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Chair: Robert Morrissey



Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities

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• (1530)

[English]

The Chair (Robert Morrissey (Egmont, Lib.)): Good afternoon.

[Translation]

I call this meeting to order.

Welcome to meeting number six of the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

[English]

Pursuant to the motion adopted on Thursday, September 18, 2025, the committee is meeting on youth employment in Canada.

Madame Gill, is it the interpretation?

[Translation]

Marilène Gill (Côte-Nord—Kawawachikamach—Nitassinan, BQ): No, it's not about that, Mr. Chair.

I just want to know if the technical tests were able to be done for the witnesses.

Thank you.

[English]

The Chair: Yes.

Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders. Members are appearing in the room and also appearing virtually.

Before we begin, I would just ask you to follow some of the guidelines. There is a card in front of you that gives you some instructions. Make sure your devices are muted or put on silent mode. As well, please refrain from touching the boom on the mic when you're speaking, because it can cause popping.

[Translation]

Mrs. Gill, do you have a comment?

Marilène Gill: Excuse me, Mr. Chair.

On a point of order. There's no French interpretation.

The Chair: One moment, please.

Marilène Gill: Yes.

[English]

The Chair: Madame Gill, is the translation working now?

[Translation]

Marilène Gill: No.

[English]

I don't hear anything.

The Chair: Is that good, Madame Gill?

Okay. Thank you.

I was on the instructions about making sure your devices are muted or silenced while in the committee. Please refrain from touching the mic, because it can cause issues for our interpreters.

These are some general comments. I would like to remind participants of the following points. Please wait until I recognize you by name before speaking. For those participating by video conference, please use the "raise hand" icon at the bottom of the screen if you want to get my attention. As well, for those participating virtually, you can choose to participate in the official language of your choice by clicking on the globe icon at the bottom of your screen and choosing the language you wish to participate in.

Again, as you've seen, if there are issues with translation, please get my attention and we'll suspend while they're corrected.

Before we move on to our witnesses, there's one housekeeping matter I wish to address with the committee. The clerk circulated a press release for this study. Would members like to adopt the press release as circulated? We did not receive any feedback.

Some hon. members: Agreed.

The Chair: We also have to approve a budget of \$58,500 for this particular study. It covers all our hearings and the report process.

Some hon. members: Agreed.

The Chair: We will move to the formal part of the meeting.

I would like to welcome our witnesses. We are going with one two-hour panel today with five witnesses.

From Axiom Group Inc., we have Perry Rizzo, president and chief executive officer.

From the Community Economic Development and Employability Corporation, we have John Buck, president and chief executive officer.

From the Fédération des chambres de commerce du Québec, we have Alexandre Gagnon, vice-president of public affairs, labour and regional vitality; and Stéphane Pageau, senior adviser, labour and public affairs.

From Réseau des carrefours jeunesse-emploi du Québec, Rudy Humbert is in the room, and he is president and chief executive officer.

From Treasure Mills Inc., we have Robert Johnson, president.

Each presenter will have five minutes to give opening comments, and then we'll proceed to the questioning process. As you get close to your five minutes, I'll ask you to wrap up. When you see my hand, I'm expecting you to wrap up quickly.

We'll start with Axiom Group Inc. and Mr. Rizzo.

• (1535)

Perry Rizzo (President and Chief Executive Officer, Axiom Group Inc.): Thank you, Mr. Chair.

Thank you for inviting me to be an important witness here for this issue.

Axiom Group was formed in 1987. We're a Canadian-owned company located in a suburb of Toronto, in Scarborough, Ontario. Through hard work and over many years, we've grown the company to over \$200 million with facilities in Canada, U.S. and Mexico. We employ in excess of 650-700 employees globally.

This is probably the most important subject matter that I've come across in a long time. I'm devoting some time, and I've made some notes, so I want to get right into it.

In terms of addressing the root cause of low employment, Canada's employment problem is not temporary; it's structural. A decade of declining productivity has left businesses less competitive, reducing our ability and willingness to create jobs. Unless we reverse the productivity decline, job growth will remain stagnant.

In terms of the importance of job creation, I don't want to hear about housing or other issues. I want to hear about jobs, jobs, jobs, and more jobs. Job creation is the singularly most important aspect of our economy, and we need to get serious about creating jobs.

Regarding the environment, the business risks and low investments in Canada, why is that happening? Well, there are low risks for banking mandates. There is very little support from the banks in Canada. There is restricted access to growth in capital, high taxation, an uncompetitive situation and operating costs eroding our returns on investment. The layered federal-provincial-municipal policies create a high-cost environment and discourage expansion. The result is fewer opportunities for Canadian workers and a weaker economy overall.

There are challenges for Canadian entrepreneurs. Entrepreneurs face diminishing incentives to innovate, to hire and to expand. Our socio-economic policies and regulations are eroding competitiveness, leaving Canadian business owners questioning the payoff and why we take risks. When risk-taking is punished and not rewarded, job creation stalls.

What is the impact of social policies and work incentives? Current policies often reward non-productivity and disincentivize work. We have to stop those types of policies. Hard-working Canadians should be rewarded. You strive to succeed. You strive to create jobs, and you strive to create a better Canada to contribute to the overall success.

Burdened with high tax [*Technical difficulty—Editor*] of contributing and will face fewer consequences. The imbalance creates a culture where [*Technical difficulty—Editor*].

The Chair: Mr. Rizzo, we're losing you from time to time.

You may continue.

Perry Rizzo: In comparison with Canada, in the United States entrepreneurs are rewarded and workers see clear rewards for effort: higher returns, lower taxes, stronger incentives and greater support for investment. In Canada, higher taxation, rigid policies and limited paybacks discourage both entrepreneurship and capital investment. The result is that talent and investment flow south, while Canada lags further behind.

In terms of Canada's competitive landscape, Canada's economy is hampered by systematic barriers, oligopolies, large ratios of government employment to private sector, heavily unionized markets and uncompetitive tax structures, which all combine to make Canada one of the lowest-productivity countries in the world, and we continue to lose our rank on productivity overall. Research—including reports from the University of British Columbia, which I have—confirms that the government-driven policies have eroded Canada's competitiveness globally.

In terms of the need for long-term strategic planning, irrespective of political stripe, Canada is operating without a long-term economic strategy. Canada really needs to develop a strategy that transcends one political term, in my opinion. A five-year term, it doesn't matter. What's important to Canada is that core objectives should be clearly identified by the parties, and they should last for the next 10, 15 or 25 years for long-term investment. Canada is operating without a long-term economic strategy. Short-term political priorities and fragmented socio-economic policies have replaced coherent planning. Without a strategic vision, productivity will continue to decline, as investment will dry up.

Those are my opening statements. I have additional information that I'm willing to share during questions.

Canada needs a long-term strategic plan. I've gone through many economic cycles since we started the company in 1987. I've faced many challenges, but I believe the last 10 to 15 years, or the last 10 years, have been extremely concerning. When other CEOs I talk to feel demotivated and are [*Technical difficulty—Editor*] not going to help job creation and job growth. We're tired of feeling like we are some type of problem. I work 16-hour days—from 7:00 in the morning to 7:00 in the evening, a 12-hour day is normal for me—plus Saturdays and Sundays, if necessary. Waking up at three o'clock in the morning and driving to meetings is normal. We work hard to create jobs and employment. We risk a tremendous amount of time, effort and human and financial capital to develop new innovations and technologies for Canada, with limited investment or contribution from all levels of government. So—

• (1540)

The Chair: Thank you, Mr. Rizzo. You've gone over.

We are losing you from time to time, but it's fine now.

Mr. Buck, go ahead for five minutes.

John Buck (President and Chief Executive Officer, Community Economic Development and Employability Corporation): Mr. Chair and honourable members of the committee, thank you for inviting me to contribute to this critical study on youth employment.

My name is John Buck, and I am president and CEO of the Community Economic Development and Employability Corporation. Our mandate is to strengthen the economic vitality of the official-language minority community in Quebec.

While my focus today is on the official-language minority community in Quebec, I think the challenge we face and the solutions we are advancing have clear relevance for youth across Canada.

English-speaking youth in Quebec represent 256,835 individuals, aged 15 to 29. They make up 20.5% of the English-speaking population, compared with 16.3% for francophones. English-speaking youth are younger and more diverse—43% identify as visible minorities, compared with 17% of francophone youth.

Statistics point to serious youth employment challenges. The employment rate is 56.1% for English-speaking youth—nearly six points lower than that for francophones. The unemployment rate is 14.4%, compared to 9% for francophones. On educational attainment, nearly half, or 49.6%, have only a high school education or less. English-speaking youth consistently lag behind their francophone peers in vocational and technical training.

These figures point to a concerning trend in school-to-work transitions. Many youth leave education without market-ready skills, take longer to secure meaningful work or are underemployed in part-time or unstable jobs. The 2024 Deloitte report “Failure to Launch”, commissioned by The King's Trust Canada, reminds us of the wage, tax revenue and long-term productivity losses this situation represents.

The challenges are significant: skills mismatches between what schools provide and what employers need, weaker job networks for English-speaking youth to connect with the labour market, and regional disparities, where in places like Gaspésie or Nord-du-

Québec unemployment for English-speaking youth is far above the provincial average.

At CEDEC, we are taking coordinated action on three fronts. First, in applied research, CEDEC has launched a comparative international study of best practices in linking education and training to labour market demand. We are examining models in Canada, the U.S., the U.K., France, Germany and Scandinavia. We will release preliminary findings this November and share them with the Government of Canada. I would be pleased to provide them to this committee. The findings will inform our workforce development strategy. However, lessons learned will extend beyond Quebec, as issues such as underemployment, skills mismatches and challenging school-to-work transitions are common across provinces.

