

Report 12

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to the Parliament of Canada

Canada Summer Jobs—Employment and Social Development Canada



**Independent Auditor's
Report | 2024**



Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

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At a Glance



Overall message

Overall, Employment and Social Development Canada's Canada Summer Jobs program helped to improve the success of youth in both current and future labour markets. Youth who participated in the program had better long-term earnings when compared with youth who did not participate in the program. However, the department did not do enough to help youth facing barriers gain employment experience, a key objective of the program. When youth facing barriers, such as Indigenous youth and youth with disabilities, are given equal opportunities to participate in this program, they also have better long-term earnings.

The Canada Summer Jobs program provides subsidies to eligible employers with the intention to create a summer job that would not otherwise exist. We found gaps and inefficiencies in Employment and Social Development Canada's design and implementation of the program. Despite the program being described as a job creation program, the department does not collect data to know how many summer jobs the funding created. Also, the department does not require employers to provide financial proof that the summer job would otherwise not be possible without funding.

Key facts and findings



- The Canada Summer Jobs program provides wage subsidies to employers to create jobs expected to result in quality summer work experiences for youth between the ages of 15 and 30 to help them develop and improve their skills.
- Between 2019 and 2023, the Canada Summer Jobs program funded over 460,000 jobs for youth.
- Unemployment rates in Canada have historically been higher for the youth population than for adults. Based on Statistics Canada data, as of August 2024, the unemployment rate for youth (ages 15–24) was 14.5%, more than double that of the adult population (ages 25–65) at 6.6%.
- One of the Canada Summer Jobs program's objectives is to prioritize youth facing barriers to employment, particularly those with limited work or no previous job experience. It is also meant to prioritize employers who plan to hire youth who self-identify as being part of underrepresented groups or having barriers to entering the labour market.

See [Recommendations and Responses](#) at the end of this report.

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Introduction

Background

Canada Summer Jobs program

12.1 The Canada Summer Jobs program is delivered by Employment and Social Development Canada (ESDC) under the Youth Employment and Skills Strategy. It provides wage subsidies to various employers— not-for-profit organizations, public sector organizations, and private sector organizations with 50 or fewer full-time employees—to provide quality summer employment opportunities for youth (ages 15 to 30). Canada Summer Jobs defines quality work as full-time employment of at least 6 weeks (minimum of 35 hours a week) that provides a work experience in an inclusive, non-discriminatory work environment that respects the rights of all Canadians and supports skills acquisition and development.

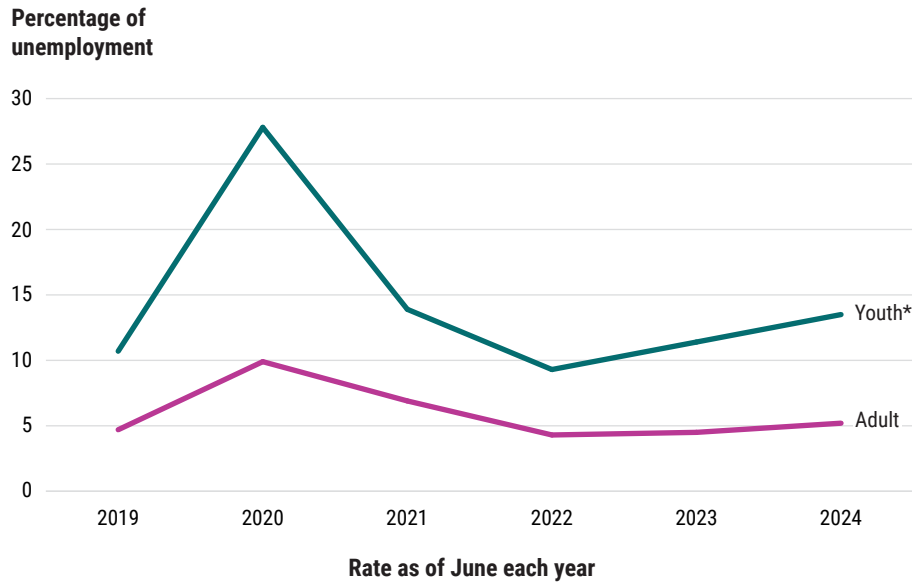
12.2 Canada Summer Jobs provides youth with opportunities to develop and improve their skills. For some, the program is a first job experience that informs future education, training, and career choices. The program includes national and local priorities to improve access to the labour market for youth, particularly those who face barriers to employment.

12.3 According to ESDC, examples of youth who face barriers often include one or more of the following:

- new immigrants and refugees
- Indigenous youth
- youth who have not completed high school
- racialized youth, including Black youth
- 2-spirit, lesbian, gay, bisexual, transgender, queer, intersex, and additional youth who identify as part of sexually and gender diverse communities
- women in science, technology, engineering, and mathematics
- youth who have not previously been employed and for whom this would be their first job experience
- youth with disabilities
- youth experiencing homelessness or precarious housing
- youth in rural areas and remote communities
- youth from official language minority communities

12.4 In 2023, through its national priorities, the program prioritized Indigenous youth, Black and other racialized youth, and youth with disabilities. National priorities focus on supporting youth who are facing barriers to entering the Canadian labour market. The Canada Summer Jobs program is important, as the unemployment rate for youth has historically been consistently higher than that of adults ([Exhibit 12.1](#)). The unemployment rate for Indigenous youth, youth with disabilities, and racialized youth is even higher.

Exhibit 12.1—Unemployment rate (youth 15–24 years of age versus adult population), 2019 to 2024



* Statistics Canada defines youth as between 15 and 24 years of age, which differs from the age bracket used by Employment and Social Development Canada, which is 15 to 30.

Source: Based on data from Statistics Canada

Exhibit 12.1—Unemployment rate (youth 15–24 years of age versus adult population), 2019 to 2024—Text description

This line graph shows the percentages of unemployment for the youth and adult populations in Canada from 2019 to 2024. Each rate is as of June each year. The unemployment rate for youth is consistently higher than the rate for adults.

In 2019, the percentage of unemployment was 10.7% for youth and 4.7% for adults. In 2020, the percentage of unemployment was 27.8% for youth and 9.9% for adults. In 2021, the percentage of unemployment was 13.9% for youth and 6.9% for adults. In 2022, the percentage of unemployment was 9.3% for youth and 4.3% for adults. In 2023, the percentage of unemployment was 11.4% for youth and 4.5% for adults. In 2024, the percentage of unemployment was 13.5% for youth and 5.2% for adults.

Statistics Canada defines youth as between 15 and 24 years of age, which differs from the age bracket used by Employment and Social Development Canada, which is 15 to 30.

