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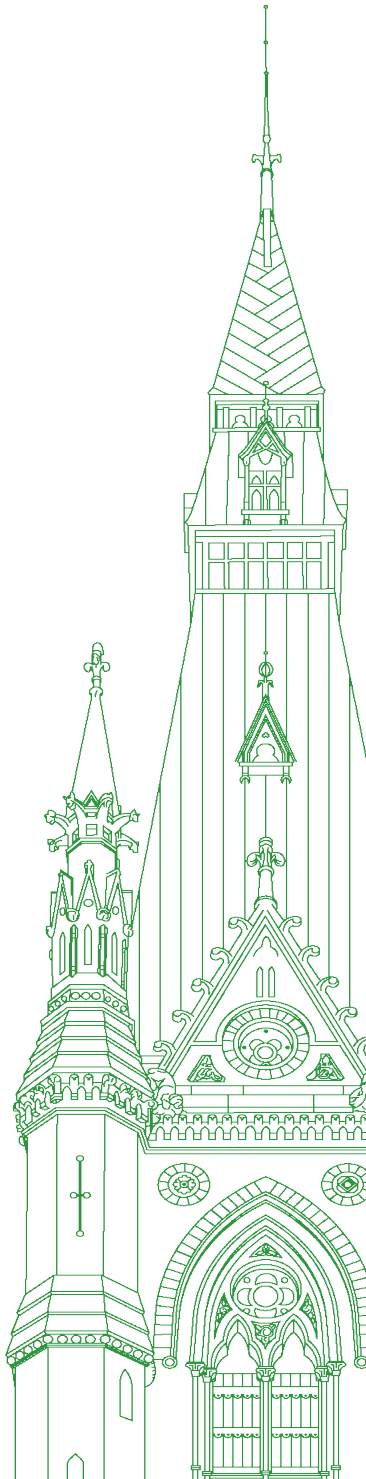

Chair: Robert Morrissey

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

Tuesday, October 7, 2025

● (1105)

[*English*]

The Chair (Robert Morrissey (Egmont, Lib.)): Good morning, committee members.

We will open today's meeting.

Welcome to meeting number seven of the HUMA committee. Pursuant to a motion adopted on Thursday, September 18, the committee is meeting on youth employment in Canada.

Today's meeting is taking place in a hybrid format, meaning people are participating in the room and virtually on screen.

Before we begin, I would like to go over a few points. You have the option of choosing to participate in this meeting in the official language of your choice. Interpretation is available in the room. Members, I would ask you to see that you're on the right channel. For those of you appearing virtually, use the globe icon at the bottom of your screen and choose the official language of your choice. If there is an interruption in translation please get my attention, and we'll suspend while it's corrected. To those appearing virtually, to do that simply use the “raise hand” icon.

All witnesses appearing virtually have been tested and meet the technical requirements for today's meeting.

For those in the room, please put your devices on silent mode so they do not ring during the meeting, as it can cause issues for the translators. As well, familiarize yourselves with the microphone. Please refrain from tapping it because it can cause issues for our translators.

Please address all questions through the chair. Wait until I recognize you before proceeding. For those on Zoom, we went through those particular points.

We're beginning with the first hour panel of witnesses. From the Macdonald-Laurier Institute, we have Heather Exner-Pirot, director, energy, natural resources and environment. From the National Council of Unemployed Workers, we have Milan Bernard, co-spokesperson. From the Provincial Employment Roundtable, we have Nicholas Salter, executive director, and Morgan Gagnon, director of policy and research.

You have five minutes to give your opening comments. Then we will open the floor to questions. When you're at five minutes, I will say thank you, which means I will expect you to wrap up shortly.

We will begin today with the Macdonald-Laurier Institute for five minutes.

Heather Exner-Pirot (Director, Energy, Natural Resources and Environment, Macdonald-Laurier Institute): Thank you, Chair and committee members, for the opportunity to speak to you today.

I think everyone across the political spectrum can unite around the goal of lowering youth employment, which stands at a historically high level of 14.5%. As we all understand, in practice that translates into—

Marilène Gill (Côte-Nord—Kawawachikamach—Nitassinan, BQ): I have a point of order, Mr. Chair.

The interpreter is telling us that the connection to the network is unstable and that it is hard to interpret.

The Chair: We'll come back to you, Madam Exner-Pirot.

We'll move to Milan Bernard.

Please proceed with your opening statement.

[*Translation*]

Milan Bernard (Co-spokesperson, National Council of Unemployed Workers): Thank you, Mr. Chair.

Thank you to the members for giving me the opportunity to address them.

I am speaking today as co-spokesperson of the Conseil national des chômeurs et chômeuses, which represents organizations that defend the rights of the unemployed, help workers on the ground and advocate for major improvements to the employment insurance program.

Today I will focus on two key elements.

First, I should point out that youth employment is an important economic indicator. The current situation is mainly a result of extreme instability and uncertainty due in large part to the trade war with the United States. In other words, there is a crisis. When employers have to cut staff, they target the newest hires, who are often young people. Worse, they're not hiring anyone new. As a result, young people are being left in the lurch.

I really need to emphasize that it is alarming to see that the government is really not leading by example in cutting 2,000 student jobs in the public service and by making workforce cuts that specifically affect young people. Youth employment and access to good jobs are being undermined. Skills transfer is being undermined. The public service is also being undermined.

Second, to deal with the tariff crisis, the government implemented temporary employment insurance measures in the spring. Two of these measures, the waiver of the waiting period and the rules around the way severance pay is handled, will be extended until next April. We should really consider making them permanent once and for all. The third measure will expire in a few days, on October 11. It currently provides broader eligibility for employment insurance to counter economic instability. By refusing to extend this measure, the government is putting workers, especially young workers, in a vulnerable position. It doesn't seem to realize that the crisis doesn't just affect people who have had jobs for a number of years. It affects everyone.

In place of the third measure, the government put in place a convoluted measure granting additional weeks of employment insurance benefits to long-tenured workers. By reintroducing a discriminatory measure from a former government that used it to undermine the employment insurance program, the government is failing several thousand other workers. Focusing on long-tenured workers creates an artificial and unfair divide among workers by automatically excluding young people and others from these support measures. It discriminates against young people and so many others.

It excludes many workers, particularly those in the automotive industry, the very workers we wanted to target with this measure and who have had employment gaps in recent years. Many part-time working women are also excluded. I say “working women” because 75% of part-time workers are women, particularly young women. Never mind seasonal workers, who are important, indispensable figures in the Quebec and Canadian economy, and who are excluded every time there is a crisis. When we abandon seasonal workers, we also abandon our regions.

The best way to combat job insecurity is to provide a social safety net worthy of the name. I urge you to consider improving the employment insurance program to provide all workers with real protection in the event of unemployment, whatever economic turbulence should occur.

We are proposing expanded eligibility for the employment insurance program, a review of penalties to allow for greater flexibility, an extension of measures already in place and better benefits for family caregivers.

We reiterate the suggestions that we submitted to your colleagues on the Standing Committee on Finance in our pre-budget consultation brief.

The government has an opportunity to get back on track, to reverse some of its decisions and to honour the commitments that it has repeatedly made, election after election.

Thank you for your attention. I will be pleased to answer your questions in the language of your choice.

The Chair: Thank you, Mr. Bernard.

[*English*]

We'll go to the Provincial Employment Roundtable.

Mr. Salter, please go ahead.

Nicholas Salter (Executive Director, Provincial Employment Roundtable): Good morning, Mr. Chair, vice-chairs and honourable members of the committee. Thank you for the invitation to appear today and contribute to this discussion on youth employment in Canada.

My name is Nicholas Salter. I'm the executive director of the Provincial Employment Roundtable, otherwise known as PERT. I'm joined by my colleague Morgan Gagnon, our director of policy and research. PERT is a non-partisan organization dedicated to improving the economic and employment outcomes of Quebec's English-speaking communities through evidence-based research and policy recommendations.

I'm here today to establish that our community's youth and PERT's work to understand and serve them are a case study for the types of targeted support that diverse groups of Canadian youth need to flourish in the labour market. One-size-fits-all solutions will not get the job done. Responsive interventions designed and delivered by community organizations are key.

Let me explain what I mean. In Quebec, English-speaking youth sit at the intersection of two vulnerable populations in the workforce, youth and official language minorities. They experience the same labour market detachment, uncertainty and instability that many young Canadians face while also carrying the added weight of language barriers.

We recently received funding from Canadian Heritage to dig deeper into the employment issues facing English-speaking youth. We conducted focus groups with over 50 youth and surveyed 200 more, and then we paired our findings with data from the 2021 census to build a more robust statistical portrait.

We broke down the youth cohort into specific age brackets to understand the different issues each group faces. Together these sources offer a detailed and, frankly, concerning picture of how English-speaking youth fare in the provincial labour market. Allow me to share three of our core findings.

First, English-speaking youth in Quebec are starting their careers at a disadvantage. They're struggling to break into and remain in a labour force compared to their French-speaking counterparts. This is evident in their labour force participation rates, which lag behind those of French speakers by more than six percentage points. The unemployment rate is almost double, 13.1%, compared to 7.8%, and that gap widens among those under 25 to 17.4% versus 10.9%. Among youth in rural and remote regions of Quebec, these gaps are wider still. English-speaking youth in Gaspésie-Îles-de-la-Madeleine and Côte-Nord, for example, have unemployment rates of 27.7% and 21.8% respectively.

Our second key finding helps to contextualize the data. Three out of four youth in our survey described the job market as discouraging. Despite strong confidence in both their technical and soft skills—and that's the good news, they were confident—many expressed doubt that their skills would be enough to secure meaningful employment. Over half of all respondents identified French proficiency as a barrier to employment, one that limits not only their job opportunities but also their ability to build professional connections and access the information needed to secure meaningful employment.

Given this finding, it's not surprising that, when we launched the linguistic mentorship program last year called Circonflexe, where all accents are welcome, the vast majority of interested mentees were young people.

Third and finally, our research shows that these issues are compounded by a lack of institutional support. We surveyed English-language employment service providers and regional community organizations about their experiences with the federal youth employment and skills strategy, YESS, measures and the provincial *Jeunes en movement vers l'emploi* program. Not one had received support from the *Jeunes en mouvement* program. What this means is that a generation of English-speaking youth in Quebec is left waiting for the support they need.

This brings me back to my original point. English-speaking youth need and deserve programs that truly reflect their reality and initiatives that integrate French-language learning and networking alongside job search support. The same is true across Canada. Immigrant youth, francophone youth in other provinces, indigenous youth, youth in rural or remote areas, youth with disabilities and so many others need supports that are tailored to their lived experiences.

Furthermore, these efforts must be led by local organizations that have the direct expertise to create responsive programs and the network to ensure that these programs reach and engage youth. PERT's work offers a model for how this can be achieved. We bring community organizations together with stakeholders and experts to implement evidence-based programs and coordinate them to ensure adherence to best practices and consistent evaluation.