Second, we are developing the collaborative economic development ecosystem. This community-based mechanism brings together public, private and civil society actors dedicated to strengthening workforce development and labour market participation. Key objectives include better connecting job seekers, training institutions and employers; enhancing collaboration and collective accountability to produce job placements, lower unemployment and higher incomes; and improving labour market intelligence so that youth, educators and employers make better decisions.

Third, on practical implementation, CEDEC is about to roll out the employment assistance services capacity development initiative, or EASCDI. The EASCDI links a coordinated continuum of employment assistance service providers across the province. It embeds timely labour market information, an AI-based provincial talent placement platform, and a robust performance measurement framework that ties all of our work to producing tangible outcomes. For youth, this means better access to career pathways, stronger employer connections, and services that help them not only to find a job, but also to build sustainable careers in Quebec.

In closing, I wish to underline three points. Labour market outcomes for English-speaking youth lag significantly behind those of their francophone peers in Quebec. Inaction means lost income and productivity and weaker social cohesion. CEDEC is applying innovative, evidence-based solutions through research, ecosystem development and the deployment of the EASCDI.

By linking workforce development directly to labour market participation, we can ensure that English-speaking youth get good jobs, build future-oriented careers and fully contribute to our shared economy.

Thank you.

• (1545)

The Chair: Thank you, Mr. Buck.

[*Translation*]

I'll now hand the floor over to Mr. Gagnon, from the Fédération des chambres de commerce du Québec.

Alexandre Gagnon (Vice-President, Public Affairs, Labour and Regional Vitality, Fédération des chambres de commerce du Québec): Thank you, Mr. Chair.

My colleague, Mr. Pageau, will be presenting the remarks.

Stéphane Pageau (Senior Advisor, Labour and Public Affairs, Fédération des chambres de commerce du Québec): Hello everyone.

Thank you for inviting us to appear before the committee.

My name is Stéphane Pageau. I'm senior adviser for workforce and public affairs. With me is Alexandre Gagnon.

With a vast network of 120 chambers of commerce and nearly 1,000 member businesses, the Fédération des chambres de commerce du Québec, or FCCQ, represents nearly 45,000 companies active in all sectors of the economy throughout Quebec.

Unemployment is a constant concern for the FCCQ, to the extent that the unemployed worker pool is still the major source of labour used to fill Quebec's 100,000 vacant positions, provided that these workers' skills and mobility line up with the jobs available.

After analyzing the youth unemployment situation, we made a few observations. First of all, Quebec's situation differs significantly from the situation elsewhere in Canada. Canada's overall unemployment rate is lower than Quebec's. Among young people from 15 to 24 years of age, the unemployment rate is 11.4% in Quebec compared to 14.6% in Canada.

From a more historical perspective, our average has held for the past 25 years. Right now, our average is still roughly the same. For example, from 2000 to 2005, the average was 14.1%. In the following five years, it was 13.6%, 13.2% and 10.5%. These percentages are also comparable to the current unemployment rate among young people 15 to 24 years of age in Organisation for Economic Co-operation and Development, or OECD, countries.

However, a closer look at the situation reveals increased unemployment among male students. For example, if we compare students to non-students, we see a 1.6% increase among students and a 0.2% increase among non-students. For men, the increase is 3%, but for women, it's 0.5%.

This situation is definitely a concern, particularly for male students. It also leads us to wonder about the reasons for it and how it might negatively affect student retention.

Among the reasons given, let's begin with the current economic slowdown we're experiencing, as you are aware. Rising unemployment is a reflection of the current economic outlook, and young people are the hardest hit because they lack a firm foothold in the labour market. What we're seeing is a relatively normal increase considering Quebec's overall economic situation.

The second hypothesis put forward to explain the possible reasons for unemployment is artificial intelligence, which affects entry-level positions. A study by one Quebec institute showed that young people were more vulnerable because they primarily occupy entry-level positions. We are also seeing that the declining number of vacant positions in Quebec mainly concerns—at least to a greater degree—the retail sector, which posted a 51.7% drop in the past two years, along with the restaurant and hospitality sector, with a 58% drop. This concerns part-time jobs, which are often filled by students, and jobs that require a high school diploma or less.

The third [*Technical difficulty—Editor*] temporary foreign workers. At the FCCQ, we believe that this causal link is incorrect for three main reasons.

First, unemployment differs fundamentally from one region of Quebec to another. The unemployment rate in Chaudière-Appalaches is 3.6% and in Gaspésie and the Magdalen Islands, it's 9.2%, which puts the median rate at 4.6%. This means that in half of Quebec's regions the unemployment rate is 4.6%, which tells us that a relatively large number of young people are working.

Now let's talk about the temporary foreign worker program, or TFWP. Eighty-five per cent of the jobs filled under this program are full-time jobs, and 60% of them require a college diploma, which is not the case for student job seekers. This creates a situation where the restrictions applied under the TFWP are driving down production for businesses, which are forced to turn down contracts and reduce work shifts.

That's why we're calling for a moratorium on TFWP restrictions. In the longer term, the unemployment issue will come up again, considering that 1.4 million jobs in Quebec will need to be filled by 2033. We definitely need to plan for the future and broaden our approach to the unemployment issue, since temporary foreign workers will necessarily be called on to work.

In conclusion, I'd like to add that the youth unemployment issue is definitely being monitored, mainly as it concerns young male students. For the time being, however, it is not a serious cause for concern.

I should also mention that the temporary foreign worker issue is still important—if not fundamental—to the productivity of Quebec businesses. For clear idea of the situation, we need to adopt a longer-term perspective.

• (1550)

My colleague Mr. Gagnon and I will be pleased to answer your questions.

The Chair: Thank you, Mr. Pageau.

Mr. Humbert, you have the floor.

Rudy Humbert (President and Chief Executive Officer, Réseau des carrefours jeunesse-emploi du Québec): Mr. Chair, honourable members, today, all the conditions needed for a perfect storm of youth unemployment have come together. Three forces have converged: a trade war that is weakening our economic sectors and slowing investment, a technological revolution that is disrupting entry-level jobs, and inadequate public policies that are failing to keep pace with the speed of social and economic changes.

Every year, more than 150,000 young people walk through the door of a youth employment centre, or CJE. They often lack an adequate social safety net and struggle with economic, academic, psychological or social barriers. Their journey is fraught with challenges and, for many, CJE's are their last hope.

Our message is clear: Responding to youth unemployment is not just a matter of numbers or placements. We need to tackle structural causes and inequities, and focus on dignified, sustainable and meaningful pathways. Young people today, in all their diversity, are vulnerable. Unemployment is not just a statistic; it's a human reality that is undermining our social cohesion and collective future.

Here are some alarming facts. First, the youth unemployment rate ranges from 12% to 20%, which is more than double and sometimes triple the national average. The current economic downturn disproportionately affects young people, who have absorbed 80% of the job losses. Finally, more than 10,000 Quebec students are leaving school every year without a diploma.

Nearly one in two young people are also experiencing food insecurity, and thousands are sleeping on the street every night. All in all, young people are disillusioned; over half of them feel that all hope for humanity is gone.

These numbers are not just data. Behind them are faces, stories and often, a cry for help. How can we set our young people on a path to employment, education or engagement if they no longer believe in the future?

Based on these realities, we propose to create a project built on three pillars to give young people a future. The first pillar is prevention: We have to act early, before exclusion and school drop-out rates become irreversible. Second comes universality: This means giving the same rights and opportunities to all young people, fighting discrimination and reviving trust in institutions. Lastly, it's about dignity through guidance and support, training, work experience and citizen engagement.

In 2025, addressing youth unemployment is impossible without taking a serious look at the impact of artificial intelligence. As AI takes off, businesses are hiring fewer entry-level employees. That's a problem. How can someone become an experienced employee without the opportunity to begin a career and get that first job, the one that opens the door to the workforce? Although young people between 15 and 24 years of age make up only 13% of Quebec's

workforce, they represent 24% of workers vulnerable to automation. The big question that young people everywhere are asking is this: "In a working world transformed by AI, where will I fit in?"

On the one hand, artificial intelligence will inevitably automate a number of repetitive tasks and therefore kill jobs, mostly jobs held by young people. However, it doesn't end there: Most occupations could potentially be transformed. New skills are becoming critical, including creativity, critical analysis, human connection management and the mastery of digital tools. At the same time, new jobs will emerge that require different skills. That is precisely where the risk of exclusion lies for young people who have no access to training or reskilling.

That's why investing in artificial intelligence should also mean investing in human and social support during the transition. It is vital that young people receive training that prepares them to drive AI rather than be driven by it. We need to support employers, especially small and medium-sized enterprises, or SMEs, so that they can incorporate these tools into their activities without making the inequities worse. Finally, we need to implement public policies that guarantee an equitable distribution of the benefits arising from increased productivity.

Ethical issues are fundamental. If the benefits of AI are concentrated in the hands of a few, social and economic polarization and youth unemployment could accelerate. If we choose to use these benefits to improve quality of life, for example, by reducing work time, funding youth training or driving social innovation, AI would become a tool for generating shared prosperity.

It is therefore imperative that we rethink our tools. The Canada-Quebec labour market agreements contain a major structural flaw. These essential mechanisms are often ineffective for young people for a number of reasons. First, they include bureaucratic red tape that diverts time and energy away from direct support. They define eligibility criteria from too narrow a perspective, which excludes thousands of young people in need in the process. They also lack the flexibility that young people require to innovate and adapt to changing realities. Ultimately, they siphon off budget funds at a time of skyrocketing needs.