Source: Based on data from Statistics Canada

12.5 For many youth, summer employment represents a key step in the transition into the labour market. Access to valuable experience, especially for those working in their first job, is important for all youth, including those facing barriers. For this reason, the Canada Summer Jobs program aims to support youth who have not previously benefited from a job placement. Some examples of typical Canada Summer Jobs placements include day camp counsellors, landscape labourers, and employment supporting community events.

12.6 The Canada Summer Jobs program is in high demand each year from employers across the country. For the 2023 Canada Summer Jobs cycle, ESDC received 46,107 applications from employers requesting 234,121 jobs and funded 26,060 employers, representing 74,527 jobs.

12.7 Not-for-profit employers are reimbursed for up to 100% of the provincial or territorial minimum wage, and public and private sector employers are reimbursed for up to 50% of the provincial or territorial minimum wage. Job placements must happen at any time between April and September. Job placements can be between 6 and 16 weeks in length. In order to provide quality job placements for as many youth as possible, ESDC recommends a job duration of 8 weeks for 35 hours a week (280 hours). In 2023–24, the average wage subsidy was \$4,423 per youth.

12.8 The program has an allocated total budget over 5 years of \$2.3 billion from 2019–20 through 2024–25 and is expected to support over 510,000 youth during that period. As of March 2024, ESDC has distributed \$1.7 billion to employers.

12.9 The Canada Summer Jobs program is unique because the program budget is allocated at the level of federal constituencies. The funding allocation model is based on census data and youth unemployment data (ages 15–24) from Statistics Canada’s Labour Force Survey. Members of Parliament are involved in establishing local priorities to meet the needs and interests of their constituencies and provide feedback on the list of employers recommended for funding by ESDC. Members of Parliament also have the opportunity to notify successful employers when they are approved for funding.

Roles and responsibilities

12.10 **Employment and Social Development Canada.** ESDC designed, administered, and implemented the program, including setting eligibility criteria and coordinating with interested and affected parties. Within ESDC, Service Canada administers and implements the program, including launching the application process for employers seeking wage subsidies, reviewing applications, interacting with members of Parliament, and providing functional guidance and oversight to Service

Canada regional offices. Financial authorities to enable delivery of the Youth Employment and Skills Strategy program have been delegated to the Minister for Women and Gender Equality and Youth.

Focus of the audit

12.11 This audit focused on whether ESDC provided wage subsidies to eligible employers that resulted in youth gaining work experience, including those facing barriers.

12.12 More details about the audit objective, scope, approach, and criteria are in [About the Audit](#) at the end of this report.

Findings and Recommendations

Youth who participated in the Canada Summer Jobs program had better long-term earnings

Why this finding matters

12.13 This finding matters because one of the Canada Summer Jobs program's objectives is to provide wage subsidies to employers so that the youth they employ acquire job experience and skills that will provide them with short- and long-term economic and career benefits. The Canada Summer Jobs program aims to improve the success of youth in both current and future labour markets, with a particular focus on youth facing barriers.

Context

12.14 The Canada Summer Jobs program has 3 objectives: providing quality work experiences for youth, responding to national and local priorities to improve access to the labour market for youth facing barriers, and providing opportunities for youth to develop and improve their skills. In 2019, the Canada Summer Jobs program became part of the broader modernized Youth Employment and Skills Strategy, and its objectives aligned with those of the Youth Employment and Skills Strategy to emphasize job quality, skills development, and helping youth facing barriers get into the labour market.

12.15 All programs under the Youth Employment and Skills Strategy report against the same performance measures, including how many youth were served or returned to school after their participation in the program. To measure their success in serving youth known to face

barriers to employment, programs have set targets and report on how many Indigenous youth, Black and other racialized youth, and youth with disabilities participated.

Better long-term earnings for participants

Findings

12.16 We found that while Employment and Social Development Canada (ESDC) reported on program outputs, such as the number of jobs funded, ESDC did not collect, analyze, or report on the long-term outcomes for youth who participated in the program including whether they benefited from the funds.

12.17 While there are many factors that may explain long-term employment results, we found that participants in the Canada Summer Jobs program fared better in terms of earnings. Using data from Statistics Canada, we compared the longer-term earnings outcomes for youth who participated in the Canada Summer Jobs program with those who did not. Overall, that analysis found that 16- to 19-year-olds who participated in the Canada Summer Jobs program earned more, on average, than non-participants 9 years after their Canada Summer Jobs work experience ([Exhibit 12.2](#)). However, there continue to be systemic barriers in society that cannot be addressed solely by the Canada Summer Jobs program.

Exhibit 12.2—Nine years after participating in the Canada Summer Jobs program, youth who were aged 16–19 while in the program earned more than non-participants

Population group	Average earnings 9 years later (did not participate in Canada Summer Jobs)	Average earnings 9 years later (participated in Canada Summer Jobs)	Earnings increase ¹
Overall	\$51,800	\$57,600	\$5,900
White identity	\$52,500	\$58,400	\$5,900
Members of visible minorities	\$50,900	\$56,100	\$5,100
Non-Indigenous identity	\$52,200	\$57,900	\$5,700
Indigenous identity	\$41,500	\$50,900	\$9,400
Without a self-identified disability	\$54,000	\$60,300	\$6,300
With a self-identified disability	\$33,600	\$35,200	\$1,600

¹ Numbers have been rounded.

Note: Results are significantly different from the reference category (p<0.01).

Source: Based on 2016 Census data, Statistics Canada, and on 2008–16 Canada Summer Jobs data, Employment and Social Development Canada.

Recommendation

12.18 Employment and Social Development Canada should improve information collection and analysis through disaggregated data (that is, separate data on affected groups) and data standardization to understand and report the long-term socio-economic implications of the Canada Summer Jobs program for youth and to inform decision making and performance measurement. This could include collaborating with third parties, such as Statistics Canada.

The department's response. *Agreed.*

See [Recommendations and Responses](#) at the end of this report for detailed responses.

Underrepresentation of youth facing barriers

Findings

12.19 We found that over our audit period, ESDC modestly exceeded its overall youth employment targets for the Canada Summer Jobs program for 4 of the 5 years. The department told us that the COVID-19 pandemic impacted its ability to reach the hiring goal in 2020–21. We also found that in 2023–24, ESDC had increased the percentage of participation in the program of youth facing barriers since 2020–21 ([Exhibit 12.3](#)).

12.20 However, we also found that the hiring targets for youth facing barriers were not representative of populations across Canada. [Exhibit 12.4](#) shows the gaps between the representation of youth facing barriers in the Canadian population in each province and territory compared with the Canada Summer Jobs program's employment targets.

12.21 This is important because results show that the targets set by ESDC are not representative of the population both nationally and by province and territory. Participants in the Canada Summer Jobs program, including youth facing barriers, experience better outcomes than their non-participant counterparts. However, youth facing barriers are underrepresented in the program.

