



A Retrospective on Labour Force Development in Canada

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Intergovernmental Committee for Economic and
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by

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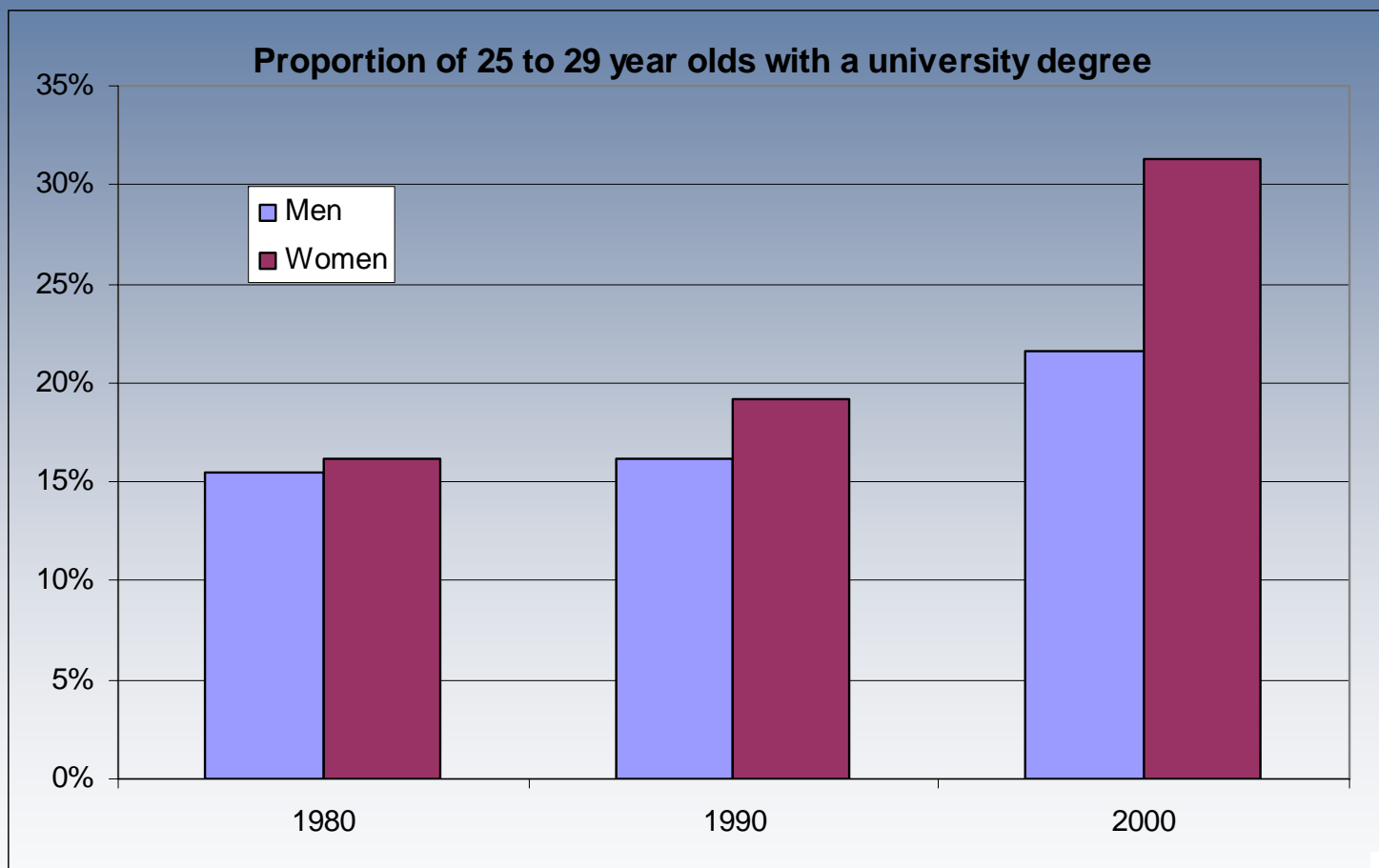


Outline

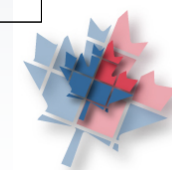
- Trends in labour force development
 - Educational attainment
 - Unemployment
 - Earnings
 - Job-related training
 - Aging workforce
 - Non-standard work
 - Other trends
- Shifts in policy issues
- The key policy challenge



Educational attainment rising, especially for women



Source: Statistics Canada, Census data, 1981, 1991 and 2001.