We implore the government to invest and scale this type of model across the country, meeting needs of our youth as well as those across Canada. We therefore urge this committee to consider the following recommendations. We need stronger federal-provincial coordination to deliver on a youth employability program, in our case more specifically, commitments to Quebec's English-speaking communities and organizations to ensure adequate distribution of resources. We need the implementation of programs that are accessible when and where youth need them and a renewed recognition of the linguistic, identity-based and other regional realities that youth live every day.

We are confident that, with this targeted support, we can reverse the trends we're seeing today, not only in the employment data but in the discouragement youth are reporting. They want to contribute. Empower us to empower them.

[*Translation*]

Thank you once again for this opportunity to share these results with you.

I'm happy to answer your questions in English or French, whichever you prefer.

The Chair: Thank you, Mr. Salter.

[*English*]

Now we'll go to Ms. Exner-Pirot.

Heather Exner-Pirot: We'll try this again.

I think that everyone across the political spectrum can unite around the goal of lowering youth unemployment, which stands at the historically high level of 14.5%. In practice, that translates into pessimism and resentment, lost opportunities to build skills and networks, dependence on other family members and economic hardship. It represents a failure to launch.

Although I expect that many in your study will have ideas on programs and training to make youth more employable, at a fundamental level the problem is that the economy is weak. There aren't enough firms hiring workers. The challenge of youth unemployment won't be solved without a hotter jobs market.

Many times, the energy and natural resources sectors have driven employment growth in Canada. This is especially true when commodity cycles are swinging up and there is lots of new construction. Right now, those sectors, unfortunately, are experiencing investment weakness in Canada. Shareholders do not see Canada as a growth economy, and are rewarding share buybacks and dividends rather than reallocating capital here. They think they can get higher returns in other jurisdictions and in other sectors.

Prime Minister Carney has said that Canada needs to build here at home “at speeds not seen in generations”. We would all like that, but the policy and regulatory environment of the last 10 years is still very much in place and is dissuading the private capital needed to build new mines, pipelines, railroads, power generation and transmission in Canada, and the jobs it would take to build those things. To many in industry, it feels as though the recent rhetoric has been positive, but actual regulatory changes have not manifested. A more welcoming investment environment could unleash tens of billions in new capital spending and create hundreds of thousands of good jobs. Many of those jobs would be in rural and remote areas, meaning that northern and indigenous youth would be able to stay home and build their lives and careers near their communities. I think catalyzing our resource sector is an important way to alleviate youth unemployment.

There is another side of the equation we need to deal with, and that is the lack of skilled labour to develop all those projects. In particular, we need more skilled trades. I live outside Calgary, which is Canada's fastest-growing city. We need to build more houses, schools, hospitals, roads and services to keep up with population growth. My own nephew is in his third year of carpentry here. His cohort could handle 16 students, but only 10 have registered. His experience is borne out in the statistics. Across North America, for every seven tradespeople who retire or leave the space, they're replaced with just one. I don’t know where we will get enough journeymen carpenters, electricians, linemen or plumbers to build things at speeds not seen before.

I think we have spent a decade and more devaluing the building trades. It is seen as a lesser career path than something that requires a university degree. I thought the market would solve this problem, as the trades tend to offer high-paying jobs out of school, but they still face a lack of status.

This is my point. Our youth have been told that working in resource-extractive industries and heavy industry is bad, and that it has no future. They have often been discouraged from entering blue-collar careers. There should be no surprise that we are now facing a labour crunch in those sectors even as we have high unemployment. To help address youth employment in Canada, we not only have to create a more welcoming regulatory and investment environment for the resource sector; we also have to value the people who work in those sectors so that our youth feel comfortable choosing that career path.

Thank you for your attention. I look forward to your questions.

The Chair: Thank you, Ms. Exner-Pirot.

I'd like to thank all three of you for your excellent presentations to the committee.

We'll begin the first round of questioning with Ms. Goodridge.

You have the floor for six minutes.

Laila Goodridge (Fort McMurray—Cold Lake, CPC): Thank you, Mr. Chair.

I want to thank all the witnesses for their testimony here today.

Ms. Exner-Pirot, speaking as the member of Parliament for Fort McMurray—Cold Lake, I will say that your testimony is bang on. Growing up in Fort McMurray, I heard so many stories of people who went off, got a university education, couldn't find employment and then came up to Fort McMurray to find a trade and have an amazing life.

Why do you believe trades are so undervalued across Canada?

Heather Exner-Pirot: This is a decades-long trajectory. I have three liberal arts degrees, so I'm a victim of the trend of encouraging people to go to university. The path to middle-classhood in Canada was to go to university. If your kids went to university, you'd made it. We started to discount the contributions of blue-collar workers, construction workers and the skilled trades vis-à-vis those professional kinds of services.

We've seen it repeated by our elites as well. I think Secretary-General António Guterres has said it explicitly: Don't go into oil and gas. There is no future in that sector. You won't be doing the world any good. We have had our own Canadian politicians say it: You should choose coding. You should go into coding instead of these resource sectors. You should know us for our resourcefulness, not our resources.

That has affected, obviously, what you would perceive as a path to a good career and to a good status. As I say, the economics are transitioning. If you do have a journeyman trade, you will probably have a good job and a good career. You can afford a house and you can support a family. But the status seems to still be lacking. That is why I think not enough youth are choosing those trades where we do see that we will have a labour crunch. At least part of the problem with youth unemployment is that they're attracted to jobs for which there aren't enough people on the other end hiring.

Laila Goodridge: Thank you. I appreciate that.

I see it on a regular basis. I think that the government saying in the last 10 years that the energy industry is bad and that we need to transition away from those jobs has made a lot of teenagers and youth choose other careers because they've been told by government that this is a bad industry and that it won't be here for their lifetime.

I'm wondering if you can talk a little bit more about how some of the emissions cap policies, the policies surrounding overall anti-energy rules and regulations like the emissions cap and shipping ban, are impacting investment and, therefore, new jobs in these sectors.

Heather Exner-Pirot: That's a great question. You mentioned Fort McMurray, and we all remember the heydays—especially if you're from out west—the hiring and the jobs that came in that boom time between 2006 and 2014. You could get a great job, and you could support a family and have a great life. My uncle lives in Fort McMurray. That has obviously declined.

Part of it is just global commodity markets. We won't be naive and blame it all on certain policies, but certainly, it means that Canada has to be more competitive right now in attracting that investment. Global commodities are globally traded. That means that the capital will just go to whatever jurisdiction is going to get the best return on investment.

In Canada, for example, we're the only oil-exporting country that has put on an emissions cap, or has threatened to put on an emissions cap. That obviously is a signal to investors not to put their money here. We see similar conditions in mining, forestry and other sectors. This is just going to be a very highly expensive jurisdiction, an uncompetitive jurisdiction for return on investment, and the money goes elsewhere.

Our resources are very valuable, but we have to allow capital to grow when it comes to Canada. Most of our policies and regulations have not allowed for that.

Laila Goodridge: Thank you.

I actually know your uncle Gary. Fort McMurray is the biggest small town, so I give a shout-out to Gary. Having growing up in Fort McMurray and having lived there most of my life, I see that the indigenous participation in the workforce is a substantially higher percentage than in the rest of Canada. In fact, it sits at about 6% of the workforce, whereas indigenous people make up approximately 3.3% of the Canadian workforce overall. Having a limit on jobs and investment in the energy industry has a huge impact on economic reconciliation with indigenous peoples.

Have you seen any trends across Canada of indigenous employment going down as a result of these bad Liberal policies?

Heather Exner-Pirot: I do some work with the Indigenous Resource Network, and you might have gotten those statistics from work that we did. I might have newer data. It was 3.9% of the Canadian workforce, but it's actually 6.9% in oil and gas, 10.8% in mining and 9.2% in forestry.

It's no surprise that indigenous people are more prevalent in resource sectors because their communities are in more naturally resource-dependent areas. I have friends who are not getting the jobs, not getting the contracts—most of them are small business owners—because there isn't growth happening in Alberta and northeast B.C. in the way that there could be if we had a more welcoming environment. People long for the boom years. Even 2022 was better, with more capital expenditures and slightly higher prices, but having a more competitive environment would certainly stir more investment, and that would create more jobs and contracts for small business owners, many of whom are indigenous.

Laila Goodridge: Thank you so much.

I really appreciate all of the witnesses.

The Chair: Thank you, Ms. Goodridge.

[*Translation*]

Ms. Desrochers for six minutes.

[*English*]

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

[*Translation*]

I want to thank the witnesses joining us this morning for taking the time to share their perspective with us.

My first question is for Mr. Salter or Ms. Gagnon.

[*English*]

I know that the government has invested quite a bit to make changes to the official language policies and workplace, as well as investing in communities in minority language situations.

Do you think that these have brought on notable changes? Do you think those have been helpful in dealing with the situation you described? I know you're speaking about English-speaking Quebec, but you also referred to other people across Canada in minority situations.

Nicholas Salter: Are you speaking about specific investments in the Official Languages Act and the languages action plan?

Caroline Desrochers: Yes.

Nicholas Salter: Unfortunately, just getting those out the door has been quite delayed, so we have not seen the impact of any of those investments. The announcements were made over two years ago, but there has been significant delay in the allocation of those funds, so they haven't had the impact that we had hoped for. We certainly hope that they will. They're not necessarily targeted to youth specifically. I think they will ideally help English-speaking youth in Quebec, but the kinds of specific interventions, particularly ones paired with language training and a holistic approach that English-speaking youth need, may not be provided by those existing funds.

Caroline Desrochers: Thank you.

I have a question for Ms. Exner-Pirot. Thank you for sharing your perspective on the energy sector.

My question is twofold.

In the recent work we've been doing in the platform and how we're looking at initiatives to address the situation, I think we have all agreed there is a gap. This was also part of last week's discussion around a mismatch between the skills that our youth have and what the labour market requires.

I'm wondering if, in your view, programs like the one we have proposed, where we would provide up to $8,000 for apprenticeship training for skilled youth, would be helpful. If not, what else could the federal government do to support and encourage youth to go into those sectors?

Heather Exner-Pirot: This is a great question.

I used to work at the University of Saskatchewan doing a lot of work with northern and indigenous programs. I was there during the last commodities boom. Uranium was booming, potash was booming, and there was a real skills and labour shortage. The colleges were trying to do whatever they could to get more youth into the programs, and then the bust happened, and there was a mismatch between what was promised.... Youth had been trained up and then there was nothing at the other end.

For many disadvantaged youth, and northern and indigenous youth in particular, having that assistance to go to school is very important in making it easier for them to choose trades or other areas where we have a skills shortage. It's also extremely important that there's a job for them at the other end of that. It would be extremely discouraging to take a step out, leave your community and move your family to undertake training when there's no job at the other end of it.