12.22 We also found that since 2008, youth facing barriers had not been well represented in the Canada Summer Jobs program when compared with the general population ([Exhibit 12.5](#)). This is concerning because the Canada Summer Jobs program is meant to prioritize work opportunities for youth facing barriers to employment.

Exhibit 12.3—Since 2020–21, the Canada Summer Jobs program has, in most years, exceeded hiring targets for total number of youth and modestly exceeded targets for hiring certain youth facing barriers

Total number of youth employed through Canada Summer Jobs by fiscal year

	2019–20	2020–21*	2021–22*	2022–23	2023–24
Target	70,000	80,000	120,000	100,000	70,000
Actual	79,279	67,718	124,747	115,003	74,527
Difference	↑ 9,279	↓ 12,282	↑ 4,747	↑ 15,003	↑ 4,527
Difference (percentage)	↑ 13.3%	↓ 15.3%	↑ 4.0%	↑ 15.0%	↑ 6.5%

Percentage of Indigenous youth by fiscal year

	2019–20	2020–21*	2021–22*	2022–23	2023–24
Target	Not available	8.0%	7.5%	7.0%	7.5%
Actual	Not available	6.0%	7.0%	4.2%	7.7%
Difference (percentage points)	Not available	↓ 2.0	↓ 0.5	↓ 2.8	↑ 0.2

Percentage of visible minority youth by fiscal year

	2019–20	2020–21*	2021–22*	2022–23	2023–24
Target	Not available	17.0%	16.0%	16.0%	17.0%
Actual	Not available	20.0%	7.0%	20.5%	24.0%
Difference (percentage points)	Not available	↑ 3.0	↓ 9.0	↑ 4.5	↑ 7.0

Percentage of youth with a disability by fiscal year

	2019–20	2020–21*	2021–22*	2022–23	2023–24
Target	Not an indicator this year	3.5%	2.5%	2.5%	3.0%
Actual	Not available	2.5%	3.0%	9.1%	4.4%
Difference (percentage points)	Not available	↓ 1.0	↑ 0.5	↑ 6.6	↑ 1.4

↑ Increase ↓ Decrease

* The program received increased funding to support work opportunities for youth affected by the COVID-19 pandemic.
Source: Based on data from Employment and Social Development Canada

Exhibit 12.4—Canada Summer Jobs targets for hiring youth facing barriers in 2023 were lower than the actual youth representation in most provinces and territories

Province or territory	Visible minorities and racialized youth population (%)	Target (%)	Difference	Indigenous youth population (%)	Target (%)	Difference	Youth with disability population (%)	Target (%)	Difference
Alberta	32	17	-15	9	7.5	-1.5	12	3	-9
British Columbia	44	17	-27	8	7.5	-0.5	13	3	-10
Manitoba	30	17	-13	23	7.5	-15.5	13	3	-10
New Brunswick	11	17	6	6	7.5	1.5	17	3	-14
Newfoundland and Labrador	7	17	10	12	7.5	-4.5	15	3	-12
Northwest Territories	14	17	3	55	7.5	-47.5	12	3	-9
Nova Scotia	18	17	-1	7	7.5	0.5	20	3	-17
Nunavut	3	17	14	91	7.5	-83.5	9	3	-6
Ontario	44	17	-27	4	7.5	3.5	13	3	-10
Prince Edward Island	20	17	-3	3	7.5	4.5	16	3	-13
Quebec	24	17	-7	3	7.5	4.5	10	3	-7
Saskatchewan	19	17	-2	23	7.5	-15.5	13	3	-10
Yukon	20	17	-3	28	7.5	-20.5	15	3	-12
National	35	17	-18	6	7.5	1.5	12	3	-9

Source: Based on 2021 data from Statistics Canada and on data from Employment and Social Development Canada

Exhibit 12.5—The representation of certain youth (aged 16–19) facing barriers in the Canada Summer Jobs program was lower than the general population

Population group	Youth (aged 16–19) in general population	Youth (aged 16–19) in Canada Summer Jobs	Difference
Members of visible minorities ¹	20%	13%	-7
Indigenous identity	5%	5%	0
With a self-identified disability ¹	11%	9%	-2

¹ Results are significantly different from the reference category (p<0.001).

Source: Based on 2016 Census data, Statistics Canada, and on 2008–16 Canada Summer Jobs data, Employment and Social Development Canada



Achieve gender equality and empower all women and girls

Source: United Nations



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Source: United Nations



Reduce inequality within and among countries

Source: United Nations

12.23 We found that there were limited outreach efforts by ESDC to encourage youth facing barriers to apply to jobs through the program or to self-identify as a member of a national priority youth group. Furthermore, there was no strategy to reach out to youth from identified national priority youth groups from each year. ESDC’s current outreach efforts for the program to youth is mainly through the internet, which may not be accessible to some youth facing barriers. Tailored outreach activities intended for youth facing barriers could assist those with limited or no access to the internet obtain the information they need to participate in the program.

12.24 We also found that ESDC had limited information on how youth experience the program. The Canada Summer Jobs program’s main mechanism to obtain feedback from youth is to request they complete a voluntary survey at the end of their work placements. The survey contains important information on the quality of the work experience, the skills the youth developed, and the youth’s identity characteristics. We found that over the period of our audit, on average, only 34% of youth Canada Summer Jobs participants completed the survey. By taking measures to increase completion of the survey, ESDC would have an opportunity to better understand the youth’s experiences and make decisions to improve the program.

12.25 We found that since 2020, ESDC had tracked the contributions of the Canada Summer Jobs program to achieve selected United Nations’ Sustainable Development Goals under the Youth Employment and Skills Strategy: Goal 5 (Gender Equality); Goal 8 (Decent Work and Economic Growth); and Goal 10 (Reduced Inequalities). However, ESDC had not included the contributions in the key progress indicators for the Youth Employment and Skills Strategy in its departmental results report.

12.26 ESDC completed a **gender-based analysis plus**¹ for the Canada Summer Jobs program through the modernized Youth Employment and Skills Strategy program. The analysis is linked to several goals under Canada’s Gender Results Framework and emphasizes the importance of local and national priorities to engage underrepresented youth. However, ESDC uses the voluntary youth participant questionnaire, which has low response rates (34%), and other identity information provided voluntarily to understand the demographic composition of the youth in the program. This is a problem because ESDC cannot fully know whether it is supporting underrepresented youth.

Recommendation

12.27 Employment and Social Development Canada should, for the Canada Summer Jobs program, set targets for supporting youth facing barriers that take into consideration the representation of those youth in each province and territory.

The department’s response. *Agreed.*

See [Recommendations and Responses](#) at the end of this report for detailed responses.

Recommendation

12.28 Employment and Social Development Canada should develop and implement a comprehensive outreach strategy, particularly for national priority youth groups, to help the program reach youth most in need.