Unemployment rate, Canada, 1976-2006

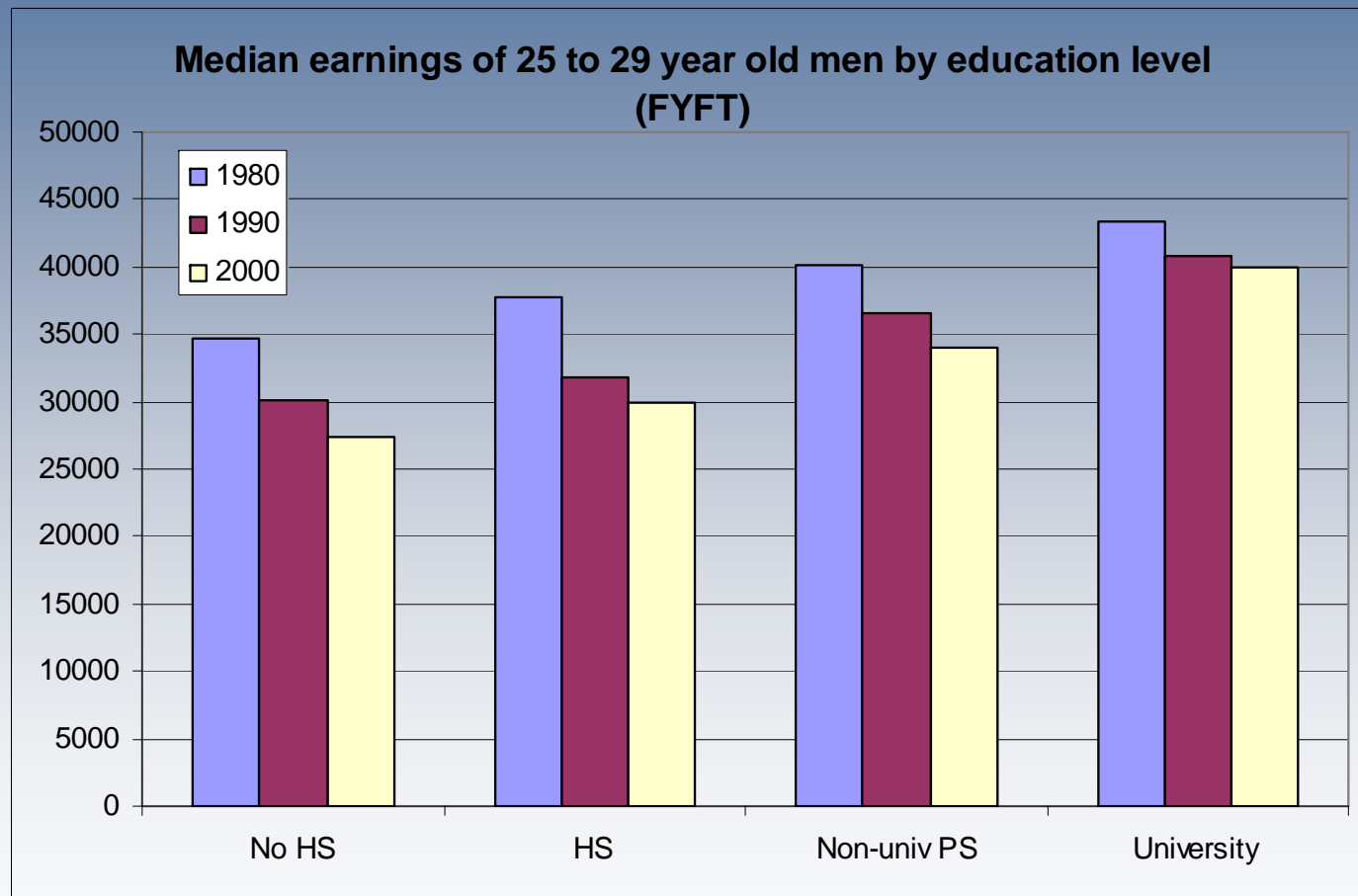


Source: Statistics Canada, *Labour Force Historical Review 2006*.

Courtesy of the Graham Lowe Group Inc.



Real earnings for young adults falling at any given level of educational attainment



Source: Statistics Canada, Census data, 1981, 1991 and 2001.

