules and income tax provisions could be changed** to make private pension plans more flexible, encouraging pensions to continue part-time work without penalty



Emerging Patterns in the Labour Market

- Joblessness pushed to a 30-year low
 - **1.14 Million:** Number of unemployed in Canada during lowest jobless rate in more than three decades
- Real wages boosted
 - Average hourly wage growth
- Full-time positions accounting for most job growth
 - Conversion of part-time employees to full-time
 - Increase in average workweek



Emerging Patterns in the Labour Market

- More Jobs for Workers over 55
 - Reversal of trend for early retirement
 - Return to work for retirees especially part-time jobs
 - Greater desire by employers to retain older workers
- Higher level of education among boomers
 - More likely to stay in labour force and find a job
 - **Participation rate of people aged 55 or over with PSE nearly twice that of high school or less**



Women

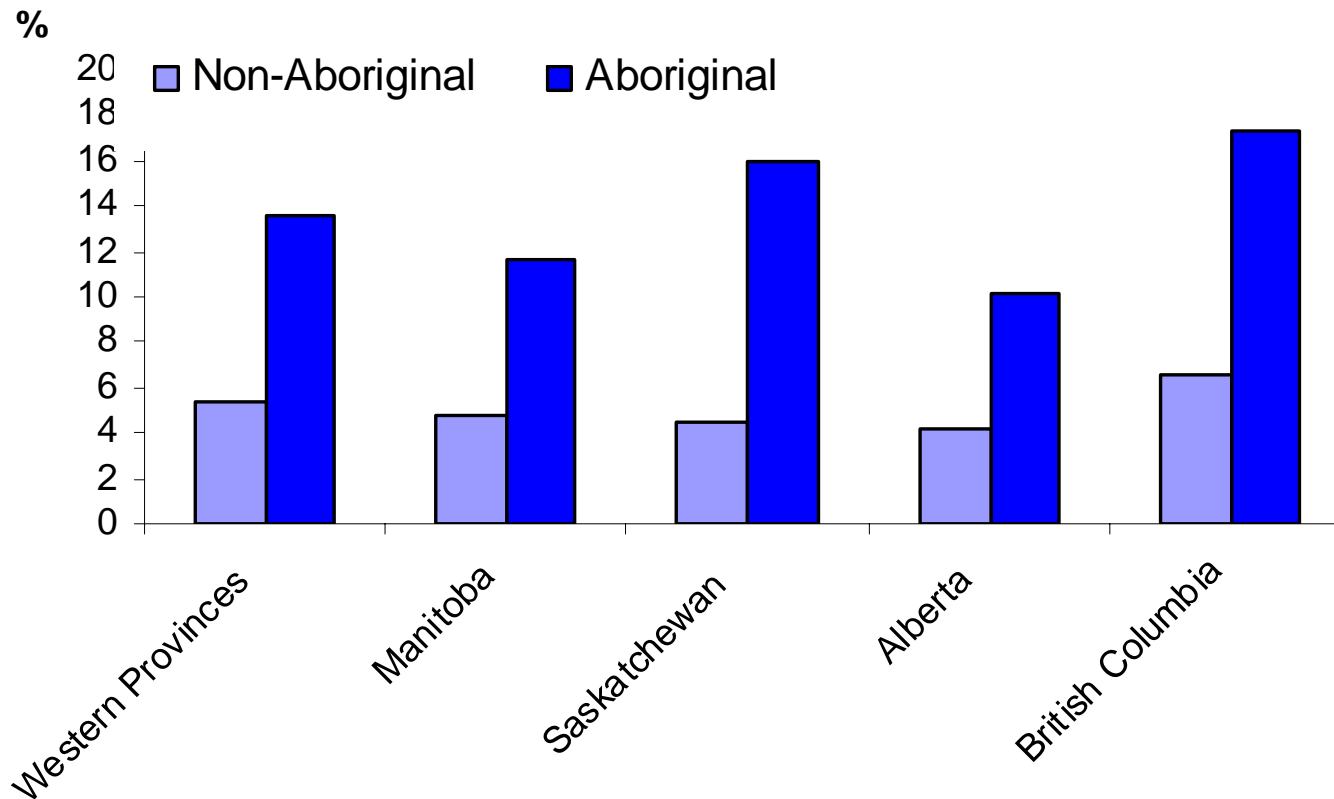
- Among Canada's women, **61.8% are in the workforce** – high by global standards but lower than the male participation rate of 72.9%
- Even a **marginal increase** would mean thousands of extra workers
- **Accessible, high-quality, affordable daycare** makes a significant difference for families, research by Stats Canada and McGill University shows
- New mothers in **Quebec** flooded back to work after daycare subsidies grew, while many of **Alberta's** moms stayed home as daycare capacity dropped