The department’s response. *Agreed.*

See [Recommendations and Responses](#) at the end of this report for detailed responses.

Recommendation

12.29 Employment and Social Development Canada should explore options to increase the participation rate of the youth survey to enable the department to analyze disaggregated data from youth participants, to better understand whether youth are gaining skills and improving their employment outcomes, and to inform future decision making.

¹ **Gender-based analysis plus**—An analytical process that provides a rigorous method for the assessment of systemic inequalities and a means to assess how diverse groups of women, men, and gender-diverse people may experience policies, programs, and initiatives. The “plus” acknowledges that gender-based analysis goes beyond biological (sex) and socio-cultural (gender) differences and considers many other identity factors, such as race, ethnicity, religion, age, and mental or physical ability.

Source: Adapted from Women and Gender Equality Canada

The department's response. *Agreed.*

See [Recommendations and Responses](#) at the end of this report for detailed responses.

The program lacked data on job creation and had gaps and inefficiencies in its design and implementation

Why this finding matters

12.30 This finding matters because there is an opportunity for the program to increase the number of jobs available to youth facing barriers rather than subsidizing employers for existing jobs.

No data on whether the program created jobs

Findings

12.31 We found that ESDC reported on some outputs of the program from year to year. For example, the Canada Summer Jobs program's funding supported more than 460,000 jobs between 2019 and 2024 ([Exhibit 12.6](#)). However, the department did not know whether the Canada Summer Jobs program funding encouraged the creation of new jobs for youth that would not have otherwise existed.

Exhibit 12.6—The Canada Summer Jobs program's wage subsidies supported over 460,000 jobs over the past 5 years

Fiscal year	Wages subsidized	Total funds spent (wage subsidies and administrative costs)	Number of jobs funded	Average funds spent per youth
2019–20	\$261,500,000	\$310,300,000	79,279	\$3,914
2020–21	\$266,700,000	\$293,400,000	67,718	\$4,333
2021–22*	\$443,000,000	\$513,200,000	124,747	\$4,114
2022–23*	\$403,800,000	\$447,600,000	115,003	\$3,892
2023–24	\$285,600,000	\$329,600,000	74,527	\$4,423
Total to date	\$1,660,600,000	\$1,894,100,000	461,274	\$4,106

* Increased funding to support work opportunities for youth affected by the COVID-19 pandemic

Source: Based on data from Employment and Social Development Canada

12.32 We found that ESDC consistently communicated publicly—for example, on the Canada Summer Jobs website—that the Canada Summer Jobs program creates jobs. However, ESDC does not require employer applicants to provide financial data to demonstrate that without Canada Summer Jobs funding, they would not be able to create the summer job. As a result, ESDC knows how many summer jobs were funded by the program but does not know whether those jobs would have been created without the wage subsidies. Due to lack of data, we were also not able to determine whether the jobs would have existed without funding.

12.33 As part of our examination work, we conducted a survey of 3,556 employers who applied for Canada Summer Jobs funding in 2023 (out of which 1,886 responded, representing a 53% response rate). This included employers who

- were approved for funding and hired youth
- did not hire youth yet were approved for funding
- were denied funding
- withdrew their application for funding before a funding decision was reached

12.34 The survey results showed that of the survey respondents who did not receive Canada Summer Jobs funding, 38% were able to hire youth regardless, 37% were not able to hire youth because of the lack of funding, and 25% were unable to hire for other reasons.

Recommendation

12.35 Employment and Social Development Canada should collect and analyze data to determine whether the Canada Summer Jobs program resulted in the creation of new jobs for youth that would not have otherwise existed.

The department's response. *Agreed.*

See [Recommendations and Responses](#) at the end of this report for detailed responses.

Opportunities to address inefficiencies in processing employer applications

Context

12.36 Each year, the program receives an average of 45,000 employer applications. Employers can ask for funding for multiple positions. Historically, over 98% of applications are screened in. ESDC then uses assessment criteria to rank the quality of work experience proposed, including the opportunity for youth to develop and improve skills, and the safety of the work environment, including supervision and mentoring.

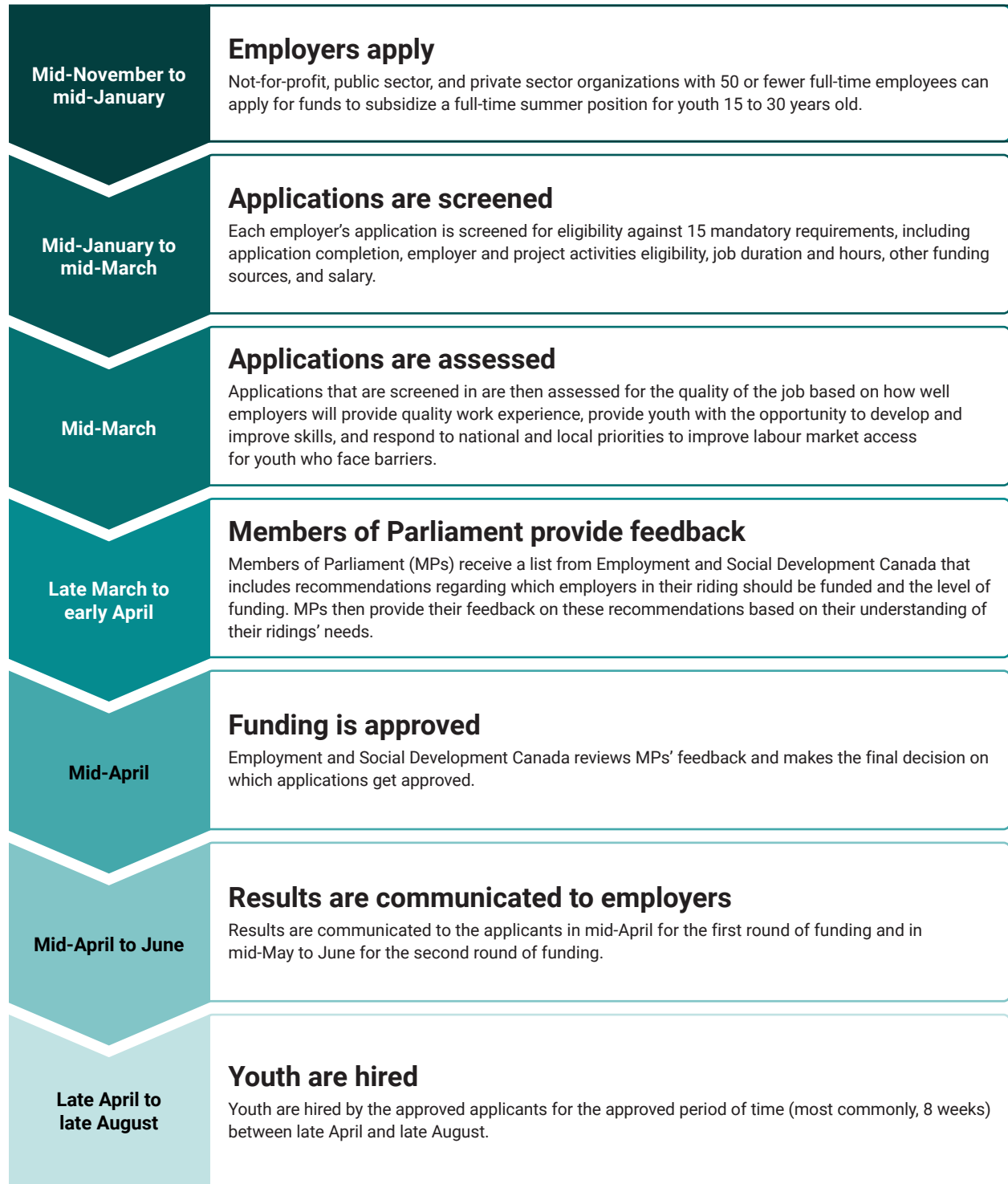
12.37 The department has identified that a key concern of employer applicants is more timely approvals. We also note that in April 2024, the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities released a study that included 7 recommendations on ways the Canada Summer Jobs program could improve, particularly to streamline the employer approval process. One of the issues identified by this study was that the funding approval notification to employers was provided in late April (often too late for hiring).

