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# ONTARIO ECONOMIC SUMMIT 2018

*Summary from Breakout Session*

Memorandum to: OES 2018 Delegates

From: Ontario Economic Summit Participants

**December 18, 2018**

At the 2018 Ontario Economic Summit (OES) on the “Workforce of Tomorrow”, McKinsey facilitated a break-out session that engaged OES participants in open-ended discussions about the workforce development challenges facing Ontario. During this session, participants self-organized into cross-sectoral groups which included representatives from industry, post-secondary institutions, government and non-profits. Each group discussed some of the challenges they are facing, as well as put forward recommendations for change.

This memo reflects some of the key themes which emerged from the discussions, as well as potential opportunities for the Ontario Chamber of Commerce (OCC) to explore further.

## SUMMARY OF KEY CHALLENGES

- **A skills mismatch exists, which is exacerbated by a rapidly changing workplace**  
The pace of change in the workplace and frequent market disruptions have made it challenging for employers to find individuals with the right skill set. Furthermore, technology is changing business models and so firms are increasing their reliance on vendors and partners with dedicated expertise. For example, participants noted cyber and artificial intelligence are in-demand fields with wide applicability across sectors.  
  
Post-secondary institutions must think about how to prepare their students for jobs that do not yet exist. Much has been made of equipping students with STEM skills, but soft skills such as communication and emotional intelligence are also in demand. The education system should also be more responsive to employer needs.
- **Difficulty attracting and retaining talent in remote locations**  
The skills mismatch issue is even more acute in rural Ontario, where employers struggle to fill positions for certain skill sets, either in the surrounding community or by attracting talent to the region.

## SOLUTIONS TO EXPLORE

Participants identified recommendations for the OCC to consider further.

### 1. **Develop a province-wide shared database through which industry, post-secondary institutions, non-profits and government can identify trends and in-demand skills**

Developing a bottom-up and demand-driven skills database would not only serve to increase data sharing between sectors, but would also help shape individual career choices, educational program content and public programs. Government decisions on where to focus learning reimbursements and regional/sector-based investments would be better informed and more targeted to priority regions, while post-secondary institutions can review skills in demand from industry to help them shape curriculum and create programs to address industry needs.

The increased transparency of such a database could also lead to new partnerships or experienced-based learning (e.g., co-op and internship programs). For instance, employers and post-secondary institutions could work closely together to shape an internship program that could help to close the gaps identified in the shared database by providing students with on-the-job learning in certain sectors.

### 2. **Develop a Life-long Learning Fund**

To ensure that the current workforce can adapt to the changing landscape, participants discussed the need to develop integrated services which can be customized to individual needs to allow them to obtain additional training/reskilling as they progress through their careers. A Lifelong Learning Fund would provide flexible learning options to address the needs of a diverse range of credential and competency backgrounds.

The OCC could develop this initiative with the Future Skills Centre, an arm's length federal government program tasked with determining which skills are in demand and developing innovative approaches to helping Canadians gain the skills they need to succeed in the workforce. Participants noted that Singapore has experienced success implementing a similar model through a central agency called SkillsFuture, which offers a variety of resources to help individuals develop new skills, whether they are at school or in various stages in their career.

### 3. Provide incentives to promote work/experience-based learning

Government incentives should be aligned towards industry to help re-train existing workers as well as leverage a co-op or internship model to train new workers on sought-after skills. Incentives should be specifically targeted towards SMEs to help them participate in these programs and to collaborate with their local post-secondary institutions to develop skilling and re-skilling opportunities. Similarly, stakeholders noted the importance of exploring what government leadership is necessary to allow educational institutions to swiftly create new curricula with a greater focus on practical or experience-based training. In absence of this, some employers discussed how they have shifted their hiring strategies to look at candidates with experienced-based qualifications rather than degree- or diploma-based qualifications.

### 4. Addressing the skills mismatch in rural areas through better integration of immigrants, new labour market incentives and developing local talent

Participants underscored the importance of competitive immigration policies as a key part of the solution. In particular, the federal and provincial governments should create a climate that is competitive with other nations, to ensure that we can attract and quickly integrate immigrants. An immigration lawyer from a prominent Canadian law firm noted that foreign students in Canada have increased by approximately 100 percent since 2009 and it is critical that we need to create policies that retain these skilled individuals.

Stakeholders also stressed the need to encourage people to stay or relocate to rural areas. Incentives such as relocation assistance and spousal benefits for individuals to find employment in rural areas were discussed. Governments could also look at providing incentives to develop integrated learning with SMEs in rural areas.

Post-secondary institutions should develop more online learning curriculums that are widely accessible to remote communities and focus on teaching skills such as computer literacy. Apprenticeship programs could similarly be leveraged to build the necessary skills within rural communities, reducing the need for relocation.

## CONCLUSION

The breakout session was positively received by the participants of the Ontario Economic Summit, who viewed it as a valuable opportunity to share experiences, insights and solutions across sectors. The OCC will explore the solutions identified above in its subsequent work on skills, and advocate for impactful, appropriate change from government.