

Executive summary

By early 2020, Canada's unemployment rate had fallen to a record low level thanks to a strong economy. While this report was being finalised, however, Canada and the rest of the world were responding to a global health pandemic, COVID-19. The policy measures taken to contain the virus will have long-lasting impacts on the economy and labour markets. Early Employment Insurance claims data suggest that Canada's unemployment rate is likely to surge. While the labour market context has changed significantly, the need to learn quickly and adapt has never been greater. Initiatives like Canada's Future Skills and workforce innovation centers can help to promote new ways of working and learning.

The skills and qualifications needed in the workplace have been changing considerably as a result of digitalisation, globalisation and ageing. Middle-skilled jobs make up less of total employment than they once did, while the share of employment in high-skilled jobs has risen. Skills shortages have emerged, especially in jobs requiring a tertiary education, as well as those requiring a combination of digital, cognitive and social skills.

While Canadians are highly educated, they require opportunities to upskill and retrain throughout their working lives to remain employable as the world of work evolves. By international comparison, Canada's adult learning system performs well in two areas: alignment of training with labour market needs, and coverage (the share of adults and employers who participate in job-related training). Despite having high coverage, Canada underperforms in inclusiveness (the participation of under-represented groups in adult learning). Low-skilled and older workers – who are most at risk of job loss by new technologies – are least likely to participate in adult learning. Other areas to strengthen include flexibility, guidance, financing and the quality of training.

Canada's new skills-related programmes have the potential to improve the future-readiness of the adult learning system. The Future Skills initiative and provincial workforce innovation centres (WICs) are devoting significant public investment to testing and evaluating innovative approaches to skills development. The Future Skills Centre prioritises ways to adapt to the future labour market, while the WICs focus on improving service delivery in the current labour market. Both emphasise partnerships with labour market stakeholders. Together, these initiatives should lead to improved evidence about training programme effectiveness, which would help policy makers and practitioners select the best approaches to prepare workers for the future. By mandate, the Future Skills Centre and the WICs prioritise approaches that target under-represented groups. However, targeting low-skilled workers should be made a more explicit priority. Recommendations for how these programmes could further support a future-ready adult learning system are outlined below.

The current context invites workplaces to re-examine how they work and learn. Positioning Canada for the future requires business and government to anticipate upcoming changes, to learn quickly and to adapt. The new skills-related programmes focus on the supply side of the labour market, but the demand side is equally important. The way work is organised and people are managed matters for turning a workplace into a learning organisation. An enabling workplace environment amplifies the returns to adult learning by creating opportunities for adults to apply their newly acquired skills. Giving workers opportunities to use a broader set of skills – including creative, cognitive and social skills – also helps them to adapt to an environment where robots ably perform routine tasks. High-performance work practices – e.g. teamwork, task and working time

discretion, mentoring, job rotation, incentive pay and training practices – are all strongly associated with use of a broad set of skills and informal learning. Drawing from international examples, a number of recommendations are put forward below for how Canada might stimulate good practice in this important area.

Recommendations

The following actions should be taken by Future Skills and the provincial workforce innovation centers:

Workforce innovation to support future-ready adult learning

- *Test innovative ways to engage low-skilled adults in adult learning*, including reaching out to low-skilled adults in the places they spend time. Low-skilled adults are under-represented in training despite facing a higher risk of job displacement due to automation.
- *Exploit assessments and forecasts of skill needs* in setting priorities and research agendas to help align training with labour market demand.
- *Produce and disseminate reliable information about the outcomes of training programmes*. Build the capacity of grantees to monitor the impact of their projects. Establish quality standards through the Future Skills Center to improve the impact evaluation culture in Canada, possibly following the Scientific Maryland Scale. Allocate sufficient funding to track participants' outcomes from training-related projects over the longer term. The Canadian government should also support data linkage efforts that enable researchers and policy makers to track training participant outcomes over the long-term. Disseminate evaluation evidence through webinars, in-person showcases, conferences and policy briefs.
- *Stimulate further co-financed training solutions* by requiring that successful applicants match contributions, possibly on a sliding scale so that smaller firms contribute less than larger firms do.
- *Under the leadership of the Future Skills Centre, coordinate dialogue between the WICs* through national conferences, facilitating joint projects, and building a national repository of good practice. This will promote better coordination on workforce innovation and adult learning in Canada.

Promoting skills use and learning organisations

- *Prioritise skill use and the promotion of learning organisations* in provincial workforce development strategies. Future Skills could assume a leadership role in prioritising skills use and the promotion of learning organisations as a workforce development objective.
- *Direct a portion of research funding to testing new approaches to skills use within workplaces*. Support could be targeted to testing staff and management training, the use of external experts to undertake diagnosis and upgrading of workplace organisation, or action-oriented business research. Engage social partners to build support among employers and workers.
- *Raise awareness of the benefits of effective skills use*. WICs and the Future Skills Centre should build a repository of best practices in workforce development, including firm experiences with high-performance work practices. Local actors (e.g. Ontario's Local Employment Planning Councils, workforce planning boards, and equivalent actors in other provinces) should educate employers on the benefits of HPWP and better skills use. The Canadian government should develop national HR management standards that would serve as a benchmark for firms to aspire to in creating effective learning organisations.
- *Track progress* by initiating a regular national employer survey that monitors work organisation, job design, management and training practices, as well as skills gaps.



From:
Workforce Innovation to Foster Positive Learning Environments in Canada

Access the complete publication at:
<https://doi.org/10.1787/a92cf94d-en>

Please cite this chapter as:

OECD (2020), "Executive summary", in *Workforce Innovation to Foster Positive Learning Environments in Canada*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/26cc5941-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.