In any economic analysis, I think you'll find the availability of those high-paying jobs on the other side is the best incentive for going into these trades, but I absolutely do think, in the case of the indigenous and northern youth that I spent a long time with, that kind of thing would be helpful.

Caroline Desrochers: I'm trying to understand something. We're saying the youth are not taking the skills in trades that we want, but we're saying there are no jobs on the other side. At the same, time we hear from employers that people don't have the right skills.

What would be your recommendation for getting a better match, and how can the federal government help with this?

Heather Exner-Pirot: That's a great chicken-and-egg question that I've seen play out in resource sectors many times. Part of it is that the sector doesn't want to grow if it doesn't think it has the skilled labour force to grow with it or if it thinks it's going to be extremely expensive to do new construction. We've seen a lack of productivity in some of the major projects that we've had out west in the last five years where the labour force was a lot more expensive, a lot slower and a lot less productive than I think was the expectation of the proponents.

So, there is a mismatch. It is a bit of a chicken-and-egg situation, I think, helping to create investment and having a line of sight on major projects being built while then, in tandem with that, trying to work with employers. They have a lot of opinions—and they're not shy about them, as I'm sure they won't be in this study—about what particular skilled trade is in that bottleneck.

I'll just give you one more example.

In Saskatchewan, with Cameco, the world's biggest publicly traded uranium company, they're doing an expansion. Uranium is a hot commodity, a hot market. They are not producing as much—this is in their disclosures. They are not able to expand as fast and produce as much because of skill shortages. It is definitely tricky.

However, I think, in general, we know that trades will be in higher demand.

The Chair: Thank you, Madam Desrochers.

[*Translation*]

Mrs. Gill for six minutes.

Marilène Gill: Thank you, Mr. Chair.

I'd like to thank all the witnesses for sharing their ideas and their views with the committee.

I have a lot to say, but I'd first like to address Mr. Salter and Ms. Gagnon.

As MP for the Côte-Nord region of Quebec, I was struck when you said that part of the population, meaning young people, is having difficulty finding employment. You mentioned the Basse-Côte-Nord, which is also in my riding. For me, there's the whole language issue too. Since this region borders Newfoundland and Labrador, the population has very strong ties with the people of this province neighbouring Quebec. Moreover, they've essentially been English-speaking communities for 150 years.

● (1130)

I believe that other elements under federal jurisdiction could help young people to find jobs but also encourage them to remain at home if they wanted to. I'd like to discuss some of these elements with you.

For example, Mr. Bernard mentioned the issue of employment insurance and the social safety net. There are many seasonal workers, including young people in my region. However, they have no social safety net and face the spring gap problem. They're forced to ask themselves whether they should move away or stay in this region, where fishing is the primary industry. There are other jobs here, but it's becoming difficult.

Then there's the postal services issue. There's currently a labour dispute at Canada Post, which remains the only delivery service connecting the Basse-Côte-Nord to the mainland. Yes, people in the region really do use the word “mainland”. The current strike threatens postal services. For the people of the Basse-Côte-Nord, these services not only enable the delivery of goods, but they're also a way for small businesses to get started. For example, the coastal Cree have been working on various projects, but now they can't even get postal service.

I could also talk about airports, where the situation is the same. There's no longer any air transportation. Air Canada decided to leave the Basse-Côte-Nord, and even the Côte-Nord, because it wasn't profitable enough for them. There's no federal government assistance for upgrading airports or fishing ports either. Often, these young people would like to be fishermen, above all else. But how can we transform our economy without upgrading this infrastructure?

I haven't talked about the highway yet. The Trans-Canada doesn't extend this far. People use snowmobiles in winter and boats in summer. There's a supply ship. They don't have access to air transportation, because it's too expensive.

How then do people survive in my region? They don't have EI, they don't have anything.

I'd add that there isn't a bridge either. Even the ferry depends on Newfoundland and Labrador. This province pays for a road link. It's not even the federal government who's paying.

I haven't even mentioned fishing yet, which is on top of all the other elements. The Department of Fisheries and Oceans could issue additional licences or provide resources for secondary processing in these areas, where there's incredible expertise. We could also focus on the seal industry, which employs young people. I know young fishermen and young entrepreneurs on the Basse-Côte-Nord, such as Michael Sheppard, who have lots of ideas.

I'd like to know one thing, Mr. Salter. You mentioned the language issue, but there are also all these issues that are really important to people in this region who want to survive, live in their region, and contribute to the economy. Do you think the government could draw inspiration from these possible solutions to help young people stay employed or even create jobs?

● (1135)

Nicholas Salter (Executive Director, Provincial Employment Roundtable):

You've expressed a lot of ideas.

First, I have to say that I had a chance to visit that region a few months ago. It is absolutely worth seeing, and I urge the committee to go and get a first-hand look at the way people live there. I understand why you're so passionate when you talk about it. I've met people from there, and they are all as passionate as you are. It's an incredible place to visit. I even met some of your colleagues in your constituency office at an event hosted by the Coasters Association.

You raised a number of points concerning economic development, highway and infrastructure development, and fisheries. I'm going to focus on employment, employability and skills development. I have two things to say about that.

First, reforming the employment insurance program is essential to helping these people. The program needs to be adapted to their very specific reality.

Second, as the committee has already discussed, there is a need for technical and vocational training. One notable trend is that English-speaking Quebeckers graduate from technical and vocational training programs and work in trades at half the rate that French-speaking Quebeckers do. There is a whole cultural aspect. We really need to encourage a culture of learning and steer young people toward technical and vocational training. I met with regional groups, particularly those in the Basse-Côte-Nord, and they mentioned how hard it is to access these programs. The number of people who are interested in technical training is often not high enough for the institutions to be able to offer the program. Expanding access to that kind of training would really be something to look at.

The Chair: Thank you, Mrs. Gill and Mr. Salter.

Mrs. Falk for five minutes.

[*English*]

Rosemarie Falk (Battlefords—Lloydminster—Meadow Lake, CPC): Thank you, Chair. I'd like to thank the witnesses for being here today.

Ms. Exner-Pirot, thank you for your comments. I'm on the west side of Saskatchewan, so Lloydminster is my home ground. I relate to a lot of what you're saying.

Building off what was said earlier, we know that Mark Carney promised to grow the economy and build Canada at unprecedented speeds, yet his government has refused to reverse anti-energy policies like Bill C-69, the shipping ban, the industrial carbon tax and emissions caps that are all driving investment away, which is what we have heard in this meeting.

Beyond the direct jobs that are in the energy sector, how does this loss of investment affect indirect employment and related industries that support those workers and those communities?

Heather Exner-Pirot: This is a great question, because I think sometimes people think resource extraction only serves certain places: Oil is only for Alberta, potash and uranium are only for Saskatchewan and natural gas is only for B.C. I've done some research, for example, on the oil sands, and cumulatively, the oil sands have spent a trillion dollars in Canada. About a third has gone to royalties and taxes, and some has gone to municipalities, but a very substantial amount of that has gone to manufacturing. There are hundreds of companies in Ontario, Quebec and across the rest of the country that supply the oil sands, which is a huge spender, domestically, in this country.

When you're in a period like they are in right now, where there isn't a lot of new construction and there aren't a lot of new facilities, then you don't need the steel, you don't need the aluminum and you don't need the manufactured goods—everything that those large companies require.

It's the same with mining. Again, you're manufacturing heavy equipment, which Canada is quite good at, but right now if it's harder to open up a mine, then you just don't need as much of that equipment. You don't need the construction, the camps, the catering or the transportation that goes into it. Obviously, it has tremendous impacts on the economy.

Rosemarie Falk: Those royalties and taxes obviously go into provincial or federal governments, which then can use them on our social services such as hospitals, education, etc., which would then give a better quality of life to Canadians in any part of the country. Would you agree with that?

Heather Exner-Pirot: Royalties accrue generally to the provinces, and they use those for health care and education in particular. Health care is obviously one of the employment categories that we need a lot more of as our population ages, and you can hire more people when the resource sector pays royalties. That is what makes them so important to provincial governments. The more royalties you have, the more staff the health care, education and social sectors can hire.

Rosemarie Falk: Thank you.

If the government continues with its current approach, what long-term effects do you foresee for Canada's energy sector and the employment prospects of young Canadians?

Heather Exner-Pirot: It's already having effects now, obviously, and it's been much discussed. We talk about the just transition. Certainly that talk discouraged people from going into the resource sector. We saw, for example, petroleum engineering programs shut down in Alberta. Even though this is still a sector that produces $160 billion a year, there are not enough people for a petroleum engineering program that would graduate a couple of students a year, so we're already seeing the medium-term impacts of that.

You do see a demographic bubble in the resource sector, in the trades and in construction, where obviously it is aging and you have more people in their 40s and 50s. That is the grey tsunami—and I'm sure you'll hear it from other trade associations—that we're very worried about. They're still in the workforce, but they will all soon start to retire, and no one is going to replace them. We're still a G7 country. We still have 41 million people. We're still growing at a phenomenal rate. Who is going to build that infrastructure to help us catch up on all the infrastructure gaps we have, including in housing?

Rosemarie Falk: Exactly.

What regulatory or policy changes would have the greatest impact on attracting investment and creating career opportunities for young Canadians here in Canada?

● (1145)

Heather Exner-Pirot: The best thing we can do is a hot jobs market to lower the youth unemployment rate. Things that would attract tens of billions of dollars.... I'm at the Business Council of Canada meeting here and you can see the potential, but they feel very stymied.

LNG terminals and the natural gas pipeline that is being built are big, major projects that will hire thousands of people and create lots of contracts. Bitumen pipelines from Alberta.... We already saw with Trans Mountain a very good economic analysis on how that contributed to the Alberta, B.C. and Canadian economies and how many jobs that created. We would like to build some more critical mineral mines. You need the railroads and the ports to be enhanced to sustain that, as well as transmission and power generation. If we want it, AI—

The Chair: Thank you, Ms. Exner-Pirot.

[*Translation*]

Ms. Koutrakis for five minutes.

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

[*English*]

Thank you to the witnesses for being here today and for your excellent testimony.

My first question is for Ms. Exner-Pirot.

My perception is that youth employment is always among the first to be hit when the economy is going through difficult times. Even though 95% of our exports to the U.S. are tariff-exempt under CUSMA, steel, aluminum, autos and forestry are being hit hard by the Trump tariffs. The uncertainty affecting Canadian businesses is also having a large impact on the economy.

Would it not be reasonable to assume that all these would hit youth unemployment first and quickly, and that the Trump tariffs explain much or most of the youth unemployment increase this year?

If any of the other witnesses would like to chime in, I'd like to hear your thoughts.

Heather Exner-Pirot: Those are obviously having a huge impact. I'm sure you'll hear from other witnesses about how the impact of immigration has affected youth unemployment.

