



**Brief submitted to the House of Commons Finance Committee
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Study on Youth Employment in Canada
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Thank you for inviting me to appear as a witness at the Finance Committee hearing on March 27th. The following brief supplements my oral statement on the topic of youth employment in Canada. Polytechnics Canada has several ideas about how higher education should be transformed so that it is better aligned with the “know-how economy,” and in doing so helps to improve youth employment outcomes in Canada.

For years we’ve talked about the knowledge economy – which was code for getting more learners into university programs and producing more graduate students and doctoral holders. Perhaps we have to start talking about the “know-how” economy, which is characterized by highly qualified skilled workers in a wide range of occupations, who know how to solve problems – whether for the public, private or service sectors. Professional, vocational, technical and applied education should be as valued as traditional academic streams and should be regarded as a vital solution to youth unemployment and underemployment. For decades, we, as a society, have under-valued trades and college education. And one has to ask how many of today’s unemployed or underemployed youth were presented no other learning option but the academic pathway of a university degree?

Polytechnics Canada represents Canada’s 11 leading urban, degree-granting, publicly funded colleges and polytechnics with a common focus on advanced technical and technological education. Our members include the British Columbia Institute of Technology (BCIT), SAIT Polytechnic, Northern Alberta Institute of Technology (NAIT), Saskatchewan Institute of Applied Science and Technology (SIAST), Red River College, Conestoga, Sheridan, Humber, George Brown, Seneca and Algonquin.

Our members have developed a just-in-time model of providing highly qualified and skilled talented for Canadian employers of all sizes, in all sectors. You know us best as the champions for increased supports for apprentices and inclusion of college applied research in federal support for innovation. Consecutive recent federal budgets have recognized our advocacy through new funds for college applied research and apprenticeship, among other things.

Polytechnic applied education has three distinct features:

- Undergraduate degrees and graduate certificates, as well as the full range of traditional community college vocational and professional credentials;
- Over 220 skilled trades training programs in 52 Red Seal professions; and
- Student involvement in applied research projects for hands-on R&D experience

Polytechnic institutions connect education to employment for those who enter education expecting to get a job. To a much greater degree than most Canadians realize, the country's polytechnics provide first-rate education combined with practical training and real career readiness. In delivering a range of educational innovations, polytechnic institutions in Canada are opening a third track in higher education.

Polytechnic applied education is outcomes-based. Our members work closely with industry partners to set curricula according to industry standards, ensuring that our graduates will meet employer expectations and hit the ground running on day one on the job. Work-integrated learning is a hallmark of our model of education.

All our members offer a full range of credentials from apprenticeship to diplomas, undergraduate degrees and post-diploma/post-graduate certificates. A polytechnic bachelor's degree provides the unique advantage of practical, hands-on work experience coupled with a specialized, theoretical—but grounded—education.

Irrespective of the various debates over the skills mismatch, the fact remains that many young people have difficulty finding employment today because they do not have the right skill combination that are in demand by employers. I want to make the case that advanced applied education is the best insurance against unemployment and underemployment. Too many graduates are not job-ready and many employers say they are not in the business of training them. If you graduate from something that is not relevant in today's market, you will be feeling the consequences, financially and otherwise, for quite a while.

There is a diverse set of needs and experience levels among unemployed and underemployed youth. At least two different descriptors are needed to capture this diversity - those who are **not in education, employment or training** - now known as NEETs; and those who are the **poorly integrated new entrants** to the labour force, now referred to as PINEs. It is the PINEs that I want to focus on today - those who are underemployed, sometimes overqualified, or generally mismatched to the needs of employers. This often results in youth accepting any

employment as opposed to employment that matches their skill levels such as the proverbial university Arts graduate working as a barista at Starbucks.

While all of Canada's community colleges offer solutions for those known as NEETs, polytechnic institutions have innovated their training programs to develop specific solutions for the PINEs. We saw a strong trend of students enrolling in our institutions who had already completed a university bachelor's degree, and who sought targeted skills that would give them a competitive advantage in the market place; targeted programs to help pull these unemployed and underemployed youth into the economic mainstream.