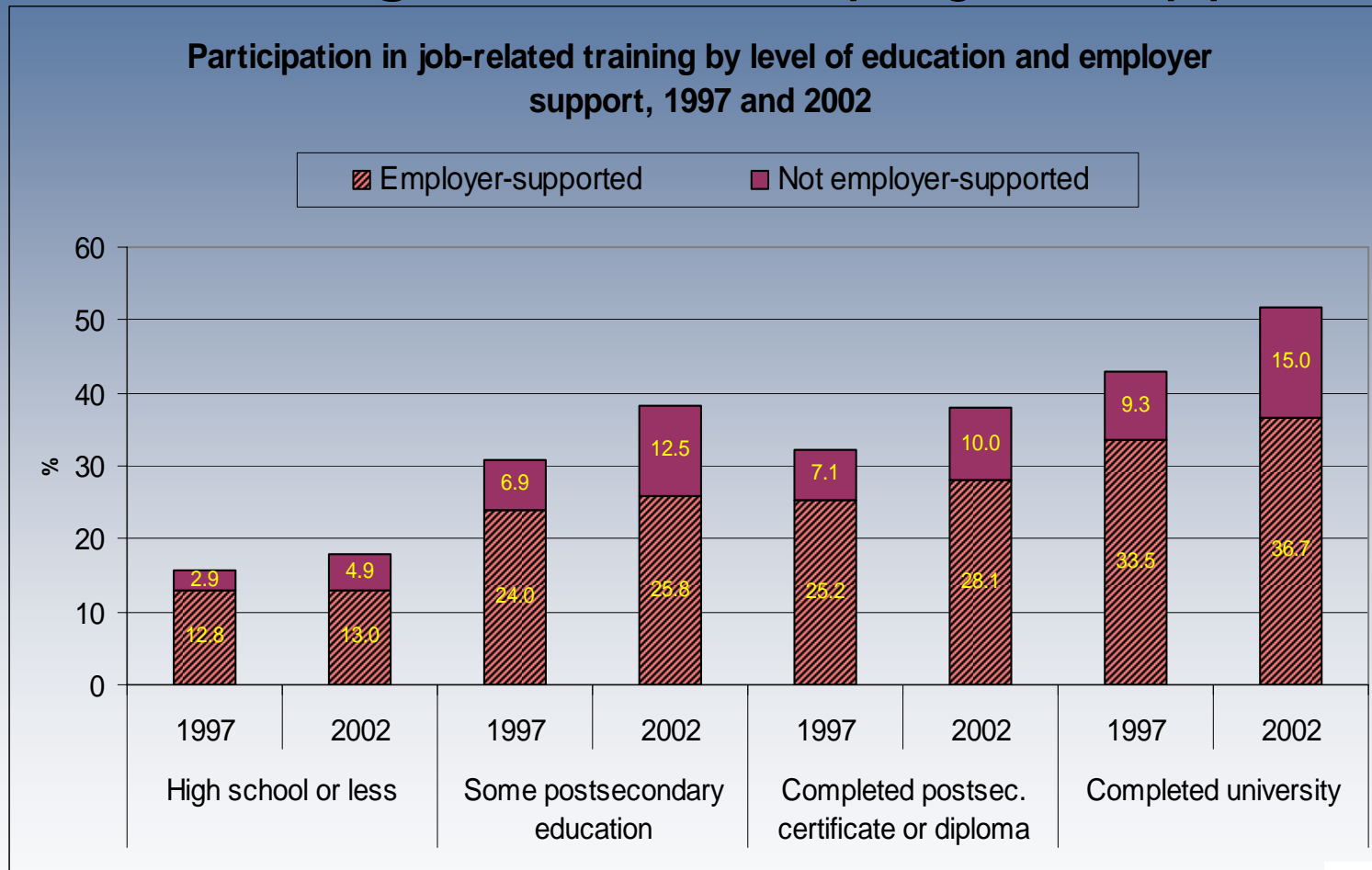


PSE no guarantee of skilled job

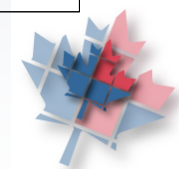
- Post-secondary education provides, on average, clear benefits in terms of employment rates and earnings.
- But, in Canada and US, 1/3 of employed 25-to-29-year-olds with PSE diploma/degree have a low-skill job – the highest ratio among OECD countries.
- At the same time some skilled trade jobs remain difficult to fill.