Findings

12.38 We assessed the design of the program and found that ESDC used a robust, systematic approach to screen and assess employer applications to verify whether they were eligible to receive a Canada Summer Jobs subsidy ([Exhibit 12.7](#)). In recent years, the assessment process has been streamlined and leverages automation to simplify processes. However, despite ESDC's efforts to improve efficiencies, in our survey of 2023 employers, we heard that the top 2 issues identified by employers were late communication from the Canada Summer Jobs program on funding decisions and the lack of clarity in communication from the program on funding decisions.

12.39 One inefficiency that we found was that the application review process was the same regardless of whether the employer was a new applicant or a previous recipient. Most Canada Summer Jobs employer applicants were repeat applicants—in 2023, according to ESDC, only 9% of funded employers were new to the Canada Summer Jobs program. The approval process was the same for employers year over year whether they were new to the program or had already participated. In fact, we found that more than 30,000 Canada Summer Jobs employers (52%) were approved at least twice between 2019 and 2023.

Exhibit 12.7—The program used a systematic approach for screening, assessing, and making funding recommendations for employer applications



Source: Based on information from Employment and Social Development Canada

Exhibit 12.7—The program used a systematic approach for screening, assessing, and making funding recommendations for employer applications—Text description

This flow chart shows the approach used by the Canada Summer Jobs program for screening, assessing, and making funding recommendations for employer applications.

From mid-November to mid-January, employers apply. Not-for-profit, public sector, and private sector organizations with 50 or fewer full-time employees can apply for funds to subsidize a full-time summer position for youth 15 to 30 years old.

From mid-January to mid-March, applications are screened. Each employer's application is screened for eligibility against 15 mandatory requirements, including application completion, employer and project activities eligibility, job duration and hours, other funding sources, and salary.

In mid-March, applications are assessed. Applications that are screened in are then assessed for the quality of the job based on how well employers will provide quality work experience, provide youth with the opportunity to develop and improve skills, and respond to national and local priorities to improve labour market access for youth who face barriers.

From late March to early April, members of Parliament provide feedback. Members of Parliament, or MPs, receive a list from Employment and Social Development Canada that includes recommendations regarding which employers in their riding should be funded and the level of funding. MPs then provide their feedback on these recommendations based on their understanding of their ridings' needs.

In mid-April, funding is approved. Employment and Social Development Canada reviews MPs' feedback and makes the final decision on which applications get approved.

From mid-April to June, results are communicated to employers. Results are communicated to the applicants in mid-April for the first round of funding and in mid-May to June for the second round of funding.

Finally, in late April to late August, youth are hired. Youth are hired by the approved applicants for the approved period of time (most commonly, 8 weeks) between late April and late August.

Source: Based on information from Employment and Social Development Canada

Recommendation

12.40 Employment and Social Development Canada should review and update its screening, assessment, and approval processes to find opportunities for further efficiencies. This could include implementation of streamlining the screening process for employers that apply who have a proven track record in order to fast-track funding decisions.

The department's response. *Agreed.*

See [Recommendations and Responses](#) at the end of this report for detailed responses.

Gaps in program design and implementation

Context

12.41 Before each funding cycle, members of Parliament identify up to 5 local priorities for their constituencies that reflect local labour market needs. Once ESDC has evaluated employers in each constituency against program criteria, it shares a list with members of Parliament that includes recommendations of employers to fund and the level of funding. ESDC recommends employers who have ranked highest in meeting the program criteria, including local and national priorities. Members of Parliament can accept ESDC recommendations or provide feedback to ESDC about which employers on the list should get funding and the level of that funding.

Findings

12.42 We found gaps with how ESDC designed and implemented the Canada Summer Jobs program, including how ESDC balances the feedback it receives from members of Parliament with the objectives of the program, and how ESDC encourages employers to hire youth identified as belonging to national priority youth groups.

12.43 The Canada Summer Jobs program supports youth facing barriers by setting national priorities on an annual basis. The Canada Summer Jobs program was originally created to fund employers in financial need. Members of Parliament are responsible for setting local priorities that reflect the needs and interests of their constituencies. These 2 sets of priorities are considered when ESDC assesses employer applications for wage subsidies. We found that the program was effective at funding employers to subsidize summer jobs for youth. As part of the modernized Youth Employment and Skills Strategy, youth facing barriers became the primary focus of the Canada Summer Jobs program. The program was less effective at subsidizing summer jobs for youth facing barriers.

12.44 National priorities focus on youth, and local priorities focus on employer and community needs. Although these priorities can sometimes complement each other—for example, some constituencies may not have the population to support national priorities, but local priorities can otherwise support job opportunities for youth—we found that they generally did not align ([Exhibit 12.8](#)). This is important because aligning local priorities with national priorities will help the program to focus on youth facing barriers.

Exhibit 12.8—The Canada Summer Jobs program’s 2023 national and local priorities

National priorities
<ul style="list-style-type: none">• Youth with disabilities• Black and other racialized youth• Indigenous youth• Small business and not-for-profit organizations that self-report as having leadership from groups that are underrepresented in the labour market• Small business and not-for-profit organizations in environmental sectors
Examples of local priorities
<ul style="list-style-type: none">• Support for not-for-profit organizations• Support for small businesses• Employers that offer programs or support to children• Employers that offer programs or support to seniors• Employers supporting community-based organizations

Source: Employment and Social Development Canada

12.45 ESDC provides members of Parliament guidance for providing feedback on the list of employers and jobs recommended for funding, including the objectives of the program. We selected a random sample of the members of Parliament feedback files from 30 constituencies (of the 338 across Canada) representing all regions and political parties for the 2023 Canada Summer Jobs cycle. Of the 3,815 employers recommended by ESDC from the selected constituencies, we found that members of Parliament suggested that funding for almost 30% of employers (1,109 out of 3,815) be reduced or moved to different employers on the list.