Aboriginal workers

- Underemployed
- Approximately 30,000 living in Edmonton and 75% of that group are under 34 years of age and could be ready to step into the thousands of available jobs
- Alberta's 6.2% unemployment rate (June 2006) is still higher than the overall average (3.4%)
- "There is a disconnect between the employers and the aboriginal labour market." Kelly Lendsay, President and CEO, Aboriginal Human Resource Development Council of Canada (The Globe and Mail, August 21, 2006)

Jobless rates among Aboriginals are much higher in the general population – a major pool of labour that can be tapped

UNEMPLOYMENT RATE



Aboriginal Population

- The Aboriginal population is **younger**
 - 35.4 years: average age of Edmonton region overall
 - 24.2 years: average age of Aboriginals in Edmonton
- Aboriginals in Alberta are **looking for work**
 - 6.2% unemployment rate for Aboriginal people (June'06)
 - 3.4% overall unemployment rate for Alberta (June'06)
- Alberta's Aboriginal population is one of the youngest and **fastest growing**.
- Edmonton's Aboriginal labour force has increased and **will continue to do so**.

Aboriginal Human Capital

- Support objective research and communications activities that explain the **human capital benefits** that the Aboriginal population and immigrants bring
- Pursue a **common, coordinated approach** to Aboriginal human capital and related policy that demarcates clear lines of responsibility and prevents the “falling through the cracks” phenomenon that characterizes current policy.



Alberta Immigrants

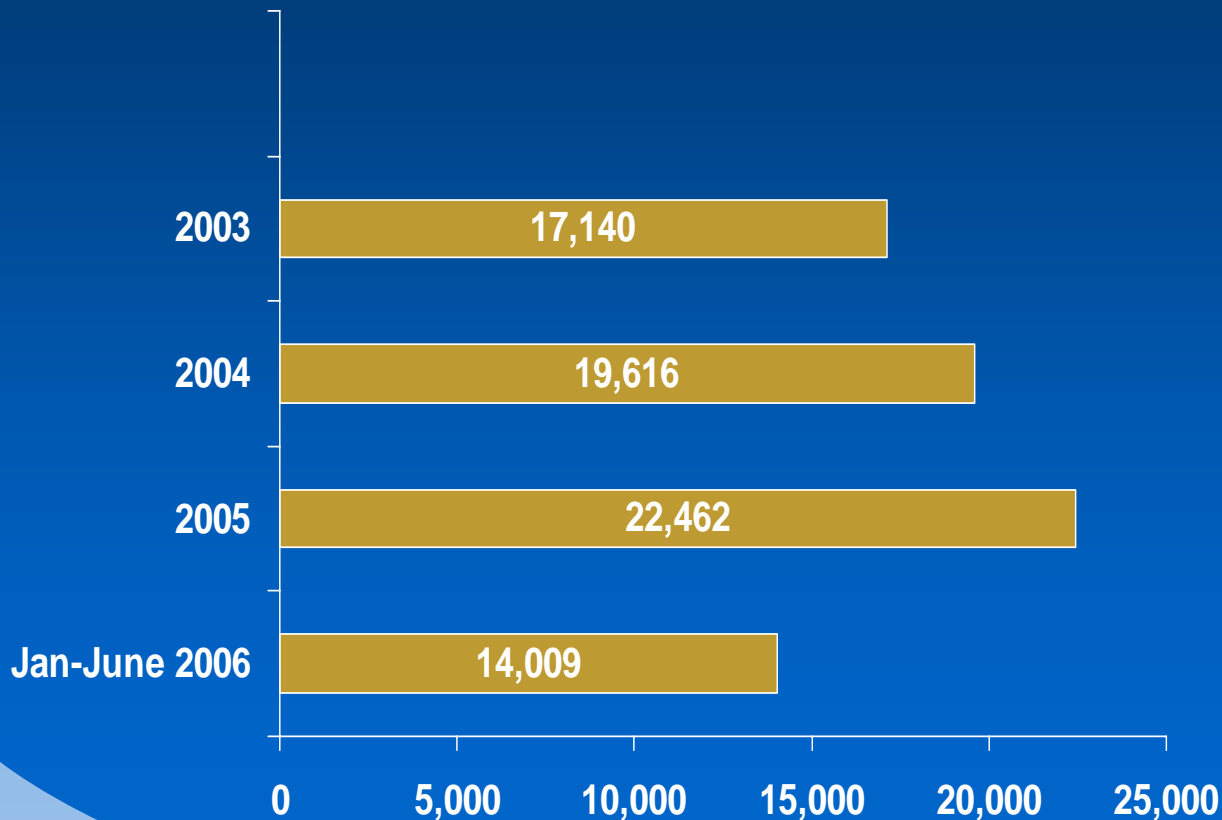
- 16,500 new immigrants to Alberta in 2004
- More than half were selected for potential economic contribution and were assessed according to education, experience and English skills