I would draw from Prime Minister Carney. Those are things that are driven by the United States that we have to deal with, but there are things we can do in our own house to help ourselves. Making this country more competitive for foreign investment is something that I've heard Minister Hodgson speak about...seeking to attract, going to Europe and soon going to Asia to try to attract investment.

In talking about critical minerals and energy, we saw that when they went to Berlin, they led with—and the speeches were about—attracting more investment to energy and to critical minerals. I think that's a great strategy. I'm glad they're seeking to attract investment, but there are still things we need to do at home to improve the regulatory and policy environment, so that those foreign investors see a good business case for investing in Canada.

Hopefully, if we can unlock all that, it would help drive down youth unemployment.

Annie Koutrakis: Before any other witness adds comments, I would add that this is exactly why, before we rose for the summer break, we were doing the one Canadian economy bill. It aims to ensure that we are delivering the projects that are required for good-paying jobs here in Canada.

In your response, I'm hearing that you think the current government is doing all the right things and looking in the right direction to make sure that we do create those good-paying jobs here in Canada for Canadians and our economy.

Heather Exner-Pirot: It's a good question. The oil and gas CEOs have written three letters. I think about 96 oil and gas CEOs have signed a letter asking for five specific policy changes. None of those policy changes have yet been made. While I think everyone in western Canada agrees that the tone is much better and prioritizing major projects is very positive, nothing has happened to unleash the capital people have out here that would make them actually be able to go to their boards and make final investment decisions saying, I have certainty that I will get a better return on investment.

I hope they also look at what industry is specifically asking for and I don't think we'll see the investment come in until they do.

Nicholas Salter: Madam Koutrakis, can I add something here?

Annie Koutrakis: Yes, please.

Nicholas Salter: I do think obviously increasing investment is important in Canada, but I do think the skills mismatch piece is really important to keep in mind as well. Employers are saying there's a scarcity of the kinds of employees to meet the needs of their job requirements. When you think of what you can do at this committee, it is really important to provide youth the ability to be agile in the labour market and retrain themselves. I think that's pretty essential and very much on mission for how I understand the committee's mandate.

I know my colleague, Morgan Gagnon, also had a comment to make as well, so I want to hand it over to her and let her have a chance to speak.

● (1150)

Morgan Gagnon (Director of Policy and Research, Provincial Employment Roundtable): Thank you, Nick.

Yes, here in Quebec we have a wonderful model, through our CPMT structures, that brings together labour market groups representing industry, regions and different vulnerable workers in the labour force. I think that is a meaningful intervention that gets everybody around the table talking about the same topic. In this context, that enables us, at the provincial level, to have the interests of youth groups, of industry and of the regions, for example, come together to talk about what specific skills mismatches might look like in the region.

From our lens, when we're talking about the English-speaking community in particular, that training also always needs a linguistic component to ensure our youth are able to integrate successfully into the predominantly francophone market. That's something that's mirrored for francophone youth in the rest of Canada. It's a common thread for some immigrant youth as well, in that attention to the specific context the youth are facing and that they need addressed in order to integrate into their local labour market so that they don't, as Heather mentioned, have to move great distances. They're able to stay rooted in their communities with those supports.

[*Translation*]

The Chair: Thank you, Ms. Koutrakis.

Mrs. Gill for two and a half minutes.

Marilène Gill: Thank you, Mr. Chair.

I'd now like to ask Mr. Bernard a question.

I listened to your presentation at the beginning of the meeting, and I don't disagree with you on anything. It was even good to hear those words. I've wanted EI reform for years and I've been fighting—I think that's the right word—for it.

They always give us reasons why reform isn't possible. We've been waiting for 10 years, 20 even, since I used to work in other fields where people were already waiting for this reform.

Should the government move forward with the implementation of an emergency assistance measure, a bit like it did with the Canadian emergency response benefit during the COVID-19 crisis?

How come rapid reform isn't happening? The Bloc Québécois tabled a bill on this. Is the government prepared to move forward? Has it done enough consultation? How do you explain the current situation?

Milan Bernard: There was an opening at the end of the health crisis, and consultations were held. We actually believed in it at the time. In a non-partisan way, several people from different levels of government thought that we'd move forward and implement a reform, which might not be exactly what workers' groups and we wanted, but which would truly improve things. However, at some point, they put the brakes on, for no real reason. Excuses were made, blaming the computer system or I don't know what else.

It's important to remember certain crises. I really like what the Secretary of Labor under former President Franklin Delano Roosevelt said when she stated that the goal of social programs is not simply to alleviate an ill, but to prevent future ills. It's about putting structures in place to ensure that, in the event of crises, problems, or economic shocks, we have a robust system that protects workers. Conversely, over the past 30 years, with the exception of a few improvements made over the last five years, we have seen a shrinking, unravelling and dismantling of the social welfare system that was created at the federal level for employment insurance.

Marilène Gill: Does that mean we're ready and that all that's left to do is implement the reform?

● (1155)

Milan Bernard: That's quite interesting. My predecessor, Pierre Céré, gave a number of testimonies before various House of Commons committees. At one of them, he said that it was like Nike's slogan:

[*English*]

“Just do it”.

[*Translation*]

At the end of the day, the only thing left is to just do it.

Political will is necessary. However, even in the context of a minority government, a majority of parliamentarians in the House have already spoken out in favour of such a reform. Based on the various parties' platforms, a majority of parliamentarians are still in favour of reforming employment insurance or, at least, improving it.

The Chair: Thank you, Mr. Bernard and Mrs. Gill.

[*English*]

Mr. Genuis, please go ahead for five minutes.

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

In reflecting on this really interesting discussion, it seems to me that we talk a lot in Parliament about those who are disproportionately affected by problems—and I certainly think that discussion has an important place—but the fundamental problem with youth unemployment isn't disproportionate impact; it's severe economic problems caused by policies that are hurting the job market overall. In that context, there are some things we can't control, but there are also some things we can control. A lot of those things that are controlled by policy-makers are just not going well.

If the economy was better off then everyone would be better off. If the economy was surging and employers were hiring, then many of the problems that we see would be solved by employers who would have the resources to attract and train the workers they need.

In my view and our view, it's not a wealth distribution problem; it's a wealth creation problem facing our country. I think Ms. Exner-Pirot articulated that, in particular.

I wonder if you have additional suggestions you want to share with the committee in the time we have here about what changes the government needs to make to catalyze wealth creation that will address the unemployment crisis?

Heather Exner-Pirot: It's a good question.

I am privileged in that I also serve as an adviser to the Business Council of Canada. That represents a couple of hundred of Canada's largest employers. I get some insight into the things that bother them. Obviously there's tax competitiveness.

We can point out all of the terrible things the Trump administration is doing and the way that weighs down on them. But some of the things they've introduced...for example, there's no taxation on all their expenses if they build something for the first year. That is a huge....

We've seen $17 billion in announcements from seven members in the last seven weeks go to the United States. Some are by our own pension plan, by the way. The Canada Pension Plan announced billions of dollars. What could that $17 billion do here in Canada for our employment rate and for youth unemployment?

Some of it is purely tax competitiveness. Obviously some of it is regulatory competitiveness. It's the certainty.... Especially in commodities, business needs 10, 15 or 20 years of certainty to decide to invest here. They simply don't have that in Canada. They do member surveys asking about top concerns. Tariffs are not number one. Regulation is Canadian employers' top concern.

It's having a line of sight and some bipartisan collaboration, so that business investors know it doesn't matter what will happen in four years or eight years and that Canada's going to be a safe jurisdiction to put their money.

I just don't think we look at competitiveness and how Canada competes on the global stage nearly enough. We want to diversify our customer base instead of using the easy hook of going down south. We need to start being competitive with all countries and all commodity producers. It's not just about getting that easy access to the American market anymore.

Garnett Genuis: Thank you.

Let's talk a bit more about former prime minister Justin Trudeau and Prime Minister Carney. Clearly there's a difference of aesthetic. The two prime ministers have a difference of style, a different way of presenting and the tone is different.

I'm interested in probing what the substantive difference is when it comes to policy that is impacting decisions that investors are making, particularly around energy. Have you seen changes, not of style or aesthetic but of substance, that would shift the calculation that an investor makes from former prime minister Justin Trudeau's time in office to Prime Minister Carney's time in office now?

Heather Exner-Pirot: We haven't. It is true.

I think it's fair to say that people have noticed something. Maybe Canada's going to do things differently. They're starting to kick tires. There is interest that maybe Canada is going to become a better jurisdiction for investment.

However, when you get into the nuts and bolts of particular projects.... Again, I'm hearing from these people. They can't go to their boards with new projects with better certainty—absolutely not in the resource sector and absolutely not in oil and gas with the emissions cap and clean electricity regulations overhanging. Obviously with the tanker ban you're not going to build another pipeline.

It is still not at a level where we get to indicators of more foreign investment and therefore more employment growth. We're all hopeful and crossing our fingers.

I think the current strategy of the Major Projects Office and choosing four or five projects now and again is missing the point. If we had a good regulatory and policy environment, you would have hundreds of projects come forward. This country, the second-largest country in the world, can sustain hundreds of resource projects. Just choosing four or five at a time is not going to get us where we need to go.

Garnett Genuis: Thank you.

The Chair: Thank you, Mr. Genuis. You're right on time.

We'll conclude this round with Ms. Fancy, for five minutes.

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

Thank you to all the witnesses here today. Sometimes you aren't given a lot of notice, so I really appreciate that.

I'm a former educator, a high school principal, and I dealt with a lot of vulnerable youth from various backgrounds. I have questions for two groups today, but a lot of my questions are surrounding value-added systems and how we could scale some of these programs, which you mentioned in your intros, that are really working well.

My first question is for Ms. Exner-Pirot. I'm also a new MP, so when we're talking a lot about the old government versus the new government, all I know here, in my role as a parliamentarian, is the new. I do want to highlight that, since Prime Minister Carney has taken the chair, he has developed our Major Projects Office and Build Canada Homes initiatives. We have been looking at investment within Canada, east to west. We also have to remember that this is a new government.

That being said, we are left with what the numbers are saying about the vulnerability of our youth and the skills mismatches, which we have discussed today. With all of that, we have to look ahead. In looking ahead, what elements do you think that our current federal supports have that you would recommend preserving and/or expanding upon in order to empower youth? You can look at that in terms of youth in general or in terms of your expertise with indigenous youth.

Heather Exner-Pirot: Canada is still considered a safe and reliable country. I do lament the things that we could have done better, but there are not a lot of other great places where you would want to put your international capital these days. This should be an exceptional time for us to be competitive in global markets. Again, there's still a missing link, and I've heard it from some of our members.