Participation in job related training increasing, but not employer support

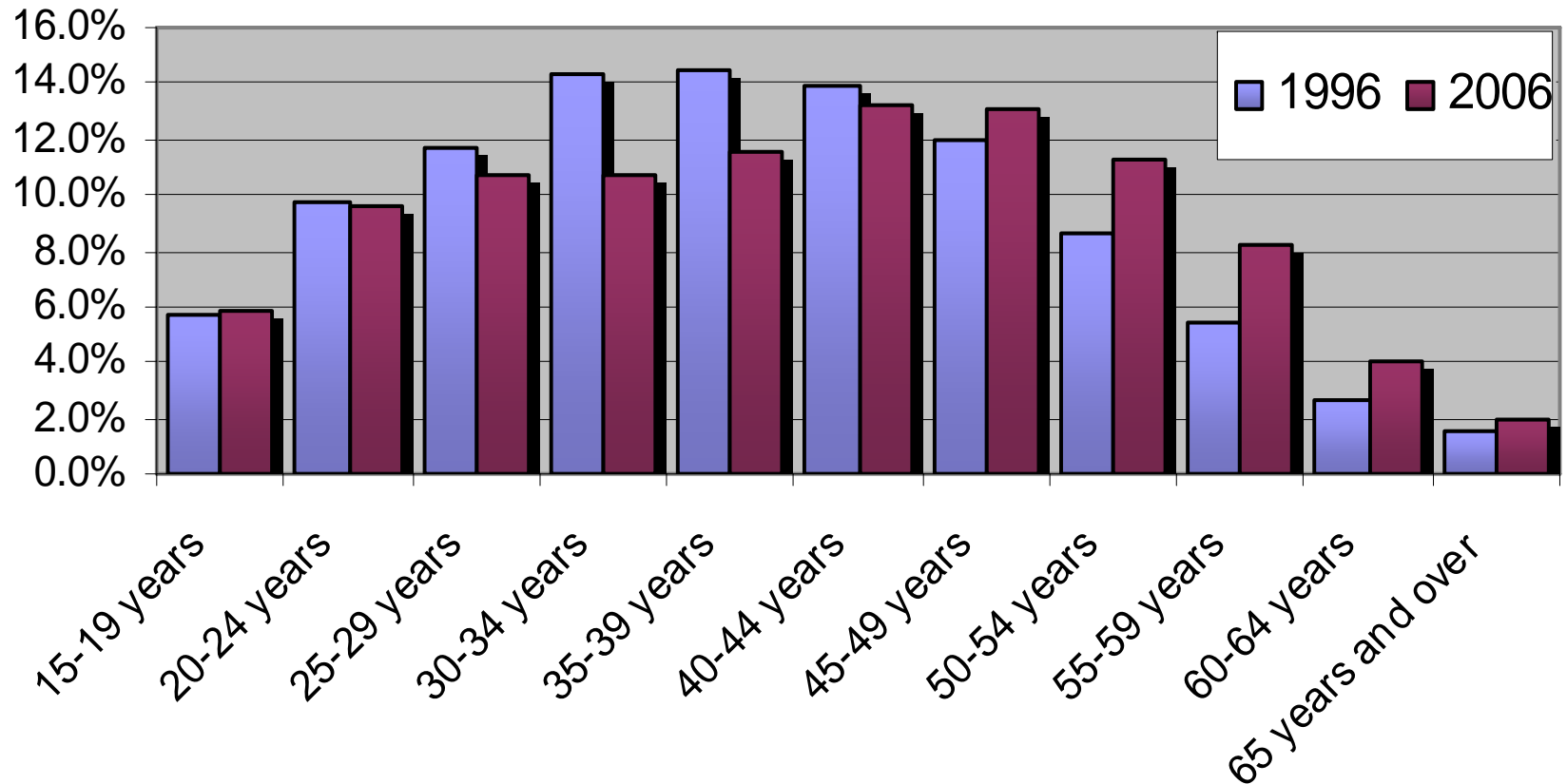


Source: Statistics Canada, *Adult Education and Training Survey, 2003*.