So, we developed graduate certificates to respond to this demand, providing students with small classes, industry-experienced faculty and relevant workplace experience in an intense and compressed time frame. Our success in graduate employment rates is a result of the diverse and effective work-integrated learning opportunities provided through this specialized certificate programs. These programs get our graduates started, not just in a new job, but put them on the on-ramp to a prosperous career. Employers can't wait for graduation day to compete for these highly-trained, career-ready graduates.

Our members offer over **200** graduate certificate programs open only to those who have completed a prior post-secondary credential, usually a university degree. For example, Algonquin College offers a one-year graduate certificate in International Business Management. A strong emphasis is placed on connecting students with prospective employers and professionals in the field. Graduates find employment in a variety of international fields such as government, banking, and supply chain management.

In the absence of timely, accurate labour market information – a vital federal role – we've decided to collect our own.

An average of **12%** of our full-time students have already completed a four-year university bachelor's degree and are now enrolled in a targeted graduate certificate, diploma or advanced diploma program. In some cases, the percentage of university graduates enrolled in our member institutions is as high as **15**.

These graduate certificates are in high demand. The ratio of qualified applicants for each available seat is often **10:1** or higher:

- Seneca College's Marketing Management Graduate Certificate had **278** qualified applications for **20** available seats, a ratio of **14:1**.
- Sheridan College's Computer Animation - Digital Visual Effects Graduate Certificate had **92** application for only **9** available seats, a ratio of **10:1**

- Algonquin College's Victimology Graduate Certificate had **157** qualified applicants for only **18** available seats.
- Seneca College's International Business Management Graduate Certificate had **639** qualified applicants for only **79** available seats.

Beyond these data points, we also have publicly available data on employment rates after six, nine and 18 months after graduation for these graduates, which are impressive to say the least. Again, better harnessing available graduation and post-graduation employment data across Canada and its many provincial post-secondary systems is a crucial federal role. If these outcomes were better known, perhaps the next generation of learners would pursue more workplace-relevant learning options.

At a general level, the most important reform is to better link education to employment. In order to accomplish this, our two specific recommendations for your study are the following:

First, the federal government should provide timely, relevant, objective, credible and consistent labour market information by focusing on two Statistics Canada surveys; modernize and improve the Workplace and Employee Survey and reactivate the Youth in Transition Survey. These were noted by the 2009 Drummond Panel. These surveys will provide the breadth and depth of data needed to connect education to employment. The government should place less emphasis on the designing of portals and websites to disseminate labour market information and redirect more resources towards actually collecting decent data. Let the private sector, such as app developers, design creative methods to distribute labour market information through the platforms that are best suited to youth.

Labour market information should be publicly available and accessible for educators, employers, guidance counsellors, parents and students to access and distribute appropriately. This will allow employers to look for new hires with the right credentials and educational institutions to design more outcomes-oriented programs. Providing this critical information early and often will also help students make more informed decisions about what to study and ultimately, about the most valuable skills to build while in school.

Second, to increase the capacity of our institutions' high demand programs, such as these graduate certificates, a portion of the funding in the Canada Social Transfer for post-secondary education should be set aside for demand-driven, industry-responsive programs. In the context of restricted and shrinking government budgets, new measurement systems will be needed to accurately fund the kinds of talent creation systems we need in Canada. To start, provinces should be held accountable by providing data on the breakdown of their spending

on post-secondary education and the educational outcomes of their post-secondary institutions.

We noted the applicant to available seat ratio above, and spoke of the outcomes for students who obtain graduate certificates, but for every one student who is accepted into these in-demand programs, our capacity restraints force us to turn away 9 other fully qualified applicants. Our model of education has always been about opening doors, not closing them. Current capacity and infrastructure constraints mean that we are not able to meet the demand for these applied learning opportunities at our polytechnic institutions.

The plight of younger workers is a persistent social and economic challenge that has much impact on Canada's productivity and prosperity. In closing, it is worth saying that all of this will be easier to do once we establish a parity of esteem among the different post-secondary options young people choose from today.