The time has come to reinvent these agreements, not as mere administrative mechanisms, but as true catalysts for action designed with and for young people.

Our first recommendation is to guarantee that labour market and workforce development agreements include funding for youth. In this regard, it is important to come up with funding arrangements which ensure that these funds achieve a maximum impact for young people with minimal losses caused by red tape.

Second, we need to promote success in school and the school-work transition. That means we need to support programs like the École au Carrefour that get youths who dropped out back into school again. We also need to secure workforce integration pathways and adapt employment insurance to young people struggling with precarious or atypical situations.

We also need to promote innovation and participation by increasing the number of pilot projects and encouraging innovative approaches to employability, or by supporting entrepreneurship and youth business succession initiatives.

• (1555)

Lastly, federal policies need to include a youth perspective by systematically consulting young people and their representative organizations when the time comes to develop and evaluate employment-related programs.

In conclusion, beyond numbers and partisan debates, we need to give young people reason to believe in their future and their ability to contribute fully to society.

Youth unemployment is a collective challenge. It demands ambitious, coordinated solutions adapted to local realities and underpinned by a solid partnership between government, community organizations and educational and economic stakeholders.

Through their involvement on the ground, their expertise and their capacity for innovation, CJs are ideal allies of the federal government.

We therefore want to underscore again that we are interested in collaborating with the committee, and with Parliament more broadly, by joining forces to build a nation where every young person is able to find fulfillment.

Thank you for listening and for allowing me to share these thoughts with you.

[English]

The Chair: Thank you, Mr. Humbert.

We now have Mr. Johnson from Treasure Mills Inc., for five minutes, please.

Mr. Johnson, go ahead.

Robert Johnson (President, Treasure Mills Inc.): Thank you for inviting me to the committee. I haven't taken the same time everyone else has taken with regard to preparing a five-minute speech, with regard to all the various details, but what I can tell you is that I'm the owner of a company called Treasure Mills. We are in the bakery business. We make kids' snack foods. We are located in Aurora, just north of Toronto.

One of the biggest things I see in youth and people is that skill sets.... We have a massive immigration policy with so many people who show up, day after day, who do not have the skills, yet I think it keeps other young people from obtaining the jobs. At the same time, a lot of the youth who come into the workforce simply go to universities or various trade schools and come out with very little.... They seem to have the skills that have been referred to and reflected in various people's comments today.

I think the other biggest thing is innovation. We are lacking productivity, as Mr. Rizzo has indicated, and I would agree with 100% of the comments he outlined earlier on the taxation, the government, the percentage of people employed in the government and the waste that exists. Our productivity is going down constantly. I find that a lot of the programs the government supports do not necessar-

ily drive efficiency or drive what is necessary in plants. It wants to constantly focus on innovation, but innovation that may not necessarily drive what is a necessity today in order to bring about higher productivity where a company needs it, as it's driven around certain mandates that are outside of what the corporate company needs.

At the same time, I think there are tremendous opportunities when you look at transferring businesses and stuff like that. I have heard over the years that people want to keep companies in Canada but the taxation and the process and way we are taxed makes it very difficult to keep a company in Canada, or transfer it to your youth or into your family, with respect to things. I think there is the opportunity to increase people's skill set. I think there are opportunities to.... We look at where we are spending our money as a government, and what are we putting forward? We seem to lack the necessity to execute on our human resources across Canada.

We should be one of the richest countries in the world, yet we seem to allow various minority groups to influence all decisions, instead of, as Mr. Rizzo says, having a 10-year plan that drives a consistency regardless of the stripes of the various political parties, that is cohesive, and that drives the betterment of Canada. When we don't have that constant betterment of Canada and there are various small institution groups that influence everything, it drives costs through the roof, with respect to things.

I think there is a tremendous opportunity to improve our health care systems and drive more and more people and educate more people to participate in various other types of trades and skill sets that people can have. I would look at our immigration policy, which I think has also plagued our country in various ways with respect to that. I think the challenge today with regard to youth is having them have ability, or have more knowledge and more understanding. There is a significant lack of skills when it comes to trade skills. All the youth seem to go to university, but they come out of school and they really do not have the skills, whether it be in engineering or various things, to do various jobs. There is a massive lack of tradespeople, and it doesn't seem to be supported by institutions and schools as it used to be many years ago.

I realize AI is coming and doing things, but there are certain things AI will not be replacing, and I think a lot of those are also in the trades fields. How can Canada help youth, who can make better money than university students, get a job, a trade, and have better education and a better future by thinking about what type of job they want to have and what kind of living they want to have. I think there is not enough education around the trade industry for people to make very good [Technical difficulty—Editor] AI technologies or computer technologies, or a financial wizard, yet I think so many people go [Technical difficulty—Editor] that leaves them with very little skills coming out to be able to participate or add value in a major corporation [Technical difficulty—Editor]. We could do a better job in educating our youth and helping them better understand some of the [Technical difficulty—Editor] obtain a positive job, a good income and a good living.

• (1600)

These would be my comments. With regard to taxation [*Technical difficulty—Editor*] continuing to invest in youth. How do we train people? How do we bring people into the company [*Technical difficulty—Editor*]?

• (1605)

The Chair: Thank you, Mr. Johnson.

We're having a sound issue. I'm going to suspend for a few moments. We have to change systems before we get into the question and answer session.

We'll suspend for five minutes to change the system.

• (1605)

(Pause)

• (1610)

The Chair: Committee members, we will resume, but the issue could present itself again, at which time I would have to suspend for a full reboot of the system, which could take 10 minutes. Thank you for your patience, witnesses. We'll see how we get along.

For committee members, the first round will be six minutes to each of the parties, followed by five minutes to the government, five minutes to the official opposition, and two and a half minutes to the third party. We'll follow that rotation to the end of the meeting.

We'll begin with Mr. Genuis, for six minutes.

Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Thank you, Chair.

Back in June, Conservatives sought emergency hearings on the unemployment crisis facing our country. Unfortunately, we did not have support from the Liberals to proceed with summer hearings on an emergency basis. We had to wait more than three months to get this work under way. I am very glad that we are finally beginning this critical study on the really catastrophic unemployment crisis facing young Canadians.

The unemployment rate for young people is at 14.5%. We have the worst employment rate in this country in well over 25 years. Despite not having the summer study that Conservatives were seeking, we've continued to highlight—

• (1615)

The Chair: Excuse me, Mr. Genuis. Are you livestreaming?

Garnett Genuis: Yes, I am.

The Chair: I'm going to suspend while I get clarification on direction on this.

Garnett Genuis: What?

The Chair: I am suspending until I get clarification.

Garnett Genuis: What in the world is the issue with livestreaming on social media? That's very normal.

An hon. member: It's a public meeting.

The Chair: [*Technical difficulty—Editor*]

Garnett Genuis: Thank you, Chair.

Thank you for noting that we're livestreaming these hearings on my social media platforms, which is, of course, very common and allowed. People can follow me on the various social media platforms if they're interested in following the livestream of this and subsequent meetings.

Chair, as I was saying, Conservatives sought emergency hearings on the unemployment crisis. Those hearings were blocked from taking place over the summer. We are finally getting down to work on that. I am very pleased that we're finally beginning this work on the catastrophic unemployment crisis facing this country.

The youth unemployment rate is 14.5%. We have the worst employment rate for young people in this country in over 25 years. Despite not having the forum of this committee to raise these issues, we've continued to meet with people and speak about them over the intervening months. We've highlighted a number of different causes of the unemployment crisis facing our country—a broken immigration system as a result of policy failures, misalignment in education and training, and serious problems in terms of economic policy. We've heard today from witnesses, including business owners in particular, highlighting economic policy failures that have played a significant role in this ongoing unemployment crisis.

Mr. Rizzo, you spoke about structural unemployment due to declining productivity over the last 10 years. I think it's important to underline how important productivity is as a measure of the health of the economy. It's not a measure of how hard people are working. It's a measure of how much a worker is producing in a given period of time. Increases in productivity require business investment and require systems and technology that allow workers to produce more in a given period of time.

I wonder if you could elaborate on your comment that we face structural unemployment due to declining productivity over the last 10 years and what you see as the factors contributing to this decline in productivity.

Perry Rizzo: Fundamentally, when companies are plagued with too many operating costs and high taxation, there is less money to invest. When you're competing globally, you have additional pressures to remain hypercompetitive.

If we take Ontario as an example and our ability to invest in manufacturing, which is very capital-intensive and long-term for paybacks, it's very difficult for us to invest the millions and millions of dollars necessary to invest in new technology to increase our productivity when we are largely deemed to be uncompetitive from everywhere else in the world. We have fewer resources, less funding and less money left over, simply put.

Garnett Genuis: Thank you.

Can I sharpen the question a little bit, sir? What specifically are you seeing from the federal government that is making investments in manufacturing here in Canada and here in Ontario less competitive? What decisions from the national government are impacting that reality?

Perry Rizzo: I would say that the decisions are a lack of investment in manufacturing and a lack of creating policies that increase productivity or competitiveness. Those are wide-ranging. They're in almost every area. You have a combination of all kinds of lack of economic long-term strategic planning, which is affecting companies to plan and be competitive in the long term. Specifically, you have taxation policies that are known to be uncompetitive compared with the rest of the world. This is creating a big problem for people and for companies to move forward.

• (1620)

Garnett Genuis: Thank you, sir.

I'll bring Mr. Johnson in on that.