There is not a growth premium for Canada. That means that investors don't look at Canada and say, "Well, in 10 years I also expect there will be some GDP growth." In fact, it's a negative. That means foreign investors looking at Canada are saying, "I don't see a path that it's actually going to be a fast-growing economy, and so that means my investment in Canada is not going to get as much return as, say, in countries X, Y and Z in Latin America or Southeast Asia." Actually demonstrating that we are a growth economy and doing the things to make it into a growth economy, and again, what I hear—

Jessica Fancy: I'm sorry to cut you off there, but the question was regarding youth, not in terms of foreign economies. I'm looking for things that we can do for youth.

Heather Exner-Pirot: I guess that is just my philosophical approach: A hot economy with lots of foreign investment and jobs growth is the one thing that will trickle down to help youth. In particular, when we're talking about the resource sector, energy and critical minerals, as Minister Hodgson and Prime Minister Carney often talk about, those are often construction jobs, and those do tend to prefer youth workers. Whether it's labour or skilled labour, those tend to be easier to enter, whereas you might need four to six years for a professional degree to become a teacher or lawyer. You can enter the trades or construction with, maybe, just a few months of education. That's still my answer, I guess.

Jessica Fancy: Thank you very much, Ms. Exner-Pirot.

My other questions are for Nicholas and Morgan. You mentioned resilience in your introduction. Resilience has been the name of the game for me, as an educator, in dealing with youth from many very vulnerable populations.

What mechanisms within federal programs have contributed to youth resilience and skill building?

Nicholas Salter: First, congratulations on your election. My mother is from the Maritimes. I spent my summers around Mahone Bay. It's an area I know well.

Jessica Fancy: That's in my riding.

Nicholas Salter: I know it is. I was just there this summer.

The reason I mention it is that I think a lot of the realities of Quebec's English-speaking youth speak to some of the realities of the youth in your riding as well. We recently did a study on place-based community revitalization. Morgan can speak to how that is a powerful approach the federal government could leverage to build resilience for youth in particular.

Morgan Gagnon: We see strong out-migration from rural and remote regions, in particular in Quebec, either into Montreal or urban centres, and then, oftentimes, on to Ottawa or Calgary, Alberta, to provinces that might not have language areas...or that might be seen to have a different labour market context.

What we are interested in seeing for our youth are programs like vocational training, bridging programs, partnerships or internships with employers that help them get their foot in the door and develop the employment skills and language skills they need, not only to get that first taste of employment but also to be able to stay in that line of work or in their community.

In terms of what federal investments are able to support that, for our community in particular, as Nick mentioned, we did a survey of our network members of employment organizations serving English-speaking communities—

● (1200)

The Chair: Thank you.

Sorry, we have gone over our time. You can provide comments directly to the committee clerk if any of you have something to add after this.

With that, I want to thank the panellists for appearing in the first hour.

We'll suspend for two minutes while we transition to the next panel.

● (1205)

_____(Pause)_____

● (1210)

The Chair: Committee members, welcome back to the second hour.

Before we begin, I would just like to remind our panellists of a couple of points. You can participate in this meeting in the official language of your choice. Those of you in the room will use interpretation services through the headset. For those appearing virtually, you can choose the language at the bottom of your screen. If there's in issue with interpretation, please get my attention. If you are in the room, raise your hand. If you are participating virtually, please use the "raise hand" icon. If there's an issue with interpretation, I will suspend while it's being resolved.

Please go ahead, Mr. Genuis.

● (1215)

Garnett Genuis: I have a point of order, Chair. There has been discussion among colleagues, and I think you'll find unanimous consent for the following:

> That the committee direct the analysts to prepare a draft travel proposal based on informal feedback from committee members, following consultation with the parliamentary secretary and the vice-chairs, and that the travel proposal be distributed to committee members for consideration as soon as possible.

The Chair: Thank you, Mr. Genuis. Do you have a location?

Garnett Genuis: I'd like to leave as much time as we can for the witnesses. I think that motion opens the door to informal consultation.

The Chair: I'll speak to you after. Thank you.

[*Translation*]

Marilène Gill: Mr. Chair, I have a point of order.

In connection with what Mr. Genuis said, I'm wondering if it would be possible to take a little time at the next meeting to discuss this motion and another motion that had been tabled. There was also the issue of the centennial flame.

Garnett Genuis: Yes, we can do that after we receive the actual proposal.

[*English*]

The Chair: It was not a formal motion. He was bringing it forward with consent, which was fine. We'll follow up on that.

Again, members, please direct all questions through the chair.

We welcome the witnesses to the panel. We have, from Cardus, Renze Nauta, program director, work and economics; from the Coalition of Concerned Manufacturers and Businesses of Canada, Catherine Swift, president; and from Polytechnics Canada, Sarah Watts-Rynard, chief executive officer.

We begin with Mr. Nauta for five minutes or less, please.

Renze Nauta (Program Director, Work and Economics, Cardus): Thank you, Mr. Chair.

I am Renze Nauta, and I'm representing Cardus, a public policy think tank, where I run a research program on work and economics. All of our work at Cardus is centred on the idea that every person has fundamental human dignity, and that public policy should reflect that fact. In employment policy, this requires a recognition of the dignity of work and the fact that work is about more than just money. Of course there is a financial component to work, as people bring home paycheques to support themselves and their families, and there is dignity in that, but even more fundamentally, the dignity of work means that the work itself, not just the paycheque, contributes to that person's flourishing.

Everyone has something that they can offer—a talent or gift, and their time. Work is about putting those at the service of others. This is ultimately what gives work its meaning, and it is through this gift of one's services that people connect with their community and help it to flourish. In other words, work makes people better people, and the data back this up. Cardus research shows that people who are employed have better physical and mental health, have stronger marriages and family relationships and are less likely to do drugs and commit self-harm.

Work is also important in forming people in virtue, and it plays a significant role in keeping people, especially young people, out of crime.

[*Translation*]

The youth employment issue that Canada is facing has to be viewed from that angle. Yes, there is definitely a cost-of-living crisis in Canada, and young people have tremendous difficulties making ends meet, let alone saving for a down payment on a home. However, an even greater concern is that a significant portion of this generation may not reap the social, not financial, benefits of work if they don't see work as a way to contribute meaningfully to their community.

[*English*]

A lack of meaningful work could have serious consequences both now and in the future, and I would like to focus on one particular aspect of this problem that Cardus highlighted in a recent report. Our research found that a significant proportion of Canada's working class is over-credentialed for the jobs that they are doing. In this report, we defined the “working class” as those working in jobs that do not require a post-secondary credential. However, in using data from Statistics Canada labour force survey, we found that over half of them have at least a college diploma, making them, by definition, over-credentialed for their jobs. Moreover, we found that this problem had worsened considerably over the last 20 years. From 2006 to 2024, the percentage of working-class people with a college diploma rose by nearly one-third, from 42% to 56%. The percentage of the working class with a university degree more than doubled, from 9% to 19%.

This phenomenon is especially acute among young people, but the problem persists through all age categories, suggesting that the challenges young people face in their early careers can have long-term effects throughout their working lives. We also looked at the demographic breakdown of this problem according to gender, region, industry and immigration status, and we can get into that in the Q and A

In short, many people are coming out of colleges and universities with diplomas and degrees that are simply not needed for the jobs they end up in. Of course, education is more than just training for future jobs, but we should not underestimate young people's expectations that their diplomas are preparing them for the workforce. They are left with debt after many years of study with little to show for it. This in turn fuels credential inflation, as young people feel as though they need higher and higher degrees to differentiate themselves from other workers in the labour market. I believe this phenomenon accounts for a large portion of the feeling of frustration in our economy, and in the working class specifically, whereby people did what they were supposed to do—that is, get an education—but can't get ahead.

It is a complicated problem, but part of the solution has to be to reorient our education systems so that they better align with the needs of labour markets. Young people should not be unduly pushed into higher education if that is not their calling. Our education systems should promote co-op programs to encourage students to have better appreciation for the variety of legitimate career paths, such as the skilled trades, that offer a fulfilling and lucrative future.

Our report contains other policy recommendations. I assume that my time is coming to an end, so I'll leave those for the Qs and As.

Thank you.

● (1220)

The Chair: Thank you, Mr. Nauta. You were a few seconds under.

We'll go to Ms. Swift for five minutes or less.

Catherine Swift (President, Coalition of Concerned Manufacturers and Businesses of Canada): Thank you.

My coalition, the Coalition of Concerned Manufacturers and Businesses of Canada, mostly represents small and medium-sized business across Canada. As you may know, many young people find their first jobs in a small business. This sector is a very important contributor to providing jobs for youth and setting young people on the path for a successful career and life.

The past decade has not been a good time for small firms. They have faced higher taxes, increased regulatory burden and a sluggish economy, dragged down by bad government policy. Other countries have performed much better than Canada under the same global circumstances, which shows that our economic problems are self-inflicted. The massive expansion of the public sector at the expense of private sector growth has also meant an increased cost burden on the private sector and damaged our economic productivity.

From 2019 to 2023, government employment grew by 13.3%, while the private sector grew by a mere 3.6%. The private sector, of course, pays for government. Naturally, this is not a sustainable path in future to have the money-consuming sector exceed the money-producing sector.

As many people have pointed out, the reckless changes in the immigration system that did work well previously for decades have had a serious negative impact on youth employment and the economy. Abuse of the temporary foreign worker program, student visas and so on is rampant, and yet the government doesn't seem to want to do anything about it. You can't pretend to be concerned about youth unemployment while not taking proper action to cut back on immigration that is not beneficial to Canada and not enforcing rules around such things as student visas being abused.

No more government programs are needed. In fact, many of them should be eliminated, as they distort the labour market in inappropriate ways. What needs to be done is a reduction in overall taxation so that there's much more money left in the hands of businesses to hire properly. Payroll taxes are especially damaging, as they are effectively a tax on jobs. They're also more punitive to small businesses, because small firms are more labour-intensive than our large businesses. We've seen increases in CPP and somewhat in EI in previous years, but these have been particularly negative for small firms.

We have a lot of members in the manufacturing sector. One of their comments was that they found youth not willing to work in a manufacturing company, as it might involve shift work and other conditions that young people find inconvenient. A job for a young person in manufacturing can lead to a very well-paying career. Disincentives for youth to pursue such jobs are unfortunate, not just for youth but also for our manufacturing sector. We know that we have a serious productivity issue in the Canadian economy. Manufacturers and the resource sector are the two biggest contributors to productivity.

I must mention the education system, even though it's not an area of federal jurisdiction, per se. It focuses more on training our young people to become social justice warriors and neglects the basic skills that would equip our youth for future success.

We spend a lot of money in Canada on our public education system, including federal transfers to provinces, yet we are bringing our children up in a system that does not prioritize basic skills like literacy, numeracy and problem-solving, and that doesn't do our young people any favours.

Our universities are especially bad. I've heard from a number of our members that they would rather hire young people right out of secondary school than let them be further indoctrinated in universities and then train them for whatever positions that apply.

