

July 30, 2021

The Honourable Monte McNaughton
Minister of Labour Training and Skills Development
400 University Avenue,
14th Floor
Toronto, Ontario, M7A 1T7

RE: Leading the Future of Work in Ontario (Recommendations for Ontario's Workforce Recovery Advisory Committee)

Overview

Throughout the COVID-19 crisis, the Ontario Chamber of Commerce (OCC) has been working closely with both the business community and governments to help employers and their employees confront the economic impacts of the ongoing pandemic. Now, with vaccination rates increasing and a full reopening on the horizon, we will continue working together to support the long-term recovery of Ontario's workforce.

In March 2020, workers across Ontario were forced to adapt to a new reality as public health guidelines were implemented and many Ontarians shifted to working from home. The pandemic resulted in historic unemployment rates, particularly in sectors that were hit hardest by the crisis, and it exacerbated many challenges faced by Ontarians in the job market, particularly Indigenous people, visible minorities, youth, and mothers with young children.

The early impacts of public health restrictions were felt most by those in industries that necessitate close contact with customers, including accommodation and food services; arts, entertainment, and recreation; and retail trade. While many businesses were forced to close their doors to customers, several others were able to shift their operations online and adapt to the use of new technology. As the distributed workforce and technology adoption become more pervasive, employers may require different approaches to attract and retain staff. To ensure Ontario's competitiveness in Canada and across the world, continuous support must be offered for individuals to upskill and pivot their careers, and for employers to access the talent they need. Attention must be placed on reducing barriers to entry into the labour force, which include access to child care, broadband infrastructure, and demand-driven skills training.

We would like to thank the Government of Ontario for the opportunity to provide recommendations as part of the Ontario Workforce Recovery Advisory Committee on behalf of Ontario's business community. This submission is in response to the three pillars of the Committee's research:

1. Economic recovery
2. Strengthening Ontario's competitive position
3. Supporting workers

Pillar 1: Economic Recovery

The pandemic has created several opportunities and challenges for businesses and entrepreneurs as they adopted public health measures, shifted operations online, increased customer engagement through technology platforms, and moved staff to remote-work environments. Even as the province has entered Stage 3 of its reopening plan, many people-facing businesses face difficulties in hiring and retaining staff.

Technological change will only lead to growing labour market gaps and competitiveness challenges if Ontarians do not have the necessary skills to access good and meaningful work. The province must expand opportunities for retraining in high-demand sectors while specifically targeting support and incentives for demographic groups that have historically been underrepresented in these sectors, such as Indigenous peoples and women.

The skilled trades will remain a critical source of jobs and economic development in Ontario. In a [letter](#) dated June 15, 2021, the OCC called on the government to simplify and strengthen the provincial skilled trades and apprenticeship system to encourage more labour force participation in these sectors. Programming that modernizes traditional public and educational perceptions of the skilled trades will encourage more workers and youth to choose this career path and help fill current demand gaps in fields such as construction and plumbing. The Government of Ontario's recent [announcement](#) of over \$600,000 to assist 390 young people train for and secure apprenticeships in the construction sector is a step in the right direction.

Upskilling and retraining of workers will play a pivotal role in ensuring they have the skills necessary to remain in their current fields or enter new and emerging markets. Accessibility of training programs must be improved by providing incentives such as training cost, subsidized child care and transportation.

As it currently stands, red tape limits post-secondary institutions from rapidly developing and launching credential programs. This poses challenges to employers looking to hire individuals with in-demand skills in fields including cybersecurity, data science, informatics and network telecommunications. To address this, the province must allow colleges to provide recognized post-secondary micro-credentials for apprentices to ensure maximum recognition and encourage more youth to join the skilled trades.

While it is important to attract more youth to join the skilled trades, in a previous [submission](#) made to the Ministry, the OCC highlighted the importance of fostering greater inclusivity and diversity within the trades given the underrepresentation of women, newcomers, racialized Canadians and Indigenous peoples. Greater labour market participation from these groups may be fostered through greater access to training programs, financial support and access to subsidized childcare. Partnership with the Federal government on bridging the employment gap between Indigenous and non-Indigenous peoples will help address the Truth and Reconciliation Commissions seventh call to action focused on education.

The pandemic has seen growth in several sectors in the economy including telemedicine. Since March 2020, demand and use of remote medical services has increased as a result of increased

consumer demand, innovation from providers, and regulatory changes that have improved access. Reduced costs and frictions that consumers in rural regions of Ontario have experienced in recent months will help telehealth remain a permanent fixture in the province. In order to keep pace with the rise of remote work and services, Ontario's digital infrastructure must be continuously modernized and enhanced ensuring access to virtual training programs and job opportunities for individuals residing in or planning to serve remote communities.

Barriers to entry and service must also be addressed to ensure long-term access to telehealth is not hindered. As noted in the OCC's policy brief, [Realizing the Full Potential of Virtual Care in Ontario](#), the Province took necessary steps early in the pandemic to introduce temporary billing codes for virtual visits by patients. Given demand for telehealth has persisted, the Province should introduce existing billing codes in the Schedule of Benefits to allow physicians to provide insured healthcare services, further reducing barriers for consumers and medical professionals.