Would you agree that we faced structural unemployment due to declining productivity over the last 10 years? If you agree, what do you think is contributing to that decline in productivity?

Robert Johnson: Yes, I would absolutely agree with what Mr. Rizzo said, exactly. The taxation policy that exists in Canada does not support the investments and the time it takes to.... Recently, Trump announced that you can depreciate an asset over one year instead of taking five years. As you turn around and longer depreciation is indicated, with the type of capital intensity that is in manufacturing, you have to get a return on that.

At the same time, I think there's a major shortage of certain skills that exists. The immigration policy that has existed for the last number of years, which I think is also—

Garnett Genuis: Thank you. I'm sorry, but I'm almost out of time. I will want to come back to that.

It sounds like you're saying that we have unemployment because of an unfriendly business environment, which is the result of high taxes. Is that a central part of the equation?

Robert Johnson: Yes, that's a critical one.

The Chair: Thank you, Mr. Genuis. Your time is up.

Madame Koutrakis, go ahead for six minutes.

Annie Koutrakis (Vimy, Lib.): Thank you, Mr. Chair.

Thank you to all our witnesses for being here today.

I would just say to the last comment that my colleague across the way made that we're always looking for simple answers to very complicated issues. It's not as simple as Mr. Genuis would want the Canadians watching us to believe is the case.

In going forward with my questioning of the witnesses, my first question will be for Mr. Rudy Humbert.

[*Translation*]

We know that many young people in Quebec are confronting higher unemployment rates and that the Government of Canada has invested in programs like the youth employment and skills strategy or Canada summer jobs to help overcome obstacles.

Based on your experience, how effective have these federal programs been in supporting young Quebecers living furthest away from the labour market?

Rudy Humbert: Thank you very much for that question.

These investments in young people are a step in the right direction. The current funding structure for these agreements is determined by the Quebec government and Services Québec. However, this structure has serious efficiency problems.

To give you some idea of the situation, three years ago, this strategy was operating on a budget of about \$30 million. This year, the new funding agreement under the youth employment and skills strategy provides \$18 million. Under this agreement, Services Québec charges a 20% management fee, which means that \$4 million is lost to administration with little left over for youth services.

Furthermore, the Quebec government added on much narrower eligibility criteria than those provided at the federal level. It even prohibited Carrefour jeunesse emploi organizations from directly recruiting young people to take part in these initiatives.

Having access to these funds is a step in the right direction. However, we have to rethink the funding mechanisms to make them more flexible and universally accessible, and explore other ways of investing federal funds to generate more economic benefits and help Quebec's youth as directly as possible.

Annie Koutrakis: Mr. Humbert, how can the government better support organizations like yours that provide employment services to young people in all regions of Quebec?

What measures could we take to support you more effectively?

Rudy Humbert: We need to have a discussion on the alignment between federal funding sources and the eligibility criteria set by the Quebec government. Basically, federal funding is blocked from reaching our organizations directly because of jurisdictional conflicts. We need to sit down with the federal government and the Quebec government to come up with the best way to deliver these funds more directly to young people.

To give you some idea, federal funding accounts for about 70% of investments in the Quebec employment sector. Because of the way they are administered, more than 25,000 young people were denied services in the past year. This includes youths who are underemployed, in school or interested in returning to school. However, that doesn't appear in federal agreements. We need to get back to the negotiating table and align the agreements with their administrative application, while taking current labour market realities into account.

• (1625)

Annie Koutrakis: What is the biggest frustration for young people looking for work?

What are they saying about this?

Rudy Humbert: The current rise in unemployment comes at a time when young people are already extremely cynical. Three quarters of them feel like they are part of a generation that will not do as well as their parents did.

There is truly a need to see how we can take part in the decisions that affect us and see how we can collectively offer a future in which we fully participate. We have to find a way to make sure that every public dollar invested can go directly toward services for young people.

[English]

Annie Koutrakis: Thank you.

My next questions will be for John Buck.

Thank you for being here. We know that minority-language communities face higher unemployment rates and vulnerabilities, and the Government of Canada has made targeted investments to support youth in these communities. I'd like to know a little bit more from you. Have you encountered challenges with accessing federal grants and contributions?

John Buck: Thank you for the question. It's a very important question as we take advantage of these investments and ultimately help our communities to thrive and sustain themselves.

As an organization, CEDEC finds itself as being primarily a federally funded entity. As a consequence, it is exempt from some of the provincial requirements that exist for organizations like Mr. Humbert's, which may find themselves and their members being primarily provincially funded. In fact, where federal investments are desirable, we find ourselves being ideally suited to act as an intermediary to make sure that resources reach the communities they're intended to reach.

We work very closely with our provincial counterparts. We work very closely with the Réseau des carrefours jeunesse-emploi, as well as other employment service providers, but there are jurisdictional considerations that I think are always at play, and we always have to be attentive to those.

Annie Koutrakis: As we all do around this table. We always have to be very mindful of that.

Do you see direct federal funding as more effective than funding that flows through Quebec in reaching the vulnerable youth—"vulnerable youth" being the core piece of the question?

John Buck: In the context of funds flowing, I think all parties have an interest in making sure that those vulnerable youth are served. We work in an official languages context, which adds a layer of complexity to that discussion as well. We find ourselves anchored in the Official Languages Act and in the action plan in terms of our efforts, so it makes sense that, as we try to support the advancement of policy related to official languages, the federal government is a key partner with us in doing that.

Simultaneously, I think all of us have an interest in seeing an economy that thrives, so working with the Government of Quebec and working with stakeholders from public, private and civil society sectors really means that we all win. We all thrive when that happens.

Annie Koutrakis: Thank you.

[Translation]

The Chair: Mrs. Gill, you have six minutes.

Marilène Gill: Thank you, Mr. Chair.

I want to thank all the witnesses for their interest in youth unemployment. I listened carefully to each of the speeches today. I took good note of them.

I have some questions for the representatives from the Fédération des chambres de commerce du Québec.

Mr. Pageau, I want to talk numbers. If I am not mistaken—I do not want to put words in your mouth—you said that at present, the issue of youth unemployment in Quebec is significant, but not alarming.

Did I understand that correctly?

Stéphane Pageau: That is correct. Obviously, unemployment is a significant and alarming reality for people who experience it personally. However, across Quebec, the current rate is within the average range for the past 25 years.

For example, the unemployment rate in Quebec is not much higher than the recorded rate in the majority of OECD countries. In Quebec, if we compare the general unemployment rate of 6% to that of persons aged 15 to 25, it is roughly double. However, in the majority of other OECD countries, there is twice to three times as much youth unemployment as general unemployment.

So there really is something we are doing well in Quebec. That is not to say that we should not continue to implement youth employability assistance programs. There are some excellent programs out there, particularly in terms of training.

That said, when we look at the figures for Quebec, it is not as alarming as all that.

• (1630)

Marilène Gill: Thank you very much.

In fact, analysts at the Library of Parliament have done some research for us. We can see that the unemployment rate among young people aged 15 to 24 has declined since 2000 in Quebec. I am not saying that is the case across Canada, since the situation varies greatly from one region to another. Nor am I saying exactly which population either. The same goes for the employment rate, which has increased in Quebec compared to certain other places in Canada.

During your presentation, you said that you did not want to pit youth unemployment against the use of temporary foreign workers. There was a technical problem at one point, and I am not sure if we missed any information. I would like you to elaborate on that.

You also said that there is indeed unemployment and that you would obviously like to see full employment among young people, particularly young men. The unemployment rate among young men is currently higher. You also explained that the issue of unemployment needed to be examined over a longer time frame, namely to 2033, because there will be a shortage of 1.4 million workers to fill positions in Quebec at that time.

I would like your observations on those two issues.

Stéphane Pageau: In the public sphere, some have mentioned that the TFWP was, among other things, one of the causes of youth unemployment. This is not what we are seeing in Quebec.

As we have said, the rise in unemployment mainly affects young male students, and they will not be filling the positions targeted by the TFWP. For example, 85% of people in the TFWP have full-time jobs, which is not what students are looking for.

The same applies to the skills required. If we exclude agricultural workers, 60% of people in the TFWP work in jobs requiring a college degree or higher. It is clear to us that there is no cause-and-effect relationship.

That said, there is the whole issue of labour needs. More than 100,000 positions are vacant in Quebec. We need workers. Unfortunately, these workers are not necessarily well distributed in terms of geography or skills. Some regions have an unemployment rate of 3.6%, with the median rate being 4.6%.

This is what we see in the long term. According to calculations made by the FCCQ, Quebec will need 106,000 new immigrant workers in the near future. We are not in a situation where the long-term outlook points to an increase in unemployment. There may be a circumstantial factor at play right now, but in the long term, we will need 1.4 million workers to fill positions. Given Quebec's birth rate, it will not be possible to renew the labour pool.

The message we want to convey is that we need to address the issue of rising unemployment among young men today, particularly students, but a long-term perspective needs to be taken into account at the political level.

Immigration policies must be aligned with labour market needs, particularly in terms of geography, but also in terms of skills.

Currently, the TFWP best promotes the regionalization of immigration and best aligns it with the labour market, despite certain measures taken in Quebec regarding permanent immigration. When compared to federal programs, it is the most useful in meeting the labour needs of businesses in Quebec.

Marilène Gill: Thank you very much, Mr. Pageau.

Mr. Humbert, you talked about employment insurance accessibility and the fact that young people are in precarious situations.

We recognize that there is unemployment, but urgent measures need to be taken to protect or support young people.

Do you think that the government should reform employment insurance to take these needs into account?

Rudy Humbert: Yes, I completely agree.