Small firms are sometimes criticized for not paying a high enough wage, but it's becoming more and more difficult for these firms to pay a high enough wage because of our taxation, overly costly regulations and sluggish economy.

All governments must face the reality that Canada is no longer an attractive place to start a career or business. All those statistics we hear about billions of dollars in foreign and domestic investment fleeing Canada don't lie. If we don't address this soon, our youth will have a dismal future. We're a country with unmatched potential, but we've been crushed under the weight of bad government policies and declining freedoms. This needs to be reversed urgently if our country is to have a promising future.

Finally, today is October 7, the second anniversary of the most heinous, savage and barbaric event in recent human history. How do you think the way Canada has responded, in permitting more and more hate-fests on our streets and threats and disruptions to the lives of law-abiding Canadians, affects our youth and their futures? Universities today are apparently having celebrations about the atrocities of October 7. It is a disgrace that this is happening in Canada.

Remember Canada's motto of “peace, order and good government”? We don't have any of these in Canada right now. Unless government shows some courage and stops the increasingly violent hate-fest on our streets and at universities, the future will not bode well for youth or Canada as a whole.

● (1225)

The Chair: Thank you, Ms. Swift.

Now we'll conclude with Ms. Watts-Rynard for five minutes.

Ms. Watts-Rynard, go ahead.

Sarah Watts-Rynard (Chief Executive Officer, Polytechnics Canada): Thank you, Mr. Chair and committee members, for the invitation to provide testimony to support your study on youth employment in Canada.

I represent an association made up of Canada's polytechnics and institutes of technology. These institutions are leaders in the college sector, delivering hands-on training and experiential learning to nearly half of Canada's college population. They deliver advanced technical and technological education in close collaboration with industry. In fact, a study that we conducted in collaboration with The Conference Board of Canada earlier this year determined these institutions deliver programs that prepare graduates for 86% of the top 100 jobs in highest demand requiring post-secondary credentials.

The report illustrates strong labour market alignment in fields including health care, the skilled trades, advanced technology, and tourism and hospitality. These sectors consistently struggle to fill vacancies, and there's compelling evidence that polytechnic grads are in high demand.

To keep the talent pipeline strong, business partners regularly donate equipment, participate in classroom instruction and provide sizable philanthropic gifts. In 2025 alone, Imperial Oil donated a 40,000-square-foot facility valued at $37 million to the Southern Alberta Institute of Technology; Nutrien donated $15 million to Saskatchewan Polytechnic to support new campus development; and the British Columbia Institute of Technology raised $33 million from more than 45 donors to help build a new trades and technology complex.

Labour market alignment also shows up in our graduate employment rates. Within six months of graduation, a vast majority, more than 90% in some programs, are employed within their field of study.

Polytechnic students learn by doing. They graduate with both competence and confidence to hit the ground running. Not only do they develop relevant skills on real-world projects undertaken alongside industry, they also develop employer networks while they do so.

I had a conversation last week that illustrates my point. Magellan Aerospace in Winnipeg has 650 employees, 90% of whom are graduates of RRC Polytech. This firm is heavily engaged in Canada's defence industry, with technology and systems that are constantly changing. They partner with RRC Polytech to develop custom curriculums to stay ahead of their competitors and ensure they have the talent they need.

In the past, youth graduating into an unfriendly job market have found refuge at post-secondary institutions. In fact, nearly a third of polytechnic students have a previous credential or degree. Polytechnics have become finishing schools that translate theory into practical skills in high demand.

How might you interpret that information to improve federal policies and programs? While the federal government cannot drive demand for young workers, it can help ensure that youth enter the labour market with recognizable skills for high-demand occupations.

I recommend that you review the current emphasis of the student work placement program. According to ESDC, only 9% of that funding supports wage subsidies for college-level diploma students. While the funding isn't tied to specific post-secondary institutions, the sectors this program prioritizes tend to favour university students. There is an opportunity to better ensure that the program is being responsive to Canada's workforce needs.

I also recommend that you consider opportunities to strengthen labour market development agreements with the provinces. In some parts of the country, public post-secondary institutions are sidelined from funds designed to connect skills with critical labour market demand. That simply makes no sense.

Finally, recognizing that higher levels of youth unemployment always accompany times of economic weakness, the federal government should continue to consider ways to help youth ride out this part of the economic cycle. When youth unemployment rates hit a prescribed level, for example, you might consider enriching student grants to make sure that staying in school continues to be an affordable option.

Thank you for inviting me here today. I'll look forward to your questions.

● (1230)

The Chair: Thank you, Ms. Watts-Rynard, for your presentation.

We'll go to the questioning part of the meeting.

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

Garnett Genuis: Thank you, Chair and thank you to all the witnesses.

I'll start with Ms. Swift.

You talked about policy problems over the last 10 years. It's my observation that the government often wishes to direct attention toward external events. They say that if things are going badly, it's because of things beyond their control. We know that in terms of the challenges with the American administration, the Liberals promised a deal by July 21 and haven't delivered on that promise.

Speaking of the last 10 years, it seems clear that you're suggesting that these are long-standing problems that have been emerging over time.

I wonder if you can maybe pre-emptively respond to those who say all these problems are the result of external events beyond our control.

Catherine Swift: You just have to look at the data. My background's economics, so I like to pay attention to that kind of thing. We've seen all the charts that show other countries are doing just fine in measurements such as GDP per capita. GDP per capita is basically a proxy for our standard of living. That's a pretty important measure for any country and we're down at the bottom.

What is really frustrating is it's not mysterious as to why we're doing so badly. Our major industries have been discouraged. This has been mentioned by previous people, so I won't belabour it. A lot of legislation has been put in place to make building anything in Canada very difficult. We kowtow to a lot of green policies—so-called climate policies or whatever you want to call them—which we have spent tons of taxpayer dollars on. They are never measured and to date I haven't seen one of those predictions actually come true.

All of these things contribute to a poor economy. Again, comparing ourselves to other countries, they're not having anywhere near the same trouble we are, so it's definitely self-inflicted.

Finally, let's face it: If the economy's not going well, nothing's going well. That goes for youth and it goes for anybody in the country. There have been far too many subsidies of businesses. All a subsidy does is benefit one business at the cost of another, often benefiting a weak business at the expense of a business that's paying taxes because it's very successful.

These types of policies are long-term failures. They are very problematic and, as a number of people have pointed out, in an economic downturn, young people suffer the most because that's when people say that they can't afford to hire a young person anymore, that they'll have to train them, and so on.

Small businesses want to do that. I've heard from small firms that say they like to hire a student every summer. These are sometimes two and three-employee businesses. When they can't afford to any more because it costs them so much to do so, they're very disappointed because small firms usually have a pretty good community orientation, and they want to help develop our next generation for a good future for the individual and the country.

● (1235)

Garnett Genuis: Thank you.

Can you elaborate on what you said about problems of immigration contributing to youth unemployment? What are the areas where you've seen misalignment on immigration policy contributing to the current economic challenges and the unemployment issues?

Catherine Swift: It seems to be mostly with the student visa program. I've heard different numbers bandied about, but we know that a serious number of visas have expired. Our government immigration department doesn't seem to have any measurements of exactly how many that is and where these people are, Of course, they should be leaving the country after their visa expires; that's how it works, supposedly, but that's not happening.

A lot of these people find themselves in various positions in small firms. We've heard of a lot in the hospitality industry, for example. Naturally, that keeps out the young people who are truly Canadians and aren't on some kind of special temporary visa. We've heard from a lot of young people who have applied to a ton of these, and they're looking for part-time work or a summer job, maybe while they go to university or secondary school. They can't get those jobs because they're occupied by these people, many of whom, frankly, are not even legally in Canada right now.

Garnett Genuis: Thank you.

In the time I have left I would like to go to you, Mr. Nauta.

You spoke about people getting credentials that maybe they would expect to be able to use in the labour market and that they're not able to use. They've spent time doing studies, accumulating knowledge, but knowledge that they're not actually able to use in the course of their jobs.

There are different levers when it comes to education at the federal and provincial levels. One option might be for the federal government to look at the levers it has and try to reflect the signals of the labour market in terms of student support.

Can you reflect on that and how exactly the federal government might engage this issue of credentials more likely to lead to employment versus others less likely to lead to employment?

The Chair: Thank you, Mr. Genuis.

I'm sorry, you'll have to reflect on that at another time.

Garnett Genuis: Chair, I have 20 seconds, and I think my colleague's phone shows the same.

The Chair: Please continue.

Renze Nauta: Although education is primarily a provincial responsibility, the nature of policy in the last several decades has been that the federal government has taken more responsibility in that area in terms of funding. The Canada social transfer comes to mind. Workforce development agreements come to mind as well.

To your point, I do agree. Our data show that having some sort of price signal to indicate where students should be prioritizing their time in the post-secondary period would be valuable. It doesn't mean that education is entirely about what kinds of skills it's going to give them for the workforce. Obviously there are other things involved in education, but it is an important part of what students are expecting. I think it would be a benefit to them to have some sort of signal as to what the labour market is demanding.

The Chair: Thank you. It was a six-minute round, not a five-minute round. Sorry about that.

We go now to Ms. Koutrakis for six minutes.

Annie Koutrakis: Thank you, Mr. Chair.

Thank you to all our witnesses for their testimony here this afternoon. My first question is to Ms. Swift. I'm looking for some clarification.

In your testimony you said that there are far too many subsidies and they're too expensive or they cost too much.

Would you be able to define for me what "costs too much" means?

Catherine Swift: Generally speaking, government programs do not favour small businesses. There is usually a fair bit of paperwork that has to be filled out to access them, and they tend to benefit larger firms more than smaller firms.

Anybody can have a subjective opinion as to what's too much and what's too little. When you find small firms in particular struggling to obtain some kind of subsidy or something to incent their hiring of young people—of course you have to tax them to pay for that program—it's much better to leave the money in the businesses' hands to spend as they choose. We've seen a lot of evidence over the years that they make much better decisions for their own businesses, usually because their own livelihood is at stake in the process, than some government bureaucrat does.

There's such a plethora of programs of many different kinds, but there's very rarely any measurement of how effective they are. It would be good if we could have sunset clauses on a lot of these programs so that they would basically go away or die in a few years, or whatever is an appropriate time period, and then we could assess whether they really created jobs and did what they were intended to do. We don't have that now. So many of these programs aren't measured at all, and often they're driven more by political concerns than economic concerns: “What riding is this business in? Is it in a riding that my party won in the last election?” I've seen that far too often over the years. That's not a good criteria for spending taxpayer money. It should measurable and it should boost the economy, not simply be a politically motivated slush fund.