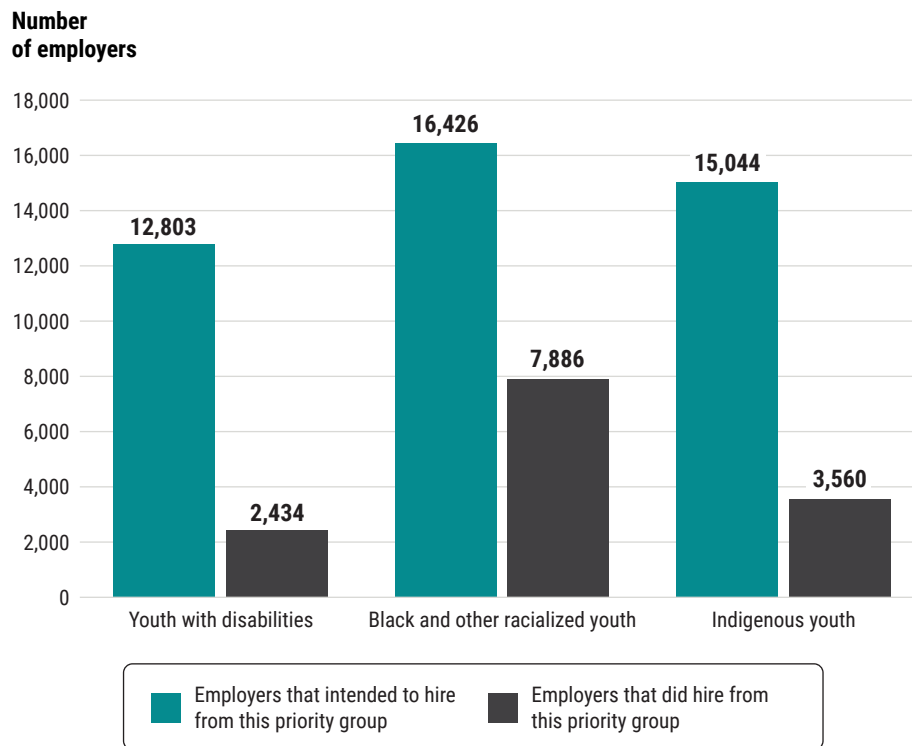
12.46 Members of Parliament are required to give a reason for providing feedback to change funding recommendations by selecting from a pre-set list of options provided by ESDC. In our review, we found the following 3 reasons were selected most often:

- in the interest of fairness between organizations offering similar services (39% of changes)
- to ensure maximum use of funds allocated to the constituency (18% of changes)
- for better geographic distribution within the constituency, such as remote areas (16% of changes)

12.47 ESDC accepted the feedback received from the majority of members of Parliament, as all employers on the list met the funding qualification criteria. However, in our view, these changes did not align with the primary objectives of the program to focus on youth facing barriers.

12.48 We also found gaps in program design regarding the hiring of national priority youth groups. ESDC is not responsible for hiring youth and has limited mechanisms in place to encourage the hiring of national priority youth groups. If an employer expresses a plan to hire a youth identifying as a member of a national priority youth group, ESDC expects the employer to undertake all reasonable recruitment efforts to hire such priority youth. But there is no requirement to do so, and the subsidy is still provided. In our view, this is a gap in the program design in that although many employers indicated their intention to hire youth identifying as belonging to a national priority youth group, when they applied for Canada Summer Jobs funding, few did ([Exhibit 12.9](#)). This impacts ESDC’s ability to meet the Canada Summer Jobs objective to prioritize youth facing barriers.

Exhibit 12.9—Few employers actually hired from a national priority youth group in 2023



Source: Based on data from Employment and Social Development Canada

**Exhibit 12.9—Few employers actually hired from a national priority youth group in 2023—
Text description**

This bar graph compares the number of employers that intended to hire from 3 priority youth groups with the number of employers that did hire from these groups in 2023. The 3 groups shown are youth with disabilities, Black and other racialized youth, and Indigenous youth. For each group, the number of employers that intended to hire was higher than the number of employers that did hire.

For the youth with disabilities group, the number of employers that intended to hire from this group was 12,803, but the number of employers that did hire from this group was 2,434.

For the Black and other racialized youth group, the number of employers that intended to hire from this group was 16,426, but the number of employers that did hire from this group was 7,886.

For the Indigenous youth group, the number of employers that intended to hire from this group was 15,044, but the number of employers that did hire from this group was 3,560.

Source: Based on data from Employment and Social Development Canada

12.49 We also found that the Canada Summer Jobs program did not offer increased wage subsidies to encourage employers to hire youth with disabilities, but it did provide additional funding to support accommodating the youth within the work environment (for example, tablets, visual language interpreters, and so on). Between 2019 and 2023, out of more than 220,000 applications, employers requested accommodation funds 33 times. All 33 requests were approved and funded. We found that ESDC provided limited information to employers, and no information to youth, on the existence of the accommodation funds. Informing youth with needs and employers of the accommodation funding may result in more youth with disabilities getting hired and remove an important barrier to employment.

Recommendation

12.50 Employment and Social Development Canada should improve the design and implementation of the Canada Summer Jobs program to meet its objectives of providing job opportunities for youth, including those facing barriers, to develop and improve their skills supported by

- providing pre-set reasons for feedback from members of Parliament that align with the program scope and objectives
- actively motivating employers to hire youth facing barriers, including increasing employer awareness of funding available for accommodations

The department's response. *Agreed.*

See [Recommendations and Responses](#) at the end of this report for detailed responses.

Conclusion

12.51 We concluded that Employment and Social Development Canada provided wage subsidies to eligible employers and that youth who participated in the Canada Summer Jobs program gained work experience and had better long-term outcomes. However, youth facing barriers to employment were underrepresented in the program.

About the Audit

This independent assurance report was prepared by the Office of the Auditor General of Canada on the Canada Summer Jobs program. Our responsibility was to provide objective information, advice, and assurance to assist Parliament in its scrutiny of the government's management of resources and programs and to conclude on whether the Canada Summer Jobs program complied in all significant respects with the applicable criteria.

All work in this audit was performed to a reasonable level of assurance in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001—Direct Engagements, set out by the Chartered Professional Accountants of Canada (CPA Canada) in the CPA Canada Handbook—Assurance.

