

COVID-19 Youth Employment Policy Recommendations

Canadian youth should have the employment supports and opportunities they need to thrive, irrespective of the inequities and barriers they face



Boys & Girls Clubs of Canada
Repaires jeunesse du Canada

Josh Berman, Director, Research and Public Policy
400-2005 Sheppard Ave. East
Tel 905-477-7272
jberman@bgccan.com
www.bgccan.com

Boys and Girls Clubs of Canada's Federal Youth Employment Policy Recommendations:

1. Launch a new and front-loaded \$100 million investment in the Federal Government's Youth Employment and Skills Strategy
2. Evolve the Canada Summer Jobs Program into a year-round Canada Youth Jobs Program and institute a trusted employer mechanism
3. Incentivize Canadian employers to permanently hire young Canadians

Introduction

Young workers are already being disproportionately affected by the downturn in the Canadian economy due to COVID-19 closures and physical distancing. We are seeing unprecedented layoffs in industries such as restaurants, hotels, childcare services, charities, retail and transportation. These industries are the sectors where young Canadians most often enter the workforce. We also know that across all sectors it is often the most junior employees that are laid off first. In addition, an estimated one million young Canadians will soon be looking for a summer job and new graduates are entering the labour market at one of the most difficult times in history.

Historically, the unemployment rate among young Canadians has been twice as high as that of all Canadians and the current COVID crisis will likely further exacerbate this divide. In addition, national statistics continue to paper over deep inequities and barriers faced by youth in equity-seeking groups. Indigenous youth, newcomers, young people living in poverty, LGBTQ2+, young people with disabilities, racialized youth, youth in rural/remote communities and youth not in employment, education or training (NEET) face unique and elevated barriers to labour market participation.

Recommendation 1: Launch a new and front-loaded \$100 million investment in the Federal Government's Youth Employment and Skills Strategy

The Federal Government's Youth Employment and Skills Strategy (YESS) and its corresponding investments were not built to tackle a youth employment crisis of this magnitude. The 2019 federal budget committed \$49.5 million over five years to launch the YESS. A new and front-loaded \$100 million investment in the YESS is needed now and would allow for an expansion of existing YESS program and training funding and new rounds of youth employment grants and investments that are informed by the new COVID-19 economic environment. In addition, this new funding would enable current YESS grant recipients to retool their trainings and programs for remote delivery. Youth, especially those who have multiple and intersecting barriers, need support to prepare for, and secure, meaningful employment, especially in this extremely difficult labour market. Youth-led and youth-serving organizations, working through the YESS, can play a crucial role in providing structured programs that target youth in communities who would most benefit from this type of support.

Recommendation 2: The Canada Summer Jobs Program should evolve into a Canada Youth Jobs Program

The CSJ program aims to provide flexible and holistic services to support young Canadians to develop employable skills and gain paid work experience to successfully transition into the labour market.

With COVID-19 already creating significant labour market impacts that will carry-on at least into summer months, the changes announced to CSJ by the Prime Minister on April 8th are important and will further the policy objective to support youth to enter and stay in the workforce. Allowing part-time positions and job placement end dates as late as February 2021, will support vulnerable youth in accessing this program and provide employers the flexibility they need in order to continue to move forward with the positions they previously applied for. As the 2020 CSJ employer application period closed in February, the Government

we will work with local Members of Parliament to identify additional organizations that could now support a CSJ funded position. This change will increase the number of young Canadians supported through this program. These are positive developments, yet we know more is needed as firms, small businesses and non-profits significantly scale back their employment plans given the economic conditions.

Permanently evolving the CSJ program into a year-round Canada Youth Jobs Program will provide the flexible and holistic supports that are needed now for young Canadians to develop the skills and work experience they need to enter this difficult labour market.

As the CSJ program transitions to the Canada Youth Jobs program, another round of CSJ-like grants to support employers in hiring young Canadians should be launched in Fall 2020 with employment to begin early in 2021. At this time, employers will have further knowledge of the COVID-19 situation and therefore how best to create meaningful youth employment moving in 2021. We recommend the continuation of the 100% wage subsidy for private and public sector employers through 2021.

Lastly, instituting a trusted employer mechanism and corresponding multi-year funding, will enable employers to better plan for, and meaningfully engage, youth employees.

These policy recommendations build off of the Federal Government Expert Panel on Youth Employment's final report and are even more relevant now to support young Canadian workers during this unprecedented time.

Recommendation 3: Incentivize Canadian employers to permanently hire young Canadians

Developing employability skills is one part of the solution for tackling youth unemployment. In addition, employers need to hire and invest in young people and provide them the support they need to begin a career. As in the recently introduced Canada Emergency Wage Subsidy Program, we recommend that the government offer a 12-month 100-per-cent refund for certain employer-paid contributions to Employment Insurance, the Canada Pension Plan, the Quebec Pension Plan, and the Quebec Parental Insurance Plan to employers who give permanent jobs to young Canadians. By giving employers an incentive to hire young people we can decrease the growing employment disparity faced by young Canada workers.

Boys and Girls Clubs and Youth Employment and Training

Boys and Girls Clubs of Canada is the largest child- and youth-serving organization in the country, serving 200,000 young people in 700 communities across Canada. Clubs support those who are at greatest risk, especially from low income families and marginalized communities — Indigenous and racialized children, newcomer youth, and children with disabilities.

Boys and Girls Clubs across the country support youth to obtain employment and are a direct employer of thousands of youth within their programs. Clubs implement programs that engage youth in developing employable skills and acquiring a job, such as resume building and interview preparation. Clubs also benefit from the Canada Summer Jobs Program with 700 youth employed through this program in 2019.