The social safety net has holes in it. Roughly one third of unemployed workers have access to employment insurance. Positions are increasingly atypical, young people hold down multiple jobs, a new economy has formed, the number of hours of eligibility is difficult to achieve, and the unemployment rate in the regions are different.

We have to take into consideration these new realities and this immense precariousness that is hitting young people. Often, as a result, young people are not eligible for employment insurance. They need this social safety net to cover their basic needs.

[English]

The Chair: Thank you, Madame Gill.

Welcome, Madame Cobena. I believe you're up next, with five minutes.

• (1635)

Sandra Cobena (Newmarket—Aurora, CPC): Thank you, Chair.

Mr. Rizzo, you spoke about how Canada needs to get serious about creating jobs, creating jobs and creating jobs. You have a unique perspective, in that you have about 38 years of experience creating businesses and jobs, and opening businesses in Canada, the U.S. and Mexico.

Can you speak about how Canada compares to these other two countries in terms of the ease of opening a business?

Perry Rizzo: Simply put, we don't compete.

Ohio did an economic development plan for one of our divisions. It had it tabled, papered, authored and approved in less than six months.

In Mexico, we opened greenfield sites. We had economic development teams meet with us on a Tuesday, and by the following Thursday, before we were leaving, they had a whole proposal in front of us. We flew down the following week. They tabled more than \$2.8 million in investment money to lure us to their specific state. They asked us to come down the following week. We told them we had some additional issues. Those issues were solved within one business day. We signed and penned a deal, and built two facilities in Mexico, all within six months. We were operational within 18 months.

That just doesn't happen in Canada, not even remotely. We can't even get funding for development projects in Canada. By the time we fill out and try to address any strategy in Canada, you're talking about a lengthy, cumbersome, red-taped and administratively heavy process. By the time it's done, there's no money left for the entrepreneur or the actual core value of what was intended.

Sandra Cobena: As a business owner, it's not just difficult for you to open a business. When you finally open a business here in Canada, you're taxed when you earn, when you hire, when you grow and then, of course, again if you sell—through the capital gains tax.

Would you say, then, that success in Canada is, in fact, punished?

Perry Rizzo: Absolutely. We talk about that and you can see that in the productivity numbers. There are compelling documents and reports. One is through the National Bank of Canada economic strategy and data reports. The title is “The industrial implosion”, and it clearly identifies investments, capital and growth in the United States versus Canada. I'll just hold it up quickly, but I'm sure it can be supplied. On this chart, the blue line represents the United States and its investment strategy on equipment and capital. You can see the red line for Canada over the last 10 or 15 years.

When I spoke earlier, a question was asked about high input costs, which means wages. With respect to the immigration policy issue, I'll say that we tried to hire some engineers and program managers during growth in Canada, and all of them coming into our facility wanted \$80,000 to \$100,000 to start. They referenced the high living expenses in Toronto, for instance. From car insurance costs to rental costs and living costs, we hear every reason why, as an owner and an entrepreneur, I need to be burdened with all these costs in order to compete. You're competing against companies in Georgia that are paying \$16 to \$17 for general labour and are paying their program management and engineering teams an average wage of \$70,000 to \$80,000 U.S. Compare that to Mexico at \$65,000 U.S., and then you're looking at people in Canada wanting \$130,000. This makes us completely uncompetitive.

Sandra Cobena: Thank you, Mr. Rizzo.

The Liberal government ran on a platform of making decisions and changes at a speed not seen in generations. Since the Liberal government was elected, which was six months ago—half a year has now passed and gone—have you seen any changes that have made it easier for you to create jobs?

Perry Rizzo: Absolutely not. I'm amazed, with the state that Canada is in, given the economic pressures, that we haven't taken immediate action to create very significant action plans to start addressing all of these concerns. I have seen little to no action to address any of these concerns. It's mind-blowing and mind-boggling to me that this isn't being addressed on so many fronts.

We should be exploiting our natural resources. We should be building pipelines. We should be creating internal growth in Canada and creating jobs in Canada. There should be a buy Canadian product and manufacturing investment strategy. I haven't seen anything tangible, including military spending. I haven't seen one form or procurement model that says we're going to revamp that and we're going to meet with—

• (1640)

The Chair: Thank you, Mr. Rizzo and Ms. Cobena.

Madame Desrochers, you have five minutes.

[*Translation*]

Caroline Desrochers (Trois-Rivières, Lib.): Thank you, Mr. Chair.

Obviously the youth unemployment rate is worrisome. My colleagues and I all agreed on that this summer. However it is a real problem and it is a shame that a committee meeting is being used today to share questionable, if not false messages.

Contrary to what my colleague was saying, we were not on vacation this summer. We all went to our ridings. I met with people from dozens of companies and the youth employment centre in my riding. I met with entrepreneurs to understand what they are going through, and what they brought up is very much in line with what the witnesses said. Indeed, this is about the mismatch between the skills acquired by our young people at the end of their studies, whether in high school or college, and the needs of our businesses.

I will come back to this, because I would really like us to use the time we have today to find real solutions to a real problem. I will also come back to the temporary foreign worker program, which some of you have mentioned.

That said, I would like to remind everyone that in 2021 and 2022, there were significant labour shortages. Some businesses had to close their doors because there were no workers, young or old. We must keep this in mind. The programs that are in place today were designed precisely to address this problem.

Like our government, we felt that what was put in place a few years ago may no longer meet current needs. That is why we are holding this meeting today and conducting this type of committee study; to find the right solutions to the problems.

I would like to correct a comment made by a witness regarding government investment in the manufacturing sector. The government invests hundreds of millions of dollars, if not more, in the manufacturing sector every year in Canada, whether in Alberta, British Columbia, Northern Ontario, Quebec, or Northern Quebec. I have attended the announcement of many of these investments, which help our small and medium-sized businesses purchase equipment, launch new product lines, and be more productive.

I would also like to thank my colleague Ms. Cobena, who spoke about the commitments we made during the election campaign. We are fulfilling those commitments. First, we established the strategic response fund to defend our businesses during the current trade war. Next, we launched Build Canada Homes to build more housing using Canadian workers, Canadian lumber, and Canadian materials. This morning, we also launched the Defense Investment Agency.

Mr. Rizzo, you may have missed the announcement we made two weeks ago regarding the “Buy Canadian” procurement policy. Our goal is to encourage companies to buy Canadian across all value chains, because we are well aware of what is happening and we are consistent in our approach.

That said, Mr. Gagnon, I would like to discuss with you the issue of first jobs, which several of my colleagues have also raised. We obviously have some very useful government programs, such as co-op programs, student internships, and so on.

In your opinion, how should we go about creating more entry-level job opportunities in the manufacturing sector?

What could we do to encourage that?

• (1645)

Alexandre Gagnon: Thank you for the question. It's an important one.

This is something done well in Quebec and not quite as well in other parts of Canada. I'm thinking of work-study programs, co-operative programs and work placements.

Many initiatives have been implemented over the years by governments of all stripes. One example is the student work placement program, which has been brought up many times. SMEs receive assistance with taking on interns, who are often a source of innovation and productivity growth for small businesses. This program has been a great key to success over the years.

As you said, we hear a great deal about the issues surrounding our young people's skills—

[English]

The Chair: Thank you, Madame Desrochers. Your time has gone over.

[Translation]

Mrs. Gill, you have the floor for two and a half minutes.

Marilène Gill: Thank you, Mr. Chair.

My question is for Mr. Gagnon and Mr. Pageau from the Fédération des chambres de commerce du Québec.

Once again, I want to talk about the future. You said that challenges would arise when it comes to filling vacant positions. A few of them have just been identified. I would like you to elaborate on the challenges, particularly with regard to youth employment.

You represent 45,000 members. You're no stranger to the scene. Without getting into the realm of science fiction, what challenges do you see ahead and what recommendations should we make to ensure that vacant positions are filled by young people?

Alexandre Gagnon: Thank you for the question.

There are still a few challenges, and we've been talking about them for a number of years.

Young people are currently being trained for jobs that will evolve significantly as a result of artificial intelligence, automation and all the upcoming changes.

Unfortunately, educational institutions lack the resources to adapt their programs accordingly. Nowadays, it can take up to seven years to adapt a study program, even though the environment is changing rapidly. In fact, the daily reality faced by businesses changes every two or three years. Obviously, this means that the study programs aren't up to date.

It's necessary to focus more on lifelong learning by encouraging young people to continue their education throughout their careers. Training programs must be a bit shorter and more oriented towards basic skills, including digital literacy.

Young workers need assistance, but their employers also need tools to support young people throughout their careers. This will ensure that young people can adapt more easily to the upcoming technological changes. This is one of the major challenges ahead of us.

In addition, there are geographical challenges. My colleague, Mr. Pageau, spoke about this. Each region faces completely different realities. Decisions regarding investments, national programs or immigration must take into account the regional characteristics and disparities found across Canada. In particular, the different regions of Quebec face completely different realities.

The measures implemented must focus on partnerships with regional organizations, particularly youth employment centres and chambers of commerce, to ensure that these measures meet the specific needs of each region and take into account the infrastructure and industrial landscape.

[English]

The Chair: Thank you, Madame Gill.

Ms. Falk, go ahead for five minutes.

Rosemarie Falk (Battlefords—Lloydminster—Meadow Lake, CPC): Thank you very much, Chair.

I would like to thank the witnesses for taking the time to be here and to share their experiences with our committee.

Mr. Johnson, I would like to start with you, if possible. In your opening remarks, you made some comments regarding skill sets, that there is a shortage of skills. I am just wondering if you could expand a little on that. What exactly do you mean by shortage of skills?