The aging workforce:

Employed population by age group, Canada



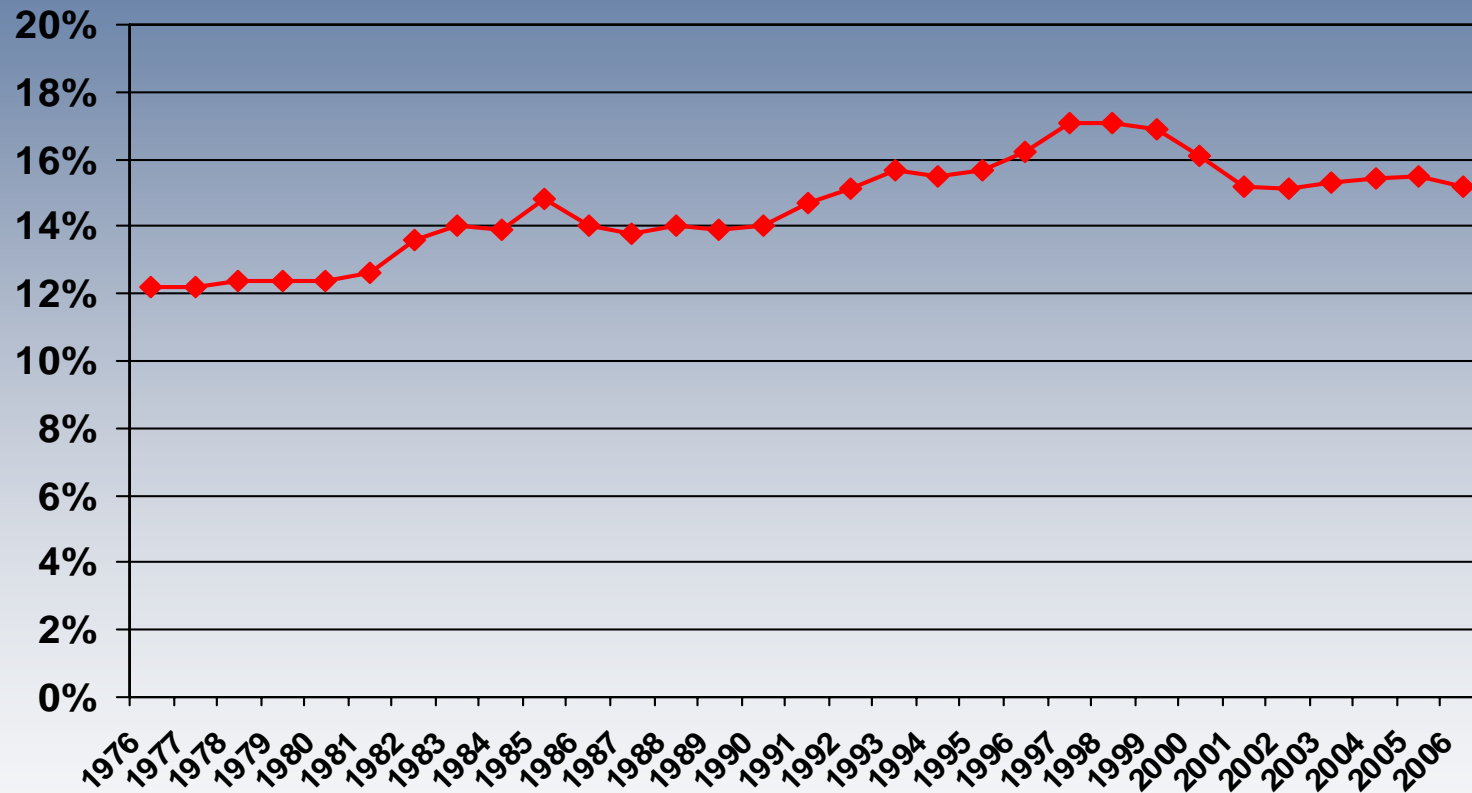
Source: Statistics Canada, *Labour Force Historical Review 2006*.

Courtesy of the Graham Lowe Group Inc.



Self-employment rate, Canada, 1976-2006

Self-employment as a percentage of total employment



Source: Statistics Canada, *Labour Force Historical Review 2006*.

Courtesy of the Graham Lowe Group Inc.



Other trends

- Decline in labour market experience of recent immigrants
- Stable share of workers earning low wages
- Adult literacy not improving
- Rising inequality of family earnings



Shifting policy issues

10-15 years ago

Today

Downsizing

Shortages

Economic insecurity

Retaining skilled
workers

But many still being left behind: low wages, poor access to skill upgrading. Not clear the demographic shift will solve this through market forces.