Of course we've seen subsidies to really inappropriate industries. Maybe it doesn't seem to directly involve the whole youth unemployment issue, but when you're spending billions and billions on failed businesses—electric vehicles is a very good example of that; we've seen many fiascos in that area—that takes money away from every business in the economy, and not just small firms, to be able to hire properly and pay their employees properly.

● (1240)

Annie Koutrakis: I just want to say, for all the Canadians who are watching us today, that small business in Canada has one of the lowest tax rates in the G7. I'm trying to follow your testimony very intently and I have to admit I'm feeling a little confused. You're saying we're spending a lot of money on subsidies and they're not really going to the small businesses. Earlier in your testimony, you said small businesses would like to train young people but they find the training is too expensive.

Are you saying that subsidies that are currently available that small businesses can access are not enough, or are you saying that we have to eliminate them altogether? What is it that you think small businesses need in order to develop the young, attract them and incentivize them to go into skilled trades? I'm having a hard time trying to balance the two.

Catherine Swift: When you refer to the lowest tax rate in the G7, you're referring to the corporate tax rate for small business. Unfortunately, that's just one very small part of the pie. In fact, corporate tax rates are one of the least problematic tax rates because the business has to be making money to pay corporate taxes. The more problematic taxes are the payroll taxes, which I mentioned and which a business pays whether it's making money or not. They could be losing money and, of course, still have to pay those taxes. There are property taxes, which are not federal. There are health taxes in some provinces; Ontario has a health tax. All of those taxes that do not rely on whether the business is actually making any money are the most problematic taxes. You have to add up that whole burden. The whole regulatory—

Annie Koutrakis: I'm sorry, but my time is running out and I have one more question. Thank you for that.

Ms. Watts-Rynard, in your testimony, you were talking about programs that may not be really delivering for students. Are there provinces that have particularly strong partnerships with federal programs in delivering youth employment outcomes through polytechnics that you're aware of and that you can speak to?

Sarah Watts-Rynard: Across the country, there are some programs that are very successful when it comes to getting that first experience. What we've seen is that doesn't necessarily incent ongoing retention and completion. I'll point to the skilled trades as an example. There are some really great programs that have come out of the government to provide wage subsidies for apprentices who are just getting started in the skilled trades, so there are a number of programs that are designed for that first experience. Retention and completion is where we struggle.

When youth unemployment rates are high, what we actually find is that you don't always get into the field in which you were studying, but those experiences are the things that people fall back on.

● (1245)

The Chair: Thank you.

[*Translation*]

Mrs. Gill, you have the floor for six minutes.

Marilène Gill: Thank you, Mr. Chair.

I'd like to thank the witnesses who are with us today, who are enlightening us with their insights and sharing their opinions and ideas. I have several comments for each of them.

I'd first like to say to Ms. Swift that, maybe surprisingly, I agree with her that there are too many government subsidies. The Bloc Québécois finds that there are too many fossil fuel subsidies in particular. In our opinion, that's an energy of the past. There isn't a proponent right now. We think the money should be invested elsewhere, including in our wood industry.

As far as jurisdictions are concerned, I don't want to see any interference in Quebec's jurisdictions over education. However, at the last meeting, we heard some very interesting testimony from a representative of the Fédération des chambres de commerce du Québec. According to what he told us, the youth unemployment issue isn't the same in Quebec. The education and business sectors are being entangled in a really interesting way, where study programs are tailored to the reality of work, and it becomes easier for young people to enter the workforce. In short, we could draw inspiration from the work being done there.

Mr. Nauta said a word that resonated with me, which is the issue of dignity. Of course, we're talking about unemployment. People are saying that it's more alarming in some places than it is in Quebec, as I said. The fact remains that it's still concerning, as one of the witnesses pointed out last week, because we'd like more young people to have jobs and participate in the economy. We want young people to be employed, but we've also talked a lot about crises, and that brings me to the issue of dignity.

What do you think of the social safety net that's currently in place? If young people don't have jobs, that means they're currently facing difficulties. Do you think employment insurance is doing its job right now? If not, what should be done to enable young people to keep their dignity? We want them to be able to enter the world of employment, but they also have to be able to live right now.

I'm thinking of my riding, which is a rural riding with a lot of natural resources, but also a lot of development to do. It also has characteristics that mean that some young people who work in the fishing, forestry, mining or tourism sectors simply can't make it through the end of the year and may want to leave the region. I think land use should be important for us.

I'm listening to what you have to say about this, Mr. Nauta.

Renze Nauta: I'll start my answer in French, but I may switch to English to be more precise.

Dignity is fundamental for everyone, but we have to also remember that dignity has several aspects.

[*English*]

When it comes to fundamental human dignity, that's something that can never be taken away from anyone, no matter what's done to the person or what their working or living conditions are.

At the same time, what we want is for people's living conditions and for public policy to reflect the human dignity that they hold inherently. Public policy has a very difficult balancing act to accomplish when it comes to this. On the one hand, as you say, employment insurance and other aspects of a social safety net have to be there to ensure that the living conditions of someone do reflect the dignity that the person holds by virtue of their personhood, and there are certain basic elements that everyone needs to live a dignified life.

At the same time—and this is what my remarks were trying to get at in the beginning—there's another aspect of dignity, which is the ability of a person to contribute to their community, to their neighbours and to their families, that arises out of work itself. That's something that we can't ignore either. This is where programs like the employment insurance program have sought a balance between ensuring that we're supporting people when they need it but also in a way that gives them an on-ramp back into employment.

The working while on claim program, for example, has sought to do that. It's something that I would certainly endorse and that we've recommended for the Canada disability benefit as well.

I hope that starts to answer your question a bit, in the sense that there is that balancing act to achieve.

[*Translation*]

Marilène Gill: It's a question of maintaining a certain balance, then, and I imagine people don't want uniform measures either. We're talking about a reform to ensure a social safety net that enables people to change jobs when possible. However, that isn't always possible for everyone, particularly in times of crisis. We still want a workforce to remain available, because without that, it's just as difficult for the economy and for businesses. If people are encouraged to go elsewhere, that workforce will no longer be there.

Could something be done, particularly for young people, to provide them with a social safety net that enables them to stay a part of the workforce or to access it?

Renze Nauta: Thank you for the question.

[*English*]

One thing your question makes me think of is another recommendation we have in the report about the over-credentialed working class and the importance of lifelong learning. There are different kinds of unemployment, but when someone becomes unemployed because of a structural problem in the economy, because their skills are no longer needed by an industry or something like that, then it calls for a different approach.

EI might be part of it, but EI probably also needs to be paired with some support for lifelong learning. This is especially acute, given the data I was pointing to about how many institutions don't always do a very good job of preparing people for the workforce, which means that people will need more microcredentials as they go forward.

I hope this answers your question.

The Chair: Thank you, Madame Gill.

We go now to Mr. Reynolds for five minutes.

Colin Reynolds (Elmwood—Transcona, CPC): I would like to thank the witnesses for coming here today. I really appreciate it.

Mr. Nauta, I'm a construction electrician by trade. I've been a construction electrician for 20 years. I have seen many apprentices and people coming into the building trades who are definitely over-credentialed. I've seen it countless times, so many times that I can't even count.

In your opinion, would you say that workers are coming out over-credentialed because there weren't any jobs that were available for them in their chosen field? Essentially, would you find some of our education institutions are selling a bill of bad goods?

● (1250)

Renze Nauta: I think it's effectively an issue of supply and demand: there are certain occupations where there is an oversupply of skills and others where there is an undersupply of skills.

You mentioned the skilled trades and the building trades. That's certainly where there is a shortage right now. By contrast, our report shows that there are other occupations, especially ones that formally require higher education in terms of university degrees and that kind of thing, where clearly, according to our data, which is Statistics Canada's data, there is an oversupply of those skills.

I would agree with your point in that respect, that there is an oversupply.

I would say, to the second part of your question, that my hope is to send a message to post-secondary institutions that they do need to be responding to the labour market but, even before that, I think students need to consider the reality of entering the workforce with a particular diploma or degree.

I think that what post-secondary institutions and guidance counsellors in high schools are telling students should matter to this committee and to Parliament, because it isn't necessarily setting everyone up for success. It certainly does for some people but, for others, there could be a better job done.

Colin Reynolds: Thank you.

Ms. Watts-Rynard, I'm alumnus of Red River College Polytechnic. I've been there a few times. As a construction electrician, that's where I got my Red Seal from.

Canada's post-secondary school system contributes to a troubling rise in unemployment among young Canadians by steering students towards universities instead of trades and technical careers. Do you find that they are steering Canadians towards universities versus technical jobs?

Sarah Watts-Rynard: I don't think that happens in post-secondary institutions; I think that's happening much earlier. My sense is even my own children, when they were going through the K-to-12 system, were encouraged not to do trades-related programming: “You're too smart for this. You should be leaving spaces in those programs for those who need them.” They were pushed toward a university route whether that was what they wanted or not. That continues to be a challenge today.

Colin Reynolds: I've definitely seen that myself in the overall attitude towards skilled trades, and not just building trades but all skilled trades, including machinists and mechanics. I've definitely seen a push for that in K to 12.

What would you suggest we could do to change attitudes of society in general to say that skilled trades are not just for people who can't hack university?

Sarah Watts-Rynard: I think part of that is, during the course of the entire education journey, giving experiences with different kinds of learning and different kinds of career paths.

In terms of what the federal government might do, I mentioned earlier the Canadian apprenticeship service and providing a first-year wage subsidy to get apprentices started in the process. A big challenge with why young people choose not to go into the trades is not necessarily because they don't think these are good careers; the experience is that only 50% of the people who go into a skilled trades pathway come out with their Red Seal. That's hugely problematic. We need to incent retention and completion to try to make sure the people who do choose to go into those careers see the finish line. That's something that is offered in lots of diploma, degree and certificate programs but is exceptionally difficult when it comes to the skilled trades.

● (1255)

The Chair: Thank you, Ms. Watts-Rynard.

Thank you, Mr. Reynolds, for your insightful questions.

We'll go to Madame Desrochers for five minutes.

[*Translation*]

Caroline Desrochers: Thank you very much, Mr. Chair.

First of all, for Canadians listening to us, I'd like to quickly set the record straight on what was said about the Canadian economy. I would point out that, of all the G7 countries, Canada has the highest credit rating, the lowest deficit, the lowest debt levels and the lowest debt-to-GDP ratio. That means that despite all the challenges we're currently facing, which are the same for many other countries, Canada is still doing quite well.

I'd like to thank the witnesses for sharing their recommendations with us today and pointing us to some fairly concrete solutions that we should consider. It's really appreciated.

I'm thinking of you in particular, Ms. Watts-Rynard. You mentioned realigning apprenticeship programs and specified which sectors to focus on. According to the data you gave us, only 9% of the funding goes to college-level diploma students.