Demand for skilled labour will rise following [recent](#) multi-million-dollar investments in biomanufacturing by the Government of Ontario and Canada. This demand will be sustained as the Federal government positions Canada to become self-sustainable outside of pandemic times. Plans to enhance domestic biomanufacturing through a Canadian biologics manufacturing and innovation initiative will sustain demand for skilled workers. These investments will also result in further opportunities along the supply chain for professionals in the fields of logistics, supply chain management and IT systems.

Other sectors to note that will see growing demand for skilled labour include mining, advanced manufacturing and clean technology as a result of increased support from the Provincial and Federal government and changes in consumer demand. We also expect to continue to see the growth of Ontario's cannabis sector which, together with ancillary businesses, has continued to grow through the pandemic.

Pillar 2: Strengthening Ontario's Competitive Position

Ontario continues to be attractive for businesses looking to set up operations in Canada given the presence of a diverse and skilled labour force. As we work through the pandemic, we have heard numerous businesses across Ontario express challenges with filling vacant roles. In order to maintain our competitive edge, the Government of Ontario must introduce policies that support labour market participation and respond to the growth of remote and technology-dependant work.

Remote work will likely remain a permanent fixture of jobs that have historically been based out of offices. Growth in such opportunities will ensure companies are able to attract the best talent while also reaching skilled workers who would otherwise not be able to take on such opportunities. In doing so, the Government must also further invest in mental health supports for workers, especially those who reside in rural communities where access is currently limited.

In addition, the Government of Ontario must consider the challenges faced by individuals working remotely, including but not limited to telecommunication infrastructure and a lack of workspaces in smaller condominiums and apartments. The province may consider public-private partnerships to

develop shared workspaces in smaller communities to ensure employees are able to work in safe spaces that maintain workers' physical health.

Throughout each wave of the pandemic, individuals without access to paid sick-leave had the knock-on effect of increasing workplace transmission of the virus, forcing meat-packing plants and warehouses to shut down operations and forcing workers into quarantine. The Government of Ontario took a necessary step to provide worker protection through the Ontario COVID-19 Worker Income Protection Benefit. Recognizing that many Ontarians are not covered by employer-provided leave and many employers lack the financial means to provide it, the government must consult with employers and workers on long-term solutions to paid sick-leave post-pandemic.

The Government of Ontario may also take the opportunity afforded to them by the Federal government to reduce costs and increase access to child care services. Women's increased labour market participation can only be guaranteed when they do not have to make the difficult decision between looking after their young children and putting food on the table. The brunt of such decisions is often faced by women in the entrepreneurial, skilled trades, science, and engineering sectors. These are high-paying occupations with growing demand for talent. Further changes to the workweek and flexible work arrangements may also result in improved labour market outcomes, reduced chances of burn-out and improved productivity for all employees. The OCC published a [report](#) that provides detailed recommendations on addressing the gendered impacts of the pandemic.

In a previous [submission](#), the OCC stresses the important role retraining displaced workers will play in ensuring a rapid and equitable post-pandemic recovery. The Strategic Skills Initiative was a program that previously leveraged partnerships between industry and training providers to accelerate skills development. Funding from this program would be directed to skills training in high-demand sectors that have seen displacement either as a result of the pandemic or technology including data science and artificial intelligence.

Pillar 3: Supporting Workers

In the coming years, we are likely to see a rise in technology platforms and freelance work. Even prior to the pandemic, technology began to disrupt the labour market, providing individuals with the ability to work when they want and for as many platforms as they deem feasible. This sector of the labour force felt the effects of the pandemic early on as a result of reduced travel and economic activity.

Financial supports throughout the pandemic have served as a lifeline for many individuals and their families. Even as the economy reopens, many continue to rely on such supports. With federal income supports ending in late September, necessary steps must be taken to ensure the long-term financial security of this segment of the labour force. As app-based workers are not traditionally eligible for supports such as Employment Insurance, the Government of Ontario should require app-based platforms to contribute to flexible benefit funds that meet the needs of workers.

App-based workers value autonomy and flexibility, choosing to balance their work with other personal and professional endeavours. Such flexibility must be maintained to ensure workers are able to earn additional income and the opportunity to fill other labour market gaps when they arise.

Given the proportion of the labour force engaged in this sector of the economy is projected to rise, the government may also consider establishing committees and stakeholder groups that actively engage with workers to discuss their protections and needs on an ongoing basis.

Conclusion

Workforce development policies and labour laws in Ontario must continue to keep pace with the changing nature of work. Throughout the pandemic, workers who have historically been ineligible for financial support from governments have benefitted from new emergency supports. As businesses look to re-hire workers and get back on their feet, steps must be taken to ensure job opportunities are accessible to all individuals, especially those who have disproportionately faced barriers to entry. This requires ongoing support for training and re-skilling for individuals who have been displaced by the pandemic and its economic impacts in Ontario.

For the province to remain attractive to foreign workers and investment, steps must also be taken to ensure worker protection policies and supports are available and up to date, especially for workers in rural communities and small businesses. This includes ongoing investments in rural broadband and affordable child care.

For more information on previous recommendations made to the Ministry, please see our [recent submission](#) as part of the Skilled Trades Panel Consultation and our [Provincial Pre-Budget Submission](#), which provides detailed recommendations that will ensure the province is poised for rapid recovery, growth, and modernization. This consultation was informed by members of our [Workforce Development Council](#). We welcome the opportunity to discuss these issues further.

Sincerely,



Rocco Rossi
President and CEO
Ontario Chamber of Commerce