Opportunities

- Federation of 127 chambers representing 22,000 Alberta businesses – stressed the **need for federal immigration authorities to work more closely with their provincial counterparts** “to ensure immigrants wishing to move to Alberta can do so in an efficient manner”
- **\$18 million** invested in **foreign credential recognitions** for immigrant workers
- **\$307 million** invested in **additional settlement funding** to help immigrants better integrate
- **Off-campus work permits** for international students studying in Canada

Hire Power

Total* number of temporary visas for foreign workers issued in Alberta



Between January-June 2006

- Number of visas almost outpacing total number issued in 2003
- Ottawa has given out **8,558** first-issue, temporary foreign-worker visas in Alberta. In 2003, total number for entire year was **9,875**

Source: Citizenship and Immigration Canada
Priscilla Schneidersmann/The Globe and Mail

*Totals include first issues and extensions

Immigration: Some challenges

- By the time immigrants on the list enter Canada, **labour market** demands have often **changed**
- Canada's points system **favours academics over skilled tradespeople**
- **No systematic way** of evaluating skills and credentials gained overseas, creating a risky situation for employers

Immigration and Skills Training

- Create a **single-window regional** approach to skills training opportunities
- Increase **immigration in high needs areas**
- Provide greater **support for new immigrants** (social needs, Canadian education, skills and experience)
- Increase recognition of **foreign credentials** AND **foreign experience**

Government could...

- Put the **inventory list of skilled workers on-line** so that **employers** can post their job openings and **immigrants** can post their skills – A Real Time Interactive System
- Allow skilled worker applicants to earn as many **points for experience as for academic credentials for immigration application**

Government could...