• (1650)

Robert Johnson: I am in manufacturing, as I mentioned earlier, so I would say tradespeople—from electricians and millwrights to programmers in software and robotics, and expanding beyond that from the point of view of skills. There are a lot of people who come into the workforce who might go to school for engineering or something else, but they lack the skills to be able to bring value to the company.

I am constantly competing against a number of other companies. One of the things is strong, mechanically capable people in manufacturing. We are fairly automated, and as we bring in more and more automation, we require a different level of skill set in order to maintain that automation. It is a challenge to find the skill set in the environment we live in today.

Rosemarie Falk: Thank you.

You said that you were in manufacturing, so that would be one facet of the economy.

We are in a housing crisis in this country. The government has promised to build all these houses, but what we are finding, and what this committee has found in previous Parliaments, is that the tradespeople don't have the skill set to do that. How are we going to build everything that we need to power Canada, to house Canadians and to manufacture our goods if we don't have the tradespeople to do that? That's very important to point out. We need those tradespeople to keep the lights on, to build the foundations, to build the walls and to do all of those things.

Robert Johnson: They could also make a very good wage and a very good living from this, from young electricians to plumbers, to anyone. They're not aware...and I think the investment and their time.... I don't think it's promoted enough to a lot of people compared to what it used to be.

Rosemarie Falk: Absolutely. I come from a very trade-heavy part of the country. Energy and agriculture are our driving forces, so it's very common for kids to ask other kids what trade school they are going to, what trade they are getting, and we need more of that.

Mr. Rizzo, I'd just like to follow up on something that you spoke about. You mentioned red tape. I'm just wondering if red tape is affecting or having an impact—maybe that's the word I'm looking for—on productivity in the country.

Perry Rizzo: Look, I think I have a great scenario for you. I have multiple facilities, and I take the time to walk to all the little industrial units that are around me. At one time, they were filled with little companies that were fabricating and machining, and now they're mostly service sector types of jobs oriented around moving furniture or providing some other type of service.

With respect to your question on red tape, I dropped by a small steel fabricator. He's been doing it for 15 or 25 years out of this unit. A young person came by the other day working for the town. He walked in with an iPad and started writing up infringements. A skid was against the wall—that's an infringement. The air make-up unit was not interlocked—that's an infringement. There was another thing and another thing, and by the end of two hours, there were \$5,000 to \$8,000 of administrative costs and small details to fix that were working perfectly fine. There were no safety issues, but there was some new compliance.

The owner talked to me and said, "I have \$8,000 less to invest in my people. That's \$8,000 less that I have to invest in my company." It's absolutely ridiculous. The number of people employed by the government to be involved with every type of issue, whether it's building.... You can talk about the conservation authorities or the building departments or the municipalities. God forbid, you can't do

much in Canada without being saddled with at least 10 levels of something to go through in order to get an objective achieved.

The red tape still exists on every level. I think it's a function of too much government.

• (1655)

The Chair: Thank you, Ms. Falk.

Ms. Fancy.

Jessica Fancy (South Shore—St. Margarets, Lib.): Thank you very much, Chair.

Thank you very much to all the witnesses who are here today.

As a former educator, a high school principal and administrator, I've worked for almost two decades with many youth. I might feel like I have a Ph.D. in teenagers, some might say. Most of these youth are entering work for the first time. As a university fellow who studied youth prioritization with regard to policy, but also with regard to protection of youth, I can say that this study is very near and dear to my heart. I just wanted to put on the record today that it's not something that.... The Conservatives have been saying that we've been lacklustre with this study. We are not, because today we are here to listen and learn, and we are seeking solutions.

My first question is for Mr. Johnson.

In your introduction, you said that you hire people without skills. I'm thinking about why you would do this. I am also thinking about your experience with recruiting and retaining workers. What are some of the recruitment and retainment strategies that you use within your manufacturing company?

Thank you.

Robert Johnson: I'm sorry if it's maybe misunderstood. I don't hire people who don't have skills.

As for retaining people, the number one thing is that we build a brand in what we do. We try to create a culture that people want to be a part of and an environment that people want to be in. We continue to offer them a career where they can move up.

We have people coming in at a general labour level. We look at them and ask, "What is it you want to do in your life? What is it you want to achieve?" We're able then to show them some sense of a career where they can advance and move from \$20 an hour to \$80,000 or \$100,000-plus a year. We continue to try to provide a vision to people.

However, when it comes to recruiting people, any time we run an ad or deal with anything, we're virtually dealing with people who are immigrants coming into the country, but a lot of the immigrants are not necessarily qualified or speak.... It's very difficult to get, I would say, certain educated people in a certain workforce with respect to that. It is dominated.... I heard from some people the other day that their child showed up for a job. There were 20-some people in line, and they were all willing to work for less and work for cash money.

The employment system in Canada today is largely controlled by many temp agencies. There's a structure that is broken within that system.

Jessica Fancy: Thank you, Mr. Johnson.

I got your answer now. In your introduction, you were telling us that the country was being run by minority groups, and that they were running the show. Thank you for that answer.

I have another question for you. How did federal government supports, such as wage subsidies and co-op programs, play a role in enabling you to hire youth?

Robert Johnson: They really haven't played much of a role. It's such a short-term, small incentive program. There's no significant investment to move our company forward. We're focused on finding the best people who can do the job long-term.

Some of the programs where we have worked with the government in the past were associated with capital expenditures, equipment, or one thing or another. We have not realized, taken advantage of, or seen anything that has really been worthwhile with regard to that.

Jessica Fancy: What you're saying, then, is that you are not taking advantage of any of the federal programs.

My next question is for John Buck. Thank you, Mr. Buck, for being here today.

I'm an alumna of FSWEF, the federal student work experience program, from many years ago—I won't date myself—which I did while studying at university as a poor and vulnerable youth in rural Nova Scotia.

What impact or benefits do you feel programs like the Canada summer jobs, the youth employment and skills strategy, or the one I just mentioned have on young people in minority-language communities or other vulnerable communities?

• (1700)

John Buck: These are really significant and important opportunities with respect to addressing the primary challenge that I identified, which is ultimately the skills mismatch—what we have with respect to supply and what the demand is. In many cases, there's a lack of alignment. Programs like this help to actually bridge that gap in many ways. We see students, while they're undertaking their studies, have the opportunity to understand what the employer's needs are and focus the direction of their studies on being an asset to the employer.

I think the experience of the federal student program could be replicated in the private sector—

The Chair: Mr. Buck, you can finish that later.

Thank you, Ms. Fancy.

We'll now go to Mr. Genuis, for five minutes.

Garnett Genuis: Thank you, Chair.

I'm following the discussion that's happening today with great interest. We're hearing from witnesses about how the system for employment right now is broken. There have been emerging problems over the last 10 years that have gotten us to this point. What we're hearing in response to that is Liberal MPs essentially expressing hurt feelings, or not liking what they're hearing. They are trying to disagree with claims from witnesses about the problems.

I just want to point out that the unemployment numbers are both brutal and objective. The unemployment numbers don't respond to the feelings of anybody around the table. They tell the story. What we're hearing from the witnesses and, more critically, what we're seeing in the Statistics Canada numbers is a demonstration of the failures of the government. You can say, "We've tried to put in place all these programs." My question is, are those programs working? That's what we see in the numbers. Numbers show that it's not working. The unemployment crisis continues to get worse. Whatever the government says about its efforts, it's not reversing the trend that has resulted from decisions it has made.

With that, I'll turn it over to Mr. Reynolds.

Colin Reynolds (Elmwood—Transcona, CPC): Thank you very much.

I'd like to thank all the witnesses for coming here today. I really appreciate your time.

My first question is for Mr. Johnson.

You talked about a lack of skilled trades. Coincidentally, I'm actually a construction electrician. I have been doing that for 20 years. I know what you're talking about. I've found, in my career, that there's not really a push to put people in the trades. There's not really a recognition of the importance of skilled trades. The attitude I've seen in a lot of schools, certainly when I was in high school, was that people who couldn't cut it in university could just go into the trades. I still see that today.

Do you think there's a way we could start to change that opinion? Obviously, we really need skilled tradespeople. How do you think we could start to change that narrative and make it more enticing for young people?

Robert Johnson: Yes, first of all, I think you need to bring back some sense of trades inside high schools and places with regard to it. It doesn't seem like there's a lot of that. At the same time, give people an understanding of what kind of money they can make in the trade industry. Kids coming out of electrical, plumbing, millwright or any of that are making a lot more money than the kid coming directly out of engineering. I think having an understanding of the pay you can make, the living you can make and the lifestyle you can live.... I would say that they also have a greater chance of developing and building their own businesses because of the shortage of skilled trades. I think it's also allowing them to understand that the security of the job is way greater and the longevity of that job is a lot greater.

I don't think young people really understand trades as a whole and what they could consider. I don't think many people really understand the choice of their education, their chance of getting a job, what they could earn when they get a job or the percentage chance of getting employment.

• (1705)

Colin Reynolds: Thank you.

My next question is for Mr. Buck.

I'm wondering about the programs you offer. Do any of them direct people toward skilled trades?

John Buck: Absolutely. Thank you for the question.

Working with the public, private and civil society sectors in a very local context to understand what opportunities exist, we're working directly with employers who are suggesting to us that this is what they need and are asking how to get it. In many cases—and it could be in any one of the industries we've talked about today, like construction or electricity, for example—if there is a need in that way, we're able to work both with the supply and with the talent out there to make sure we're shaping the pipeline in a way that responds to the local needs.