[*English*]

In the last five months, our new government has launched the Major Projects Office and Build Canada Homes with clear commitments and clear signals. We have a new policy to buy Canadian. With the defence investment agency, we're increasing our defence spending, including clear messaging that we need to increase our recruitment and retention in our armed forces, as well as a defence industrial strategy that's going to come out. In my opinion, all of those are really geared towards a lot of the skilled trades and supporting skilled trades employment.

Ms. Watts-Rynard and Mr. Nauta, do you think these are good enough signals to send to Canadians that these are the areas where we really need youth to go and study and will be places that will have good jobs? Do you think there's more we need to do?

[*Translation*]

I know that my colleague from the Bloc Québécois attaches importance to the issue of federal and provincial jurisdictions in education, and that we have to respect that. However, you raised a good point about the gap that exists between what students learn and what the job market needs. That's a challenge we continue to face.

[*English*]

Sarah Watts-Rynard: In my view, the signals are that there is a high need for skilled tradespeople, and I think that youth are hearing that.

I think about how the federal government might improve some of the programs. My son-in-law is an electrical apprentice. He is just about to go back to technical training. In my previous job, I was the executive director of the Canadian Apprenticeship Forum, so I have a strong understanding of Canada's apprenticeship system. My sense is that, when he tells me, “I can't figure out what kinds of supports are available to me while I go back to school”, that's a problem. He's 29 years old. He's a smart guy doing a difficult trade, and he is talking about trying to navigate a system that includes the Canada apprenticeship loan and employment insurance. He's asking, “How can I even afford to go back to school?”

I think the signals are there that the occupations are in high demand and are valuable careers. We do have a parity of esteem issue, but that's separate. There are probably some ways we could improve the barriers that stand between someone who starts and someone who finishes.

● (1300)

Renze Nauta: The new agencies you've listed could be necessary for the functioning of government and for moving things forward in the government, and I certainly hope they do. However, what I would say about signals to students, in terms of the workforce, is that it's most important that the markets send those signals. I'm not sure it's the best idea for government to be sending those signals, except insofar as it's trying to correct a parity of esteem issue, whereby historically or more recently, certain occupations were said to have less dignity or what have you.

I think politicians can, from their perch, speak about the importance of these other kinds of occupations, but in terms of how students and workers are making those decisions, we want that to come from the market as much as possible. That might actually involve, sometimes, getting government a bit out of the way in terms of the messaging so that there can be more room for employers to indicate that.

[*Translation*]

The Chair: Thank you, Ms. Desrochers.

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

Marilène Gill: Thank you, Mr. Chair.

I have one last question for Ms. Swift, Ms. Watts-Rynard and Mr. Nauta.

It's hard to generalize, because unemployment affects a lot of young people from various regions, living in various economic conditions. Some are also in school and aren't necessarily available for work. Of course, if they're unemployed and want to receive employment insurance, they're available for a job, but perhaps not full-time.

What are the causes that we should be addressing? As we've been saying over the past few weeks, the unemployment rate has been higher among youth for over 20 years. What should we tackle first to really make a difference?

If you don't have time to answer my question, you can send us your answer in writing.

[*English*]

Renze Nauta: I think you're right to point to the complexity of the issue, because it's not just one thing.

One thing I haven't yet had a chance to talk about much in this committee is the fact that, while some of the over-credentialed working class is born in Canada—and part of the problem, therefore, is how our post-secondary institutions are aligning with the labour market—in many cases, immigrants find themselves in the working class but may have credentials from abroad that are not recognized here. That's just an example of how this issue hits the population in two very different ways. I think you can see that this could happen along many demographic differences as well, but that's one I would point to. If there's one cause that I would point to and haven't had a chance to talk about, it's that foreign credential issue.

Sarah Watts-Rynard: Maybe to add to that, I do think that there is a sense that young people are not always fully available to work, absolutely, but they're all looking for a way to contribute, and that way can be through experiential learning. That's something that we've seen. You don't need to be in the labour market to participate in experiential learning programs, whether that is in technology or in health care. Those learning programs bring experience into the classroom and prepare people for the workplace, and I think we see higher postgraduate employment rates when students have had those opportunities during school.

The Chair: Thank you, Madame Gill. We will conclude with a round for the opposition to the government.

We have Ms. Falk for five minutes.

Rosemarie Falk: Thank you very much, Chair.

Again, thank you to our witnesses.

Ms. Watts-Rynard, I want to thank you for pointing out what private business does for education. I'm in a neck of the woods where a lot of energy companies are donating space, learning and work experience for a lot of these people—young adults and even adults—because a lot of people, after they've received a degree, are going back to the trades to get the experience that they need to be able to go into the workforce. I think it's important to recognize that this is not coming from government; it's coming from the businesses that are employing our constituents and Canadians across the country.

Mr. Nauta, you spoke about the dignity of a person, and I'm wondering why employment is particularly important for young people in helping them to build a positive future. I see that as a foundation that they need that for the next step in life.

● (1305)

Renze Nauta: That's right, absolutely.

Employment has a character different from some other spheres of life, in that if you don't meet certain expectations, you won't necessarily last long in the workplace. That can sound quite negative, but in fact it's a positive thing.

I should broaden that out, though, to say that the dignity of work doesn't come fundamentally from that: It comes from the fact that it is a place where people typically spend a significant portion of their time, about 40 hours a week—and obviously, it can be more or less time than that—in providing their services to the benefit of other people. It is one of the few places that people also encounter strangers. If someone comes into a shop, one of the first questions that they'll be asked is, “Have you been served?” or “May I help you?” It's one of the few places where we interact with people we don't know in a positive way. I think this contributes to a sense of service. It contributes to a sense of virtue as well, in how we interact with the world.

Fundamentally, as I said earlier, it's about taking your talents and your gifts, and your time as well, and putting them at the service of other people. The workplace is one of the fundamental places that we do that.

I should broaden that out briefly to say that work obviously encapsulates a lot more than that. It can be work in the family home as well, where the same functions are taking place.

Rosemarie Falk: That's for sure. Thank you.

I've been a long-time member of this committee, and we have done a lot of different studies over the years. One of them was on experiential learning. We did a study on that, and I was shocked to hear witness testimony saying to high school students, “Don't go into that trade; that's a dirty job. You don't want to be a plumber. You don't want to be a scaffolder. You need to go to university.”

I come from a very resource-enriched, agriculture-enriched area, and that's how we survive. It's the trades. That's actually how we all survive. We need people. We're in a housing crisis. We need tradespeople to be building our homes and our infrastructure across this country.

For any of the witnesses here, have you seen any good examples, in Canada or elsewhere, where young people are better supported to go directly into trades or other non-degree career paths?

Sarah Watts-Rynard: There are certainly programs. Really every province does have programs that are designed to capture people, usually in high school, to go directly into trades programs for example. I think we just have to accept that the programs themselves are clunky and often used as a way to capture people who might not graduate from high school rather than really thinking about long-term careers. Those programs exist and I think some are successful for some people, but the pathway is not nearly smooth enough. If somebody said they would like to go into the skilled trades, but the person was really good in math, I guarantee the career counsellor would tell them to go to university first. Unfortunately, this includes some tradespeople.

The Chair: Thank you, Ms. Watts.

It's an interesting description, Ms. Watts-Rynard, “clunky”. I think it does define too many.

Catherine Swift: Can I just add?

The Chair: That's our time.

We have to conclude with Mr. Joseph.

● (1310)

[*Translation*]

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

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

Good morning, everyone, especially the witnesses. I thank them very much for being here.

Last week, we heard from other witnesses who addressed the issue of unemployment among young people from diverse backgrounds. When I talk about diversity, I'm referring to various aspects, whether it be someone's gender, ethnicity, religion or even disability, among other things.

Ms. Watts-Rynard, I'd like to hear your opinion on that. Why is the unemployment rate for diverse youth more than double the national average? What do you think are the main causes, and how can employers be part of the situation?

[*English*]

Sarah Watts-Rynard: My sense is that within institutions we are still finding that there is a self-chosen pathway that sometimes speaks to what we think is going to be in high demand and then we find that is not necessarily the case.

I think giving some young people some direction when, for example, they're in high school, they're coming from an immigrant community where the sense is to head for the gold level standard.... If you think about some of the language that is used, particularly when we're talking about an immigrant population and wanting the best and the brightest, what you actually mean is you want Ph.D.s , not people who are going into the skilled trades.

That's the underlying message that is being given to youth, regardless of their background. Those are things that we have to be able to address. If it's about workforce demand, we shouldn't have policies and procedures in place that say that graduate students and Ph.D.s get better treatment than technical occupation students.

[*Translation*]

Natilien Joseph: Thank you very much for your answer, but I wasn't just talking about immigration. I was also talking about disability. Disability has no race or colour.

I will now turn to Mr. Nauta.

Some witnesses have clearly said that immigrants aren't stealing the work of our young people, but others say the opposite. On the other hand, there are people who accuse young people of not wanting to work in factories. I'm a bit confused.

Do you have any suggestions for us to change those people's mindset?

Renze Nauta: Yes, thank you.

[*English*]

I think one of the answers is that we, as a society, have to get past the idea that there's menial work and then there's intellectual work. This is a false distinction and an unhelpful one.

This goes back to the parity of esteem issue that Ms. Watts-Rynard was speaking about earlier. I think we have to send a message that there is no menial work and that work has value and dignity, regardless of who is doing it or what the work is. That doesn't mean that it's going to be valued the same way in the market, but it doesn't mean that it isn't valuable to the person. That's really, I guess, the message that I'm trying to get at with the dignity of work.

Also, for too long we have overvalued certain kinds of career paths at the expense of others. I think a strong message from this committee, from Parliament or from the Government of Canada to indicate that there is no menial work and that work can be meaningful, regardless of the nature of it, would go a long way towards that.

[*Translation*]

Natilien Joseph: Thank you very much, Mr. Nauta.

Do I have any time left, Mr. Chair?

● (1315)

The Chair: You have 10 seconds.

Natilien Joseph: I'll let them run out, then. I was satisfied with the answers I received.

Thank you.

[*English*]

Renze Nauta: May I take the 10 seconds just to address your issue about people with disabilities?

A voice: Yes.

Renze Nauta: It's just to say that this is an area of research that we have focused on as well at Cardus, to indicate that in the same way, people with disabilities need to be given opportunities in the labour market as well. Efforts in that respect are very important.

I think we have to look to model employers, employers who incorporate people with disabilities into their operations. I would have a lot more to say, but I know, Mr. Chair, that we're out of time.

Rosemarie Falk: I know Ms. Swift wanted to respond to my question; I'll just ask whether she can supply a response in writing.

Catherine Swift: I'll be happy to.

The Chair: If witnesses have something to add, they can always submit a written text to the clerk.

With that, thank you to the witnesses.

Committee members, our next meeting is on Thursday, when we continue with the study.

With that, is it the will of the committee to adjourn?

Some hon. members: Agreed.

The Chair: The meeting is adjourned.