

**Remarks for Linda Franklin
Joint College Academic Upgrading, Job Connect
Apprenticeship Training Event
Durham College
June 6, 2007**

Good morning,

I'm delighted to have this opportunity to speak to you this morning on behalf of Colleges Ontario. I understand that this is the first gathering of its kind with all of you together, and given the current training and labour market realities, I think the timing for this is perfect.

I appreciate having this opportunity this morning to share with you a little bit about what our association – Colleges Ontario - has been doing to advance the college system and college issues in recent months, and what we see as the major challenges and opportunities in the labour market that will affect us all in the years ahead.

Colleges Ontario continues to pursue a core set of priorities in support of the system:

- First and foremost, we're taking steps to promote the value and importance of college education in Ontario today.

- This is an important challenge, because, although it is more important than ever that we have a highly skilled and well-educated workforce, the demographics are not working in our favour. High school enrolment is dropping as the echo boom moves out, and those who graduate from high school, about half do not go on to postsecondary education. That's not new but it's not good enough to meet the skill demands of the labour market or provide a promising future for our youth.
- Of those students who do not go on to postsecondary education, many are choosing university, even though they might be better served in the colleges. One of our challenges is to make sure young people are aware of all their options to the value of each. (Ian example)
- It is time to assert the value and necessity of Ontario's 24 colleges. If
- Ontario is to remain competitive and strong, then we must attract more students to colleges, and our province needs to produce greater numbers of college graduates, with the right skills for the workplace of today & tomorrow.
- Working with the colleges, Colleges Ontario is seeking to address this.

- To begin with, we have been conducting research into the perceptions that high school students have about colleges, and how those perceptions may be changed. While great strides have been made, the data shows that many high school students—and their parents—are still unaware of the value of a college education.
- Our next step will be to start proactively working to promote the true value of college education and training.
- Based on the research, we will move forward this fall with a system and make the public more aware of the excellent career opportunities available to college graduates. We've secured \$1 million from the province for this marketing initiative and are working with a team of college marketing directors to plan and develop the strategy.
- Our goal is to convince the province and our stakeholders that we need a sustained, year-after-year campaign to attract greater numbers of students to the colleges
- Meanwhile, we're also working to stand out against other sectors—especially health care and infrastructure—to secure our fair share of provincial and federal investments into colleges education and training.

- New monies contained in the recent Ontario and federal budgets point to some success in this regard, but clearly more needs to be done on the funding side. The fact remains that Ontario ranks tenth of ten provinces on per student funding for college.

Recently, we have been working to persuade the political parties to make college education a key platform plank in this fall's coming election. We developed a series of proposals and ideas, including setting specific targets for things such as:

- Postsecondary participation rates:
- Adult literacy increases:
- New apprentices, with more businesses participating: and
- Increases in internationally-trained skilled workers.

We have urged the parties to commit to:

- Making Ontario a leader in the delivery of adult education;
- Increasing public awareness of and support for skills training;
- Leading all other provinces in transferability of credits among post secondary institutions; and

- Increase per student funding for colleges to at least the national average.

We're hopeful that you'll see some of these ideas reflected in the platforms that will start rolling out shortly, starting with the Conservative this weekend.

Whether the political leaders wish to hear it or not, education and training must become an essential part of Ontario's plan for the future.

When we look at many of the factors in place today, we are confronted with some serious warning signs:

- Youth unemployment is higher in Ontario than in any other province outside of the Maritimes.
- Wages and participation rates of unskilled workers continue to fall due to globalization and technological change.
- Almost half of unemployed Ontarians have literacy scores below the level needed to cope with current skill demands for the economy.
- In just five years' time, the demographic will have shifted so that fewer young people are entering the workforce than the number

entering today. This means there will be a greater demand on people already in the workforce to have skills and knowledge that are current and effective.

- In today's economy, 70 per cent of all new jobs in Canada require some postsecondary education. Today, less than half of Canadians have postsecondary qualifications.