Colin Reynolds: Thank you.

The Chair: Mr. Reynolds, you're the only one who lived within your time. Thank you.

[*Translation*]

Mr. Joseph, you have the floor for five minutes.

Natilien Joseph (Longueuil—Saint-Hubert, Lib.): Thank you, Mr. Chair.

I'll turn first to Mr. Genuis.

Congratulations, Mr. Genuis. You missed your calling. You love being in the spotlight. Your place is in Hollywood. It's really unfortunate that you're using youth unemployment for political purposes to make video clips.

I'll now get back to the study under way. We've heard about a decline in productivity. The youth unemployment rate is 14%. Is immigration to blame? That's what I'm wondering. Mr. Genuis is blaming immigration.

I'm a bit confused about whether youth unemployment in Canada stems from foreign workers. Some people talk about 100,000 job

vacancies. Others say that 106,000 workers are needed to fill the vacancies.

Mr. Rizzo, has your company used any federal programs such as wage subsidies, apprenticeship incentives or the innovative work-integrated learning initiative to hire young people?

[*English*]

Perry Rizzo: That's no problem. Thank you.

Look, I think there are some programs that are helpful. I want to put it in context. I'm a toolmaker. I'm a tradesman. That's how I started. When I started, over 40 years ago, the incentive to be a toolmaker was \$7,200. I was making probably \$31,000. It was well known that as an apprentice, I would probably make more mistakes and be more costly to the company for the first five years than they would make off me. Today, my son, who went into the same trade of toolmaking that I went into, has received \$4,000 a year. So if we say we're going to invest in tradespeople, and that's 40 years later, then there's something specifically wrong.

There are still investments, and they do help, but I would say they're largely borne by the employer who's committed to those tradespeople. We're employing them and creating income for them while they learn. It's a great program. I am a big fan. Everything should be apprenticeships or paid co-ops. Internships should be banned if they're not paid. I have interns who come and work for me. When it comes to human resources, everyone gets paid. No one works for free in my company. I just don't believe in it.

There are some good programs. We have used them. I just wish that there were more and that they were more in line with what's needed in today's economy.

[*Translation*]

Natilien Joseph: Thank you.

I'll now turn to Mr. Gagnon.

Mr. Gagnon, I want to congratulate you on all your work. You're doing an outstanding job.

We're talking about employment equity. We know that our government is working hard to ensure compliance with employment equity obligations.

In the course of your work, do you ever have trouble finding jobs for young people from diverse backgrounds?

I'm not just talking about ethnic diversity. I'm also talking about gender diversity, such as transgender people.

• (1710)

Alexandre Gagnon: Yes. These groups have always had more difficulty finding jobs. There have indeed been issues in this area. We're talking about young people today. However, I know that immigrants also face greater challenges when it comes to finding employment during economic downturns, such as the current situation.

I believe that your question was for Mr. Humbert. Is that right?

Natilien Joseph: Yes. Excuse me.

My question was for you, Mr. Humbert.

Rudy Humbert: Thank you.

First, I would like to say that I share your sense of urgency in addressing this issue today. Youth unemployment currently sits at the same level as it did 25 years ago. This means that the situation has been alarming for 25 years. We should be concerned about the fact that, in a quarter of a century, no one has found a more structured solution. We should never be satisfied with the fact that young people are forced into unemployment, given that this leads to disrupted life paths and significant socio-economic costs.

I would also like to point out that our current sense of urgency stems from the fact that 80% of job losses have been borne by young people.

In terms of diversity, I would just like to point out that the unemployment rate for young people from non-standard backgrounds is more than double the figures provided earlier. Entrepreneurship is sometimes a way forward for these young people who face employment barriers and who are forced to create their own jobs.

The Chair: Thank you, Mr. Joseph.

Mrs. Gill, you have the floor for two and a half minutes.

Marilène Gill: Thank you, Mr. Chair.

I'll begin by speaking to all the witnesses.

Gentlemen, I would like your recommendations. You can submit additional information and recommendations in writing after the meeting. The committee members can then discuss them and build on them when preparing the committee report.

I'm especially keen to hear your ideas on how to tackle youth job insecurity and unemployment. I'm thinking in particular of Mr. Buck, who can shed some light on the situation for young people in rural areas.

We spoke briefly earlier about the Canada summer jobs program. Let me give you an example. The Basse Côte Nord residents have a hard time hiring young people given the criteria set out in the Canada summer jobs program. As a result, many jobs are lost. If you have any recommendations regarding this matter, please submit them in writing after the meeting.

I would now like to put two questions to the officials from the Fédération des chambres de commerce du Québec.

First, according to a recent Statistics Canada article, youth employment in the accommodation and food services sector declined by 22% across Canada between 2024 and 2025. This doesn't just apply to Quebec, of course. This was also the case in the retail trade sector and the information, culture and recreation sector.

Did this decline have anything to do with the COVID-19 pandemic? I know that this was a difficult time for the sectors that I just listed. The members of your respective organizations certainly had to deal with these types of challenges.

Mr. Gagnon also spoke about the challenges that lie ahead in education and the fact that the Quebec government must show consid-

erable flexibility in order to tackle them in the coming years. This also applies to the other provinces.

Can you provide examples of successful initiatives in Quebec that could inspire the other provinces and territories?

Stéphane Pageau: I'll answer the first question.

The three sectors listed have indeed seen a decline in job vacancies, even in Quebec. This decline is particularly apparent in the retail trade and the accommodation and food services sectors. Artificial intelligence may affect certain sectors. However, some fields are included in these statistics even though they have low unemployment rates. This is the case, for example, in Quebec's tourism industry. According to industry representatives, the unemployment rate is 4.2%. This means that the need for workers is enormous. I believe that regional disparities in employment affect the overall statistics.

We're seeing a decline in job vacancies and difficulties in these industries. However, we still believe that these are cyclical. For example, business travel decreased significantly, which may have had an impact.

I believe there has indeed been a decline in these sectors, particularly in student employment. It's time to take action with a set of measures, including through the Canada summer jobs program. However, we believe that it's still necessary to take a long-term view. We don't think that this situation will last, given the upcoming employment-related challenges.

• (1715)

The Chair: Thank you, Mrs. Gill.

[English]

I have Madame Cobena, for five minutes.

Sandra Cobena: Thank you, Mr. Chair.

The Liberal members here in the committee like to say that their government has made investments in our economy. If that is, in fact, the case, then they are making investments with a negative return. When we have unemployment at 7.1%, which is nearing recession levels, and when we have \$63 billion of investment that has fled our country since Mr. Carney took office—\$8.3 billion in June alone—then that investment has a negative return.

Also, I would like to remind the members that it is entrepreneurs and small businesses, like some of our witnesses here today, that create jobs, not the government.

With that in mind, I'd like to ask a question of Mr. Rizzo.

What are the biggest obstacles you face today when trying to grow your business or when trying to hire people and create jobs?

Perry Rizzo: As I said before, I can speak to the banking industry in Canada. It has a real significant problem. It's risk-averse. It's not willing to invest in high-growth network companies. They're just making money too easily, and they're allowed to make money too easily. Therefore, getting banks to support companies with any kind of dream or entrepreneurial spirit that doesn't fit into all the covenants and ratios and analysis work is not going to happen. You're left with EDC and BDC, which are there to help and support companies, but let's be honest: They charge 11% interest. The way they help entrepreneurs grow is by charging us extremely high levels of debt loads to carry. It's counterproductive; it's counterintuitive to me. It seems, on the surface, that we have these systems to work, but in reality they're just extremely costly and actually hurt companies and their ability to grow.

That's one aspect, the financial institutions. Number two, again, your input costs are just so high in Canada.

My son pays.... I have four boys. They all pay \$5,000 to \$6,000 a year just for car insurance. The same-aged boys who live in Vermont or Connecticut or work at any of my facilities around the world pay \$800 to \$1,200. My kids pay \$350 for their cellphones, data plans and Internet service, and the employees in Mexico pay \$12 for unlimited calls, coverage and data.

When you look at what I talked about earlier, oligopolies, we've allowed our society or allowed Canada, largely through the government over years, to become extremely non-competitive. With all these factors, and people demanding high wages, it just doesn't leave.... There's nowhere for companies to invest.

There are ways forward, but that takes really significant long-term planning and major policy shifts, such as drastically reducing taxes for manufacturing companies, lowering hydro rates and lowering input costs like petrochemicals or raw materials to allow Canadian firms to compete globally.

Sandra Cobena: On the topic of EDC, which you brought up in your remarks, Export Development Canada is, of course, a corporation. It's an arm of the government. In the context of trade and the trade war that we have going on, have you seen any programs that Export Development Canada has made available to your industry to support you in the impacts of these trade wars?

Perry Rizzo: EDC continues to have some programs, but it's really BDC that, I believe, has been given a mandate to help with, let's say, loans and things like that to deal with the trade war.

Let's be honest. When a company loses sales, it doesn't just want more debt. That doesn't help them. Adding more debt to our books by saying "Here's another loan" is not a path forward. All this stuff stacks up on a company. What we need is lower taxation, and we need a go-forward plan.

EDC and BDC fill roles where the conventional banks don't want to provide that financing. Thank God they're there for us, but they don't offer it at a competitive rate. You're paying a premium and it's very costly.

• (1720)

Sandra Cobena: In the context of trying to diversify and look for markets outside of Canada, Canada has a bad reputation that we're difficult to do business with and that even if our price and our

quality are comparable to, say, those of an American company, we're always going to lose that piece of business.

Have you seen something like this? Have you experienced something like this in your business?