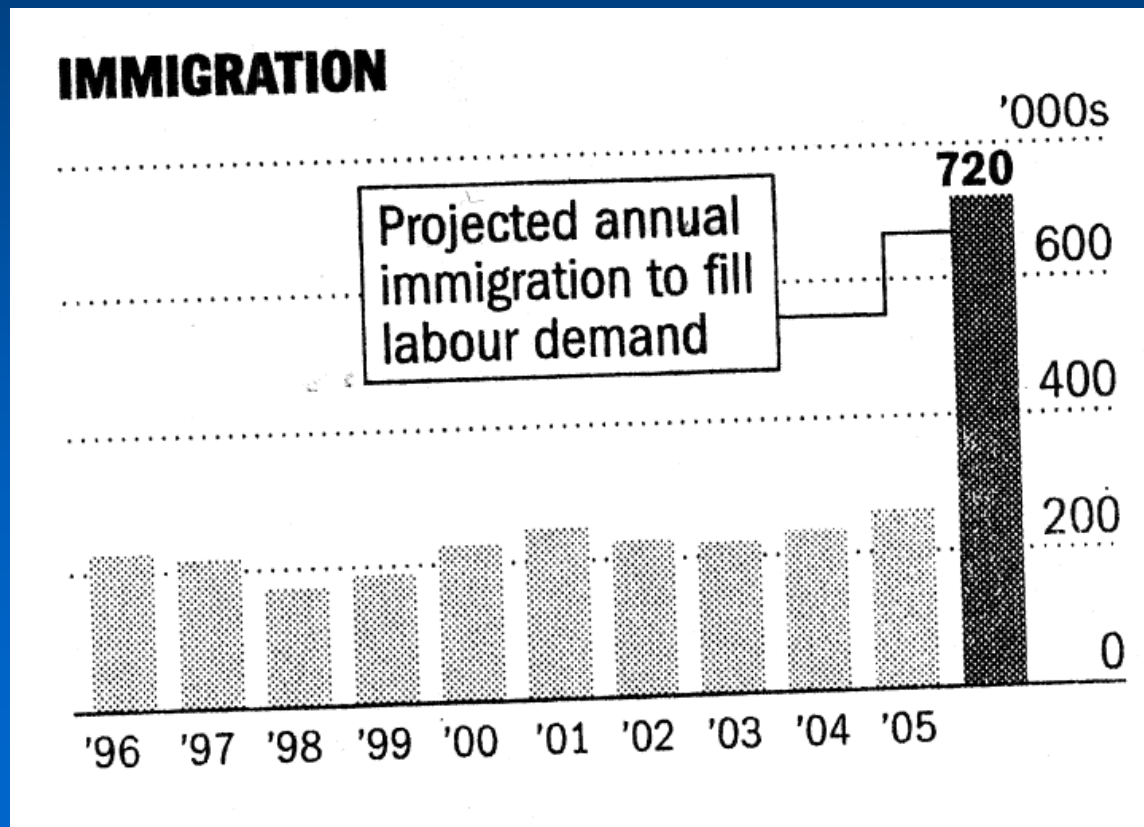
- Set up **Canadian internships**, with the help of subsidies, to encourage new immigrants to get Canadian experience
- Designate a **neutral third party to assess foreign credentials and translate** them in a timely fashion into terms Canadian employers can understand

Immigration: Some opportunities

- “Inventory” of workers waiting to get into Canada is 474,074
- The database cannot be searched by prospective employers



Boosting immigration seems an easy way to solve the crunch, but Canada would have to triple its intake – and keep it there for 50 years, the Urban Futures Institute says



Ways to Expand the Labour Pool

- Consider **retirees** for part-time or project work
- Expand opportunities for **marginalized, disadvantaged and disabled Albertans** to get the skills they need to join/rejoin the workforce
- Offer **GenY staff** more flexibility. 18 to 30 year-olds are interested in a variety of work experiences.
- Recruit from the fastest growing segment of our population – **Aboriginal** peoples.

Ways to Expand the Labour Pool

- Look to **new Albertans** – AND give them the tools they need to succeed.
- Women
- International Students
- Post-Secondary Education
- Retraining



An Urgent Call to Action:

AEDA, January 2004



- Challenge: Develop a proactive Alberta **labour force strategy** and ensure that **timely and accurate information** is available about trends in Alberta's labour market.
- Opportunity: Expand **business and industry investment** in continuous learning and upgrading of their employees

