## Standing Committee on Finance (FINA)

Pre-budget consultations 2012

# **National Association of Career Colleges**

## Responses

## 1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

There are two ways the federal government can support a sustained economic recovery: 1. Supporting small and medium-sized's business through further cuts in red-tape, the continuation of measures to support low taxes for SMEs, etc. 2. Targeted investment in training of the workforce in key sectors where Canada experiences labour-shortages. We believe that programs that would help retrain unemployed or under-employed Canadians and newcomers to Canada in sectors that are in high demand would support Canada's economy. These programs should take into consideration organizations such as career colleges that provide focused and concise training for underemployed and unemployed Canadians and newcomers to Canada. Increasing the number of students who can enrol in these programs will mean more skilled workers and a more efficient and competitive economy.

#### 2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

It is interesting to note that some sectors of our economy are experiencing labour shortages (trade, health care, etc.), while a number of Canadians and newcomers to Canada are unemployed or underemployed. While a number of factors explain this situation, one of them can be summarized as the lack of support for underemployed and unemployed people to obtain retraining that would get them to be more productive members of our society (get better jobs, better provide for their families, pay more taxes, depend less or no longer of our social system). HRSDC presently has a policy that hinders the ability of people to get retraining and be better productive members of the society. Indeed, if people are looking for short and condensed programs that lead them to better and higher paying jobs in sectors where there is a demand, HRSDC will not support them through their grant program if the study program is less than 60 weeks in length. This measure has a negative impact on people wanting to retrain in the trade, health care and other sectors where there is a demand. We find it counterproductive that HRSDC would discriminate against programs that are fully recognized and reviewed by provincial governments on the basis of weeks of study rather than content. It does not recognize the need that some have to gain quicker access to jobs and the fact that they may prefer condensed programs. Helping our booming sectors by ensuring that they have access to the people they need in a timely manner is one of the best way that the federal government can support sectors of our economy that are competitive. Changing this 60 week requirement from the Canada Student Grant program would help people get better jobs and help growing and competitive sectors of our economy to sustain their growth through regular access to a trained and skilled workforce.

## 3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

There are two measures the government can take to address our demographic challenges: 1. Through targeted immigration measures that bring to Canada people that are able to work in areas where there is an existing skills shortage. This can be partially done by supporting career colleges' efforts to recruit international students and especially in areas where there is a skills shortage. As some international students may wish to stay in Canada, they would not only be better equipped to get jobs in sectors where there is need but the Canadian government could be assured that they already understand our country's social fabric and have some "Canadian experience". 2. With a rapidly ageing population, Canada will face a growing need for personal support workers. However, there are very little support programs to help students attend programs that qualify them to be personal support workers. A financial incentive (grant) for students attending personal support workers program would enable more students to be better equipped to deal with an elderly population.

## 4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

As Canada's population ages, the demand for skilled workers will further increase. Courses and programs offered at Canadian career colleges are well-positioned to play a major role in filling this demand quickly and efficiently. Career colleges are also able to create new programs to address sector demands swiftly. By encouraging more students to attend programs at career colleges we will lessen the impact of our aging population leaving the workforce. One way that we can achieve this is to allow students of career colleges to be eligible to receive financial assistance through the Canada Student Grant Program. Currently, in order to qualify the program must be 60-weeks or longer. Most programs offered at career colleges are intentionally accelerated in order to reduce the amount of time the student is not in the workforce. By allowing the students to qualify for the Canada Student Grant Program, more students will be able to enrol in programs (such as the skilled trades), the market demand will be filled sooner, and Canada's productivity will increase. Another way to increase Canada's productivity is to remove barriers for international students to study at Canadian career colleges. Internationally, a Canadian education has a good reputation, and every year international students choose to study at Canadian institutions. However, Canada is not as effective at attracting these students as countries like Australia and New Zealand. We could increase our competitiveness by allowing international students who attend career colleges to be eligible for work permits. This would encourage more international students to attend career colleges in Canada, which would boost local economies and support the creation of even more new jobs.

### 5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

The recent recession and continued economic instability around the world has impacted some parts of the population more strongly than others. Canadians who are currently unemployed or dealing with potential job loss are facing the most challenges, but they also present a great opportunity to improve the Canadian economy. Many of those unemployed or underemployed find themselves without necessary skills or with a skill set that is no longer in demand. These Canadians need help acquiring the

requisite skills so they can find meaningful work, support their families and become productive and contributing members of society. By making more educational programs and especially career college programs accessible to Canadians dealing with or facing unemployment, the Government of Canada can address a number of issues facing our economy at once, including persistent unemployment, skills and labour shortages, as well as the need to increase productivity and competitiveness. Career colleges are uniquely equipped to provide such opportunities.