Perry Rizzo: Yes. The—

The Chair: Your time is up.

Madame Koutrakis, you have five minutes.

Annie Koutrakis: Thank you, Mr. Chair.

I'm having a difficult time trying to follow the testimony here. We are studying youth employment.

I'm trying to see the relationship between the study at hand and the testimony we are hearing from some of the witnesses today. I think most Canadians would agree that we do not simply want to put it all on the shoulders of governments to create thousands of jobs, although governments do have a role to play, and they do. This is why we're having this study, to make sure that, as we go forward, we're putting in place the policies and the programs that are needed to make sure that we take care of that. Most importantly, we want to help people develop good careers.

For the people who are employers here—I don't know if this is Mr. Johnson and Mr. Rizzo—how do we create an environment where the private sector—you're both in the private sector, so I'm sure you have some insight to share with us—is incentivized to hire more young people in jobs that earn them more money but also will help them develop their careers or, in fact, find new careers? I'm not looking for your bottom line. I know that people obviously go into business because they want to make money, and the backbone of our Canadian economy is having successful businesses. Nobody in this room is going to say otherwise.

I would like to ask you as employers, what is your responsibility to help youth find jobs and to encourage them and mentor them, whether it's in skilled trades or any other kind of job? What is your responsibility as the private sector in this whole thing?

I am genuine in my question. I would like that to be part of our report, because I think that if there's anybody who could give us insight, it is the private sector.

Robert Johnson: Who wants to go first?

Annie Koutrakis: Either one can go.

Mr. Johnson, go ahead.

Robert Johnson: I'll go for just a few minutes.

First of all, I think that immigration has impacted the employment side dramatically. When you run an ad, it doesn't matter what it is for, whether it be for a senior head of finance, HR, engineering, quality or general labour, there is primarily one ethnic personality showing up for all the jobs with regard to it, and a lot of them simply don't have the skills. It's about looking to find the key people.

I would also add that the taxation has plagued our company. I'm in the process of expanding. My cost in permits alone is 28% of my building cost to put up a facility. If we had a different taxation process and another way to incentivize the development of people and help people learn skilled trades and have apprenticeships, we could develop people inside the system and inside the company, but you have to have the right people showing up for the job, and you have to have the incentive to be able to develop the people.

Annie Koutrakis: Go ahead, Mr. Rizzo.

• (1725)

Perry Rizzo: It's a great question.

First of all, I'm an extremely passionate Canadian. That's why I'm here today. We invest and create our own apprenticeship programs and training programs. We take youth. We take people with little experience, and we develop them internally. We identify whether or not they have skill sets. We have promotion with internal policy. There are a lot of good things that can happen, but they take money, and they require the company to be in a really healthy position.

I want to disagree with a couple of points, and they might not be as poignant as I heard them, but the government shouldn't be involved in creating jobs. The private sector needs to be creating jobs. The government is not efficient or effective. The private sector is the reason we've been talking so passionately about this topic today. It's the private sector that needs to be creating jobs, creating the innovation, creating the technology and, in our case, manufacturing.

The ratio is 7:1. For every job we create, we influence seven other jobs. We create another seven jobs for every person we hire. When we build a product, there's someone making the skids, someone making the boxes, and someone making the screws and the fasteners. That's why manufacturing is so critical to China and to every economy in the world that wants to succeed. Manufacturing is a very important aspect of it.

To your point, how do we create jobs? We allow companies—not the government creating a new administration centre—to create an environment to be rewarded, to grow and to succeed through lower taxes, lower input costs and a long-term strategy for development.

With the trades, construction is—

The Chair: Thank you, Mr. Rizzo.

Thank you, Madame Koutrakis.

The final round is for two and a half minutes each.

Mr. Genuis, you have two and a half minutes.

Garnett Genuis: Thank you, Chair.

Mr. Rizzo, I want to probe your comments about the link between the cost of living crisis and the unemployment crisis. You were talking earlier about how, effectively, as the cost of living has gone through the roof, what constitutes a living wage—that is, what your employees need in order to live in a city with incredibly expensive housing and to cover basic expenses—becomes a lot higher. Other jurisdictions, where workers are making less money, at a nominal level, but are better off because of a lower cost of living, become much more competitive jurisdictions to invest in, relative to Canada. I think it's an important point, because we've been talking about both of these crises—cost of living and unemployment—and you're highlighting the relationship between the two.

I wonder whether you could share a bit more about how the cost of living crisis impacts business investment, the ability to create more jobs, etc.

Perry Rizzo: It's a great question.

It's just every day. Our annual reviews come every December. We're very committed and loyal to our staff. Employment tenure is probably 25 years, on average, at our company. We have long-term, committed employees.

It's really hard for me. Every year, I want to give back to the employees. We want to try to compensate them, and the conversations are just constantly the same, about how expensive it is to live in Toronto and how expensive it is to live in Canada, to a point where good people, who have been with me for 10 or 15 years, have started to identify whether they can move and transfer to one of our U.S. facilities. The reason they're doing this is that they want to start a family and own a home. It's just not feasible in Canada for most of the youth. All these things are really big, systemic problems.

To put it in perspective, at a facility in Georgia, where we make components, the average person makes \$16.50 to \$17 U.S. an hour, and house prices are \$40,000 to \$50,000, so the employer can attract a lot of people. At lower wages, those people can still live, acquire...and do quite well. However, in Canada, when most of your money is going to mortgage debt, living expenses, insurance and all the items I talked about before, the youth of today have no money left over to dream about that next step in their lives.

• (1730)

The Chair: Thank you, Mr. Genuis.

[*Translation*]

Ms. Desrochers, you have two and a half minutes.

Caroline Desrochers: Thank you, Mr. Chair.

I'm a bit confused, and I mean that sincerely. For some time now, we've been tasked with conducting a study on the youth unemployment rate, yet we keep talking about paperwork, taxes and tax programs.

I'm trying to understand one thing. Mr. Rizzo and Mr. Johnson, given the difficulties that you listed, what's preventing you from hiring young people or supporting them through programs? On the one hand, you're saying that it isn't the government's role—I think that we're clear on that—to create jobs. However, at the same time, I think that we're oversimplifying things when we talk about a living wage and affordability.

We can't compare Mexico to Canada. We have programs specifically designed to make life more affordable, such as day care, family allowances, dental insurance and pharmacare programs. We can't have our cake and eat it too.

[English]

I don't want to focus too much on that.

My colleague Mr. Reynolds raised the issue of skilled trades, and I think it's a really important issue.

[Translation]

My question is again for both witnesses, but I'll start with Mr. Rizzo.

It seems that young people don't want the jobs that you're offering. As an entrepreneur, how can you help solve this problem?

[English]

Perry Rizzo: I think it's our responsibility to create jobs that offer value to young people. In our case, manufacturing has a lot of challenges, but it has a lot of benefits. Our contracts go out five to 10 years, so our ability to strategically plan and to create long-term stability for people for their mortgages and long-term development for them is one of the benefits, I would say, of manufacturing.

I think the things we can do.... I personally invest 8% of my income and profitability back into innovation and into research and development. I'm funding multiple programs. I could hire 50 young engineers tomorrow. The problem is that I'm funding this all out of my personal bank account. Do you know how much funding I've received from the government over six years of research and development funding for new innovations and technology? I received \$480,000 through IRAP and haven't received any other funding.

You invest upwards of \$15 million or \$20 million of your own personal money into projects to create jobs in Canada, and then you see the government investing in foreign companies that are not Canadian-owned, \$40 billion for plants that are owned by Volkswagen and Stellantis. These are not Canadian-owned companies. It's very disheartening that we are not prioritizing Canadian companies and looking at them and investing in them so they could create these jobs. I could easily create 300 jobs in Canada tomorrow.

The Chair: Thank you, Mr. Rizzo. We are running out of time.

[Translation]

Mrs. Gill, you have the floor for two and a half minutes.

Marilène Gill: Thank you, Mr. Chair.

I was wondering whether Mr. Pageau had finished answering my last question. He's nodding. It's cyclical, then, in these fields.

Mr. Gagnon, I would like to discuss possible solutions with you, particularly Quebec's successful initiatives that could inspire the Canadian provinces. Please note that I'm not saying that we've done everything right.

If you have any other comments, I would be happy to hear them.

Alexandre Gagnon: Thank you.

One great initiative in Quebec, which could be further improved, involves quickly connecting students with workplaces so that they can gain work experience early on. Obviously, we aren't saying that they should leave school. We want them to develop a number of skills learned in the workplace, particularly through internships and apprenticeships over the course of their education.

As a result, when young people leave school, they're much better prepared to enter the job market. For example, we're seeing lower unemployment rates, but also much faster retention rates in the job market. Many universities and CEGEPs in Quebec have taken this approach.

This is the right path to take. Co-operative programs and work-study programs must be boosted. Quebec has some excellent programs, such as Palette Skills. In Quebec, Visées provides short training programs to quickly adapt the skills of workers and apprentices to the specific needs of employers, in line with their activities and operations. This type of initiative is better than large-scale programs, which quickly become outdated and which don't meet the long-term needs of businesses.

It's necessary to shorten training programs and to quickly establish partnerships with workplaces in order to meet the needs of businesses.

• (1735)

The Chair: You have 10 seconds left, Mrs. Gill.

Marilène Gill: I'm finished, Mr. Chair.

You gave me time much earlier.

[English]

The Chair: Thank you, Madame Gill.

That concludes this panel of witnesses on this study. The committee will meet again on Tuesday, October 7, to resume the study.

The meeting is adjourned.

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