The Office of the Auditor General of Canada applies the Canadian Standard on Quality Management 1—Quality Management for Firms That Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements. This standard requires our office to design, implement, and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

In conducting the audit work, we complied with the independence and other ethical requirements of the relevant rules of professional conduct applicable to the practice of public accounting in Canada, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

In accordance with our regular audit process, we obtained the following from entity management:

- confirmation of management's responsibility for the subject under audit
- acknowledgement of the suitability of the criteria used in the audit
- confirmation that all known information that has been requested, or that could affect the findings or audit conclusion, has been provided
- confirmation that the audit report is factually accurate

Audit objective

The objective of this audit was to determine whether Employment and Social Development Canada (ESDC) provided wage subsidies to eligible employers that resulted in youth gaining work experience, including those facing barriers.

Scope and approach

We examined whether ESDC provided wage subsidies to employers that support quality work experiences for youth that provide mentoring and opportunities to develop skills. We also examined whether ESDC facilitated entry to the labour market for youth, including youth who face barriers to employment.

We examined whether ESDC effectively spent its allocated funds to achieve the Canada Summer Jobs program's objectives and whether it accurately measured the impacts of the program to provide meaningful reporting on results to Canadians and parliamentarians.

The audit included a review of relevant documentation, previous audits, interviews with entity officials, and data analysis including employer agreements. We also conducted analysis of the impacts of the program on youth facing barriers. We analyzed selected components of ESDC’s contributions to gender, diversity, and inclusion and the use of its gender-based analysis plus tool in the design and implementation of the program.

We engaged Statistics Canada to collect, compile, and produce results comparing youth who participated in the Canada Summer Jobs program with those in the general population who did not. We used this information to assess the long-term impact of the program for youth and drew conclusions on overall program performance. Participant identification data was provided by ESDC and used to inform analysis on outcomes of participants. Canadian census data from 2016 and 2021 was also used for this analysis.

We also conducted a survey of 3,556 employers who applied for Canada Summer Jobs funding in 2023 to obtain their perspectives on the program. We received 1,886 responses for a 53% response rate. We also conducted an in-depth analysis of a random sample of members of Parliament feedback (for 30 out of the 338 constituencies across Canada) on employer participation in the program.

Criteria

We used the following criteria to conclude against our audit objective:

Criteria	Sources
<p>Through the Canada Summer Jobs program, Employment and Social Development Canada (ESDC) supports quality work experiences for youth. More specifically:</p> <ul style="list-style-type: none"> • ESDC screens and assesses the quality of applications in relation to program objectives, including <ul style="list-style-type: none"> • ensuring employers would not otherwise create the position (requirement discontinued in 2023) • providing quality work experiences for youth • providing youth with opportunities to develop and improve skills • responding to national and local priorities to improve access to the labour market for youth who face unique barriers • ESDC has controls in place to ensure that feedback provided by members of Parliament respects program criteria and overall objectives. • ESDC recommends employers based on local labour market priorities, such as sectors experiencing labour shortages. 	<ul style="list-style-type: none"> • Department of Employment and Social Development Act • Horizontal Terms and Conditions for the Youth Employment and Skills Strategy, Employment and Social Development Canada • Canada Summer Jobs Operational Directives, Employment and Social Development Canada, 2022 • Treasury Board submissions

Criteria	Sources
<p>Through the Canada Summer Jobs program, ESDC facilitates improved entry for youth to the labour market. More specifically:</p> <ul style="list-style-type: none"> • ESDC prioritizes youth facing barriers. • ESDC supports United Nations’ Sustainable Development Goal target 8.6 by reducing the proportion of youth not in education, employment, or training. 	<ul style="list-style-type: none"> • Towards Canada’s 2030 Agenda National Strategy, Employment and Social Development Canada • Minister for Women and Gender Equality and Youth Mandate Letter, 2021 • Minister for Employment, Workforce Development and Disability Inclusion Mandate Letter, 2021 • Transforming Our World: The 2030 Agenda for Sustainable Development, United Nations • Achieving a Sustainable Future: Federal Sustainable Development Strategy 2022 to 2026, Environment and Climate Change Canada • Youth Employment and Skills Strategy Terms and Conditions, Employment and Social Development Canada • Canada Summer Jobs Operational Directives, Employment and Social Development Canada • Canada Summer Jobs Applicant Guide, Employment and Social Development Canada • Treasury Board submissions
<p>ESDC effectively spends its allocated funds to achieve Canada Summer Jobs objectives and accurately measures results, including whether participating youth experienced better long-term outcomes. More specifically:</p> <ul style="list-style-type: none"> • ESDC measures and reports on the achievement of outcomes. • ESDC measures and reports the impacts of Canada Summer Jobs, including for those facing barriers to employment. 	<ul style="list-style-type: none"> • Policy on Results, Treasury Board • Youth Employment and Skills Strategy—Performance Information Profile, Employment and Social Development Canada • Youth Employment and Skills Strategy Terms and Conditions, Employment and Social Development Canada • Canada Summer Jobs Operational Directives, Employment and Social Development Canada, 2022 • Treasury Board submissions

Period covered by the audit

The audit covered the period from 1 January 2019 to 29 February 2024. This is the period to which the audit conclusion applies. However, to gain a more complete understanding of the subject matter of the audit, we also examined certain matters that preceded the start date of this period.

Date of the report

We obtained sufficient and appropriate audit evidence on which to base our conclusion on 19 November 2024, in Ottawa, Canada.

Audit team

This audit was completed by a multidisciplinary team from across the Office of the Auditor General of Canada led by Gabriel Lombardi, Principal. The principal has overall responsibility for audit quality, including conducting the audit in accordance with professional standards, applicable legal and regulatory requirements, and the office's policies and system of quality management.

Recommendations and Responses

Responses appear as they were received by the Office of the Auditor General of Canada.

In the following table, the paragraph number preceding the recommendation indicates the location of the recommendation in the report.