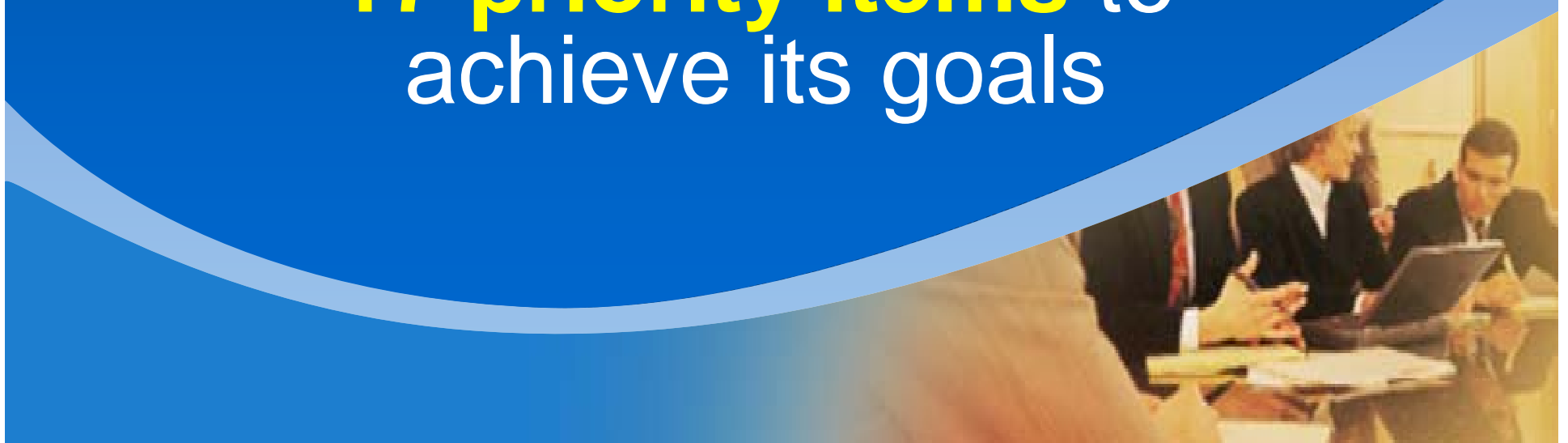
Post-secondary Education

- Increase **High School Completion/Equivalency Rates** and the Percentage of Students who go on to **Post-secondary Education** (Source: An Urgent Call to Action: AEDA January 2004)
- Alternative intake and output
- Increase utilization of “Fast Track” programs
- Increase use of technology especially simulation to supplement clinical
- Apprenticeship model:
 - Assign two apprentices to one journeyman (instead of one)
- Laddering and Bridging: No Dead Ends for Learning
- Flexibility and Access



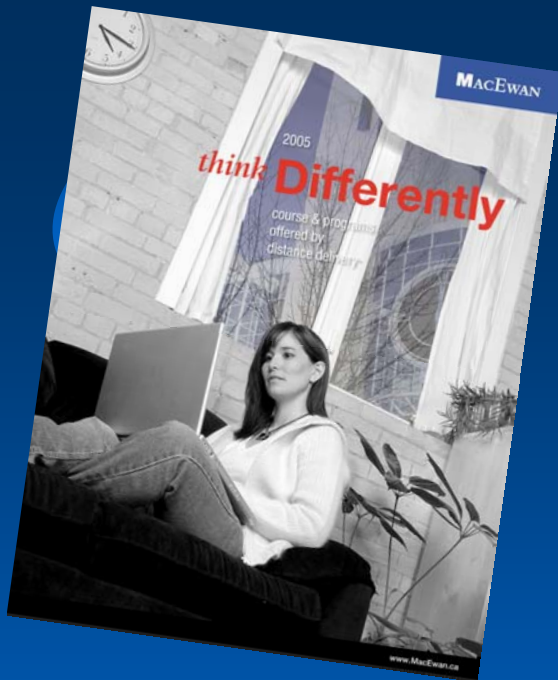
Alberta's New 10 Year Strategy

*Building & Educating
Tomorrow's Workforce* lists
17 priority items to
achieve its goals



Opportunities Recapped

- Aboriginal workers
- Women
- Disadvantaged
- Disabled
- Older Workers & Retirees
- Underemployed
- Welfare
- Immigration
- Inmigration
- Education: Increase Access & Affordability
- Fast Track Education
- Recognition of Credentials and Competencies
- Planning



QUESTIONS?

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