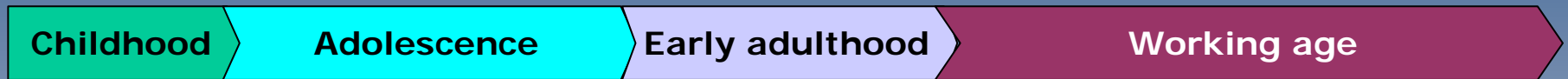


The key challenge: not wasting human potential

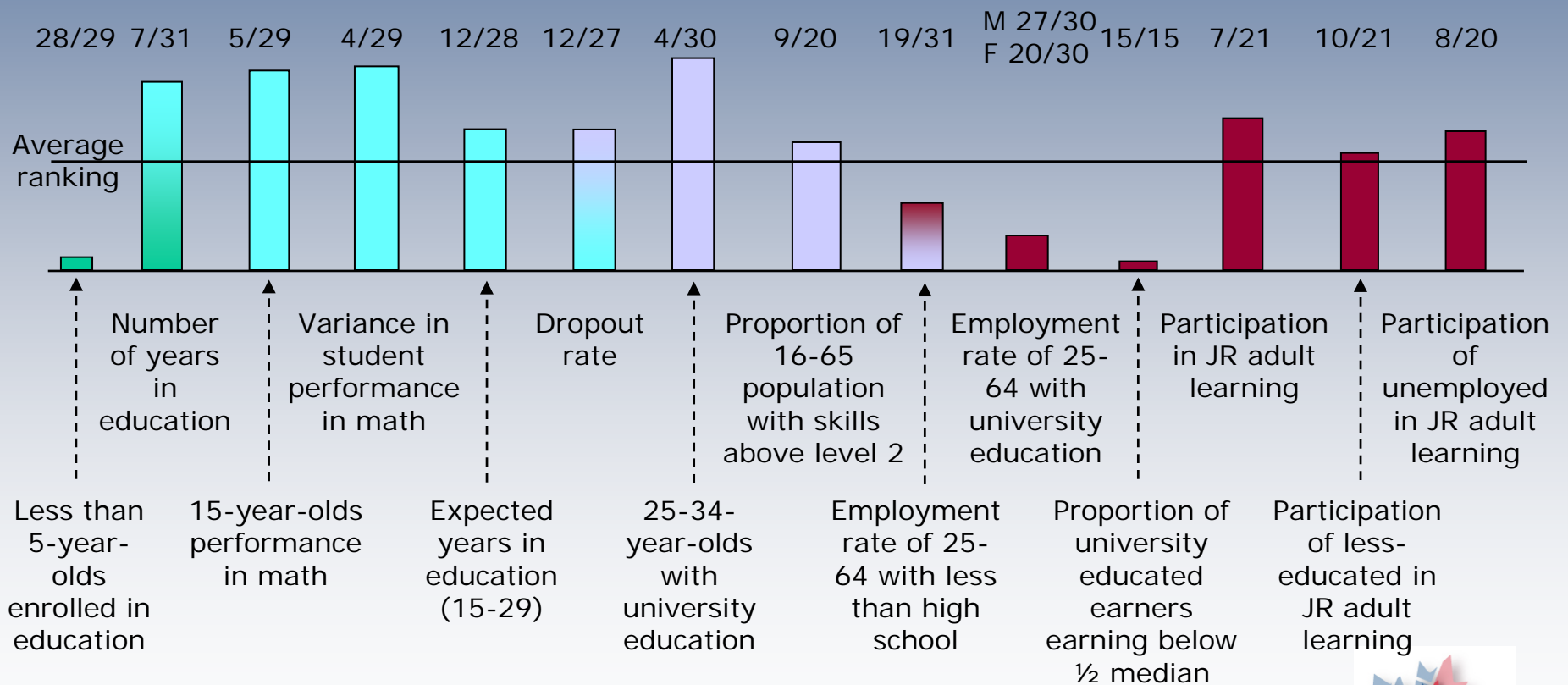
- Slowing labour force growth reinforces need to realize the potential of our human capital.
 - Invest in early childhood development.
 - Continue to reduce high school drop out rate; more “skills” options in high school while promoting high aspirations for all.
 - Make “lifelong learning” a reality. Increase employer investment in workplace learning.
- But not everyone can be a knowledge worker. Need policies to ensure anyone working full-time can live decently.



Performance of the Canadian learning system



Canadian ranking in OECD





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