Recommendation	Response
<p>12.18 Employment and Social Development Canada should improve information collection and analysis through disaggregated data (that is, separate data on affected groups) and data standardization to understand and report the long-term socio-economic implications of the Canada Summer Jobs program for youth and to inform decision making and performance measurement. This could include collaborating with third parties, such as Statistics Canada.</p>	<p>The department’s response. Agreed. The Department agrees with this recommendation.</p> <p>Employment and Social Development Canada (ESDC) is committed to the continuous development of performance data and methodologies that will support enhanced understanding of the socio-economic impacts of program participation. Analysis provided in the report shows strong positive long-term labour market outcomes of Canada Summer Jobs (CSJ) participants.</p> <p>In 2023, the horizontal Youth Employment and Skills Strategy (YESS) Performance Measurement Framework (PMF), which includes the CSJ program, was updated. The updated PMF was not part of the report scope, and includes better youth definitions, data disaggregation, and data standardization. The updated PMF will provide the data necessary to better understand the long-term socio-economic impacts on CSJ participants.</p> <p>The 2025 YESS Horizontal Evaluation is conducting a net impact analysis to understand the labour market outcomes of CSJ participants two years after program completion. Consistent with the report, preliminary results suggest that CSJ does have positive incremental impacts on youth in terms of earnings and facilitating integration into the labour market.</p> <p>The Department will continue to explore approaches to report long-term outcomes (e.g., 5 or more years post-program) and identify various socio-economic trends among CSJ participants, including working with third parties, such as Statistics Canada, to inform and guide future policy decision-making. It is expected that a plan to measure and report on long-term outcomes will be in place by fall 2026.</p>

Recommendation	Response
<p>12.27 Employment and Social Development Canada should, for the Canada Summer Jobs program, set targets for supporting youth facing barriers that take into consideration the representation of those youth in each province and territory.</p>	<p>The department’s response. Agreed. The Department agrees with the recommendation to set targets for youth facing barriers that take into consideration the representation of those youth in each province and territory.</p> <p>The Department currently considers many criteria when setting targets for the number of youth facing barriers supported through the Canada Summer Jobs (CSJ) Program. As a federal program that supports youth across Canada, national labour market information is used to better understand the different experiences of youth from designated equity communities. For example, national data on unemployment rates consistently demonstrates that some demographic youth groups experience higher unemployment rates than their peers. Population figures and labour force participation are also considered in the analysis. The population figures tell us how many youth identify as being part of a particular demographic group, and the labour force participation rate tells us the share of youth who are employed or looking for work — i.e. engaged in the labour market.</p> <p>CSJ targets also take into account past program results, alongside yearly improvements to better reach youth facing barriers to employment. These data points collectively inform how the CSJ targets are established.</p> <p>The Department will begin to integrate provincial and territorial youth population information into its CSJ target setting analysis by fall of 2025, for implementation for CSJ 2026.</p>
<p>12.28 Employment and Social Development Canada should develop and implement a comprehensive outreach strategy, particularly for national priority youth groups, to help the program reach youth most in need.</p>	<p>The department’s response. Agreed. The Department agrees with this recommendation and will continue to improve how it reaches and informs national priority youth groups about Canada Summer Jobs (CSJ) opportunities.</p> <p>Employment and Social Development Canada has expanded efforts to reach youth facing barriers to encourage them to apply for CSJ opportunities, including using social media and sharing communications products with members of Parliament for their respective outreach activities. The CSJ communications plan uses additional strategies, such as translating social media posts into Inuktitut, and geo-targeting posts in Indigenous communities and northern regions. This approach ensures that the program’s messaging is inclusive and reaches historically underserved populations.</p>

Recommendation	Response
<p>12.29 Employment and Social Development Canada should explore options to increase the participation rate of the youth survey to enable the department to analyze disaggregated data from youth participants, to better understand whether youth are gaining skills and improving their employment outcomes, and to inform future decision making.</p>	<p>As the Department continues to assess how to best reach national priority youth groups, it will also take into consideration the findings and recommendations from the Report of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities from its study on Canada Summer Jobs, published in April 2024.</p> <p>The Department will develop a comprehensive outreach strategy with the goal of implementing stronger outreach initiatives by June 2025, ahead of the fall launch of CSJ 2026. As part of this strategy, the Department will explore other opportunities to help increase awareness of CSJ among national priority youth groups.</p> <p>The department’s response. Agreed. The Department agrees with this recommendation.</p> <p>Employment and Social Development Canada will explore ways to increase the participation rate of the youth survey and to analyze disaggregated data, to understand whether they are gaining skills and improving their employment outcomes.</p> <p>As part of the revised Youth Employment and Skills Strategy Performance Measurement Framework, the Canada Summer Jobs (CSJ) participant questionnaires are being updated to capture better disaggregated data on youth experiences during and after participation.</p> <p>In 2024, the Department streamlined the CSJ participant questionnaire to make it shorter and more user-friendly, thereby encouraging higher completion rates as of summer 2025.</p> <p>In 2025, the Department will analyze other options to increase survey response rates by youth. This could include having the Department survey youth directly, rather than the current practice of having employers distribute the survey and assessing best practices for incentivizing youth to complete the survey. The Department will report on options and final recommendations in Summer 2026.</p>

Recommendation	Response
<p>12.50 Employment and Social Development Canada should improve the design and implementation of the Canada Summer Jobs program to meet its objectives of providing job opportunities for youth, including those facing barriers, to develop and improve their skills supported by</p> <ul style="list-style-type: none"> • providing pre-set reasons for feedback from members of Parliament that align with the program scope and objectives • actively motivating employers to hire youth facing barriers, including increasing employer awareness of funding available for accommodations 	<p>The department’s response. Agreed. The Department agrees with this recommendation and will continue to assess how best to meet its program objectives through Canada Summer Jobs (CSJ) program design and implementation.</p> <p>The Member of Parliament (MP) Feedback Tool features a drop-down list of seven common reasons and an “other” option for justifications when changes are made to Service Canada funding recommendations. Examples include:</p> <ul style="list-style-type: none"> • ensuring fairness between organizations offering similar services e.g. supporting organizations that provide important community services; • maximizing fund commitment e.g. based on organizational capacity; and, • better geographic distribution within the constituency e.g. prioritizing remote and disadvantaged areas. <p>MPs leverage their local knowledge to propose changes that may better align with local needs and priorities, and that also respond to changing local circumstances.</p> <p>The Department is planning to amend the drop-down list in the MP Feedback Tool beginning in fall 2024, to include pre-set reasons for feedback from MPs that align with program scope and objectives. This work is expected to be completed by March 2025.</p> <p>The Department agrees with this recommendation and is already advancing work to better support the hiring of youth facing barriers. The Department delivers Job Bank, which is where CSJ jobs are posted, and provides employer resources on how to hire a diverse workforce.</p> <p>The Department will provide information to employers on how to hire diverse youth in future employer information sessions.</p> <p>In 2025, the Department will review the CSJ website, Applicant Guide, and Articles of Agreement to clarify the process for applying and receiving funding for accommodations for youth with disabilities.</p>

Recommendation	Response
	<p>One way that employers are currently actively motivated and incentivized to hire youth facing barriers to employment is that they receive additional points in their application when they support a National Priority focused on hiring youth facing barriers.</p> <p>Beginning in fall 2025, the Department will begin to collect data on employers' ability to hire the youth facing barriers they said they would in their application. This information will be considered in the context of exploring different options to incentivize employers to hire youth facing barriers. Options will need to take into account privacy, operational context, and analysis of data collected. The Department will provide options and recommendations by November 2026.</p>

