

Labour Market Policy for a Vibrant Canadian Future

February 25, 2016
Ottawa, Ontario

Overview

Canada has experienced several major shocks to its labour market over the past two decades and is also adjusting to long-term trends that are dramatically changing the nature of work. Both of these factors raise important challenges and implications for the effectiveness of labour market policies. There have been several cyclical shocks such as recessions, the financial crisis, as well as the rise and crash of the great commodity super-cycle. At the same time, the labour market is impacted by long-term trends such as globalization, technological change, an aging population, changes in the workplace, and participation rates. Together these shocks and long-term trends have brought many labour related questions to the forefront. The goal of this conference is to consider the research and evidence on labour developments and examine what we have learned about labour markets; what direction research needs to go; and how policy can address the most important labour market challenges facing Canada. By informing policy with research and evidence we can design appropriate policy frameworks and tools to move forward and maximize prosperity for all citizens.

The ability of the federal government to effectively manage key labour market challenges depends crucially on the nature and causes of the labour market shocks. Canada is coming out of a cycle where the oil producing provinces are rapidly adjusting to the short-run conditions, but there is an opportunity to address the development of the regional and national labour supply over the long run. In the past year cyclical pressures on labour demand have changed course, but the trends in population growth and mismatch of labour supply and demand have not. This conference will critically consider the evidence on the types of labour market issues that exist and that are projected to emerge, as well as policy alternatives to manage labour market challenges to ensure Canada has a strong and effective labour market over the next 20 years and beyond.

Agenda

7:30 a.m. **Registration opens**

8:00 – 8:15 a.m. **Opening Remarks**

8:15 – 8:45 a.m. **Setting the Stage:
The Canadian Labour Market: Where Are We Now?**

The Canadian labour market evolved significantly over the past decades, with demographic changes, technological advancements and globalization impacting the structure of the economy and the composition of the labour force. Looking forward we need to be aware of which issues will persist, which may evolve or even go away, and what new issues may arise. In doing so, we must be cognizant of both labour demand and supply, as sometimes one or the other or the interaction of the two is forgotten in public discourse. This presentation will look at what the past two decades of labour market research says or suggests will be the issues of the future, including suggestions for further research.

Speaker: **Cliff Halliwell**, former Director General of Policy Research, Human Resources and Skills Development Canada

8:45 – 10:00 a.m. **Recent Shocks to the Canadian Labour Market**

Canada, along with other advanced economies, may be in prolonged period of slow economic growth, while a notable percentage of the labour force remains dependent on boom-and-bust industries for employment. Gaining an in-depth understanding of the current state of the labour market and the shocks that affect it are necessary first steps in identifying policy options to address challenges facing the labour market. What are the key challenges facing the Canadian labour market? What actions can be taken to manage these challenges and support Canada's long term prosperity?

Moderator: **Frances Woolley**, Professor of Economics, Carleton University

Panelists: **Miles Corak**, Professor of Economics, Graduate School of Public and International Affairs, University of Ottawa and Visiting Professor, Department of Economics, Harvard University

Joseph Marchand, Associate Professor of Economics, University of Alberta

René Morissette, Senior Economist, Social Analysis and Modelling, Statistics Canada

10:00 – 10:30 a.m. **Networking Break**

10:30 – 11:45 a.m.

The Impact of Globalization and Technological Change on the Canadian Labour Market

For decades the rapid expansion of international trade and investment coupled with the adoption of new technologies have transformed labour markets across the world. The increasingly integrated global economy and technological changes have enabled firms to segment work in new ways and to rely more heavily on a contingent workforce. Along with these changes and transformations, we have seen an increasingly smaller share of income going to workers and faster growth at the top end of the income distribution. What are the potential effects of globalization and the adoption of new technologies on the employer-employee relationship? Should we expect continued reduction in the share of income going to workers and increased income inequality?

Moderator: **Craig Riddell**, Vancouver School of Economics, University of British Columbia

Panelists: **Richard B. Freeman**, Herbert Ascherman Chair in Economics, Harvard University and Research Associate, National Bureau of Economic Research

Stefano Scarpetta, Director, Employment, Labour and Social Affairs, OECD

Mike Veall, Professor, Department of Economics, McMaster University

11:45 – 12:30 p.m.

Lunch

12:30 – 1:00 p.m.

The Challenge of Job Quality

Speaker: **Arne Kalleberg**, Kenan Distinguished Professor of Sociology, University of North Carolina at Chapel Hill and Editor, *Social Forces*

1:00 – 2:15 p.m.

Skills, Training, and Preparing the Youth for the World of Work

Canada has a vibrant and well-educated workforce yet struggles to resolve the skills mismatch. In order to create a globally competitive workforce, Canada requires a long run program to bring together the skills of the labour supply and labour demand. What do we know about Canada's post-secondary education (PSE) system including universities, colleges, and apprenticeship programs? Do we need even *more* PSE, or *different* PSE? What about Canada's system of labour market training: Are we doing too little or largely wasting the resources on poor rate of return programs? How does our education and training system address the enormous technological change that has occurred? What is the impact on job markets – do we need more of the same or is it time for something completely different?

Moderator: **Eugene Beaulieu**, Program Director, International Economics, The School of Public Policy, University of Calgary

Panelists: **Ana Ferrer**, Chair of Graduate Studies, Department of Economics, University of Waterloo

David Green, Vancouver School of Economics, University of British Columbia

Sébastien LaRochelle-Côté, Editor-in-chief, *Insights on Canadian Society*, Statistics Canada

2:15 – 2:30 p.m.

Break

2:30 – 3:30 p.m.

Supporting Labour Market Participation of All Canadians

Demographic changes in Canada are creating new labour market challenges and opportunities. Canada is composed of a mosaic of cultures, nationalities, ages, skills and abilities. At a time where demographic changes call for better utilization of labour to sustain economic growth, there is a wealth of untapped ability and talent in the current labour market environment, in particular among underrepresented groups – indigenous people, persons with disabilities and recent immigrants. Moreover, Canada is made up of populations that come from diverse portions of the globe. Immigration policies aim at resolving short, medium, and long-term labour market issues through various programs. What are common and specific barriers to labour market participation for these underrepresented groups? What can be done to include more underrepresented Canadians in the workforce? What programs are working and should the PSE and training systems be changed to improve success of these groups in the labour market? Are there policy responses that could benefit all groups?

Moderator: **Herb Emery**, Research Director, The School of Public Policy, University of Calgary

Panelists: **Arthur Sweetman**, Professor, Department of Economics and Ontario Research Chair in Health Human Resources, McMaster University

Casey Warman, Associate Professor, Department of Economics, Dalhousie University

3:30 – 4:15 p.m.

Labour Markets and Policy: Where Do We Go From Here?

This session will draw from the day's discussion to summarize and synthesize the key features of the labour market now and looking forward 20 years. It will remark on the policy directions that may best manage the key challenges facing Canada's labour markets.

Moderator: **Eugene Beaulieu**, Program Director, International Economics, The School of Public Policy, University of Calgary

Panelists: **Herb Emery**, Research Director, The School of Public Policy, University of Calgary

Craig Riddell, Vancouver School of Economics, University of British Columbia

Frances Woolley, Professor of Economics, Carleton University

4:15 – 4:30 p.m.

Closing Remarks

Speaker: **Eugene Beaulieu**, Program Director, International Economics, The School of Public Policy, University of Calgary