Clearly there is work to do. We have a serious problem with skills mismatches in Ontario and the time for complacency is over. The public and politicians are concerned, but are not fully engaged in the issue. And that IS our collective challenge: moving from talk to action.

We need to work together with business and industry to persuade the public and governments that we have to act now – we can't wait until we have been eclipsed by faster-moving competitors in the world economy.

Every successful employer that you know and that I know recognizes that people are his or her most valued resource.

It's not rocket science: managers are looking for employees with the right education, skills, and attitudes, and they will continue to train them for maximum performance.

It means higher productivity, better customer service, workplace innovations, and most important, higher profits.

And they also know that if they become complacent about employee skills, it is only a matter of time before their competitors put them out of business.

It's not a big leap to conclude that Ontario – and Canada – can be prosperous only if we are world leaders in labour market policies and programs.

Employers also know that the bar is quickly rising: technological change and globalization have increased their requirements for skilled workers. Canadian employers have almost four million more employees with postsecondary credentials than they had 15 years ago. But they have three-quarters of a million **FEWER** employees without postsecondary credentials.

Even with this huge shift in hiring, many sectors face skill shortages – manufacturing, mining, construction, small business, financial services, transportation services, to name a few. Yesterday's Globe - tourism sector.

Investment in computers, communications equipment and software has grown an astounding 1500 per cent in Ontario in two decades, and there's no doubt technology has transformed the large majority of jobs during those two decades. It's also led to an increase in skill requirements rather than a decrease.

Another fact to ponder:

- Half the jobs in the next 15 years will require the ability to use technology that has not yet been invented.

Despite serious funding challenges, the colleges, have responded to the demand of the labour market, and have introduced more than 200 new or substantially revised programs in the past three years. And more will be needed. Experts predict that there will be more advancement in technology in the next four to five decades than in the past 450 years.

Let's talk about labour shortages. Within five years, the number of young adults joining Ontario's workforce will be flat-lined.

Small and medium-sized businesses will feel the pinch first because they hire most of the young workers. And industries with a lot of young workers, like accommodation and food services, retail, information, culture, tourism and recreation could be scrambling.

Our skills mismatch is affecting our economic growth and prosperity.

Canada's productivity is growing much slower than U.S. productivity, and Ontario is 9th in Canada.

And we are slipping on quality of life indicators as well: Canada, once first on the UN's Human Development Index, has slipped to 6th place in 2006.

Not surprisingly, in a knowledge-based economy, low education is a major cause of poverty. According to the World Economic Forum, our scores on education and training are falling. On workplace learning, Canada is falling behind US.

Ontarians without a high school education are much less likely to have a job as those who have completed a diploma, apprenticeship or other credential. In fact, even when they are working, they are often in poverty.

And of course, skills mismatches contribute to poverty: in the last five years, the average earning for employees in Ontario, adjusted for inflation, fell 2.5% - that's ninth place ranking among provinces.

The fact is: too many people don't have the right skills for the jobs that are available. The public is only starting to get the message. We have a lot of work to do if the public is to see this as the most critical issue for governments to respond to, and unless they do the government will be unlikely to act.

I think the next step needs to be to form a broad-based coalition of organizations to address Canada's skill mismatch, not hard to find – lots are talking about it. It would have two clear tasks:

- To raise the profile of the impact that skills mismatches are having on the economy and on poverty: and
- To press governments to implement effective strategies to ensure that our future labour force has the skills we need to compete in a tough world economy.

One of those strategies must surely be to bolster investment in colleges, giving them the resources to respond effectively to the ever-changing needs of the workplace. We cannot be truly effective leaders without:

- a) adequate resources to provide the best education and training programs possible, and
- b) a seat at the table when governments are making policy decisions that affect the role and the future of education and training in this province.

I hope that you – the deliverers of the programs and services that are preparing people for the world of work – will help me take this message forward. We need Ontario's leader to deliver meaningful reforms, so that colleges can deliver the skilled workforce that is essential to our future.

It is time to move from talk to action.

Thank you for Listening. Enjoy the rest of your conference.