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## **SPEECH FROM THE THRONE**

MOTION FOR ADDRESS IN REPLY—DEBATE CONTINUED

Speech by:

The Honourable Diane Bellemare

Wednesday, February 19, 2020

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[Translation]

### SPEECH FROM THE THRONE

MOTION FOR ADDRESS IN REPLY—  
DEBATE CONTINUED

**Hon. Diane Bellemare:** Honourable senators, given that the last throne speech emphasized the government's commitment to strengthen the middle class, I will take this opportunity to speak to you about a subject that is key to attaining this objective. You will have guessed that I am referring to skills development.

I first want to point out that strengthening the middle class is a concern not just for the Government of Canada, but also for many countries and international organizations, and rightly so. A recent McKinsey report entitled *The Social Contract in the 21st Century* informed us that, since the turn of the century, and I quote:

[English]

Polarization toward high- and low-skill employment has eroded seven million middle-skill and middle-wage jobs in 16 European countries and the United States, despite the strong job growth overall. . . .

Even though the authors of the study caution that this trend has been slowing down, particularly in the United States, the future of the labour market is not necessarily bright.

[Translation]

Stefano Scarpetta, the OECD's director of employment, labour and social affairs, made the following statement:

A better world of work is not guaranteed — much will depend on having the right policies and institutions in place.

Going forward, Canada's economic health, the development of its middle class and the inclusion of vulnerable groups absolutely depend on strategic groups and governments working together to develop a shared vision and a skills development strategy.

Skills are the new currency on the labour market. I didn't invent the expression although I often use the comparison. We're seeing it more and more around the world. To strengthen the middle class and support vulnerable groups, we need to ensure that every individual has the necessary skills, the 21st-century currency, to succeed in the labour market.

Later, I'll explain why and how prosperity, skills development and social dialogue are tightly interwoven.

Let's take a quick look at what the future holds. Experts tell us that technological change, including the rise of artificial intelligence, will have a much more significant disruptive effect on the labour market than in the past. New technology is emerging, population ages, climate changes and the rapid pace of these changes demand continuous skills upgrading.

In its 2019 employment report, the OECD estimates that in the next 15 to 20 years 14% of existing jobs in member countries could disappear as a result of automation, and another 32% are likely to change radically. The impact will differ from one country to another, but it is sure to be significant.

The OECD predicts that over 40% of jobs in Canada will be automated or transformed. Canadians need to be ready to face that reality. Again, this is about preserving the middle class, the principle of equal opportunity and shared prosperity.

As in the past, technological change will create good jobs and eliminate many routine jobs, including those held by the lowest-skilled workers. The OECD believes that many of these changes will have a bigger impact on groups that are already vulnerable. Accordingly, unless collective action is taken to help people adapt and take advantage of these changes, income inequality could grow worse.

We need to act now. International organizations like the OECD, the International Labour Organization and the World Economic Forum are urging all countries to take action. Many countries have already done so by adopting bold skills training strategies.

Unfortunately, in Canada, despite some good initiatives in this area, we are facing a collective action problem. We are sorely lacking a shared vision that would make it possible to secure new investments, to develop a common language to meet training needs and to promote the implementation of a lifelong learning culture.

[English]

In Canada, collective action is difficult to materialize because it is difficult to achieve consensus on many issues. Besides jurisdictional questions, electoral strategies between governments of different allegiances often impede decisions and actions on a wide basis. But there is a way out.

[Translation]

Social dialogue can help build consensus and promote collective action. Social dialogue can help adopt strategies to increase Canadians' participation in lifelong skills development.

More specifically, social dialogue can help produce more complete information on the challenges, needs, costs and benefits. That is particularly important for the challenges associated with the workforce and the labour market. Despite all the respect I have for public servants, since I was one myself in another life, it is clear that governments and public servants do not have all the information they need to create truly effective programs. They are making decisions based on statistics that represent only part of the reality or on consultations that often only show only one side of the issue.

Together, the associations that represent workers and businesses can provide a more complete picture of labour and skills development needs. Social dialogue also helps identify mutually beneficial areas of consensus that may not come to light via

consultations alone. That is huge. Finally, social dialogue makes it easier to implement programs and measures that will have lasting and desired impacts.

[English]

Social and economic groups such as labour and business associations may lead the way for some common goals to be pursued in skills development issues as others in relation to a healthy labour market. Labour and business have many common interests. They may differ at times, but they can often be partners and develop win-win strategies.

[Translation]

Social dialogue between labour and business is not as common throughout the rest of Canada as it is in my province, Quebec, for example. However, social dialogue, however informal, can be very useful in promoting collective action that is both inclusive and effective.

To this end, I have been working for several months, for almost over a year now, on creating a place for dialogue between employer and labour associations as well as training institutions in order to support life-long skills development.

An initial round table was held on January 31 in the Senate chamber. This meeting was possible thanks to the cooperation of the Canadian Chamber of Commerce, the Canadian Labour Congress and Colleges and Institutes Canada.

[English]

I want to thank more specifically Perrin Beatty and Leah Nord of the Canadian Chamber of Commerce, Hassan Yussuff and Chris Roberts of the Canadian Labour Congress and Denise Amyot and Anna Toneguzzo from Colleges and Institutes Canada for their support in the organization of this event.

[Translation]

Over 40 people representing employer associations, unions and the education and training community met for an entire day to discuss and agree on ways of dealing with the skills shortage and addressing workforce training challenges. Everyone agreed to follow the Chatham House rule, which provides that everyone can use the information received as long as they do not attribute it to specific individuals.

The first meeting was a success, since all participants expressed a desire to meet again. The participants were pleased to learn that the Senate of Canada could play a role in developing dialogue around skills.

On January 31, we began the day by presenting the results of a survey that I conducted to find out Canadians' views on the effects of the upcoming changes and their training needs.

My office paid for this hybrid survey of a random sample of 1,010 Canadians 18 and over. It was conducted by Nanos between November 29 and December 2, 2019. I want to take this opportunity to give a heartfelt thanks to Michel Cournoyer, the editor of the *Job Market Monitor*, for his meticulous work in developing the survey and analyzing the data. This survey, just like the January 31 activities, could not have happened without him.

Let me share some of the highlights of the survey. You can consult my website for more details.

[English]

The first result is that Canadians' perceptions of the impact of technological change on their jobs are realistic compared to expert forecasts but slightly more pessimistic than OECD forecasts.

Indeed, roughly 18% of employed respondents, or approximately 3.4 million employed Canadians, believe that technological changes threaten their jobs, and another 35% of employed respondents think that these changes will affect their work tasks and will require training. This represents an estimate of 6.6 million employed people. In total, an estimate of 10 million Canadians think that their job will be affected.

The second result is that more than half of Canadians express an interest in training. However, 40% of those who express an interest say that they do not have the means or the time to do it. More specifically, it is estimated that 11.4 million active Canadians wish to take training. Among those, 4.6 million working Canadians cannot afford nor have the time to take training.

Now, more on the skills needed. The third result is that nearly half of respondents think they should undergo training to improve their professional skills or their computer skills. Also, 1 out of 10 active Canadians, or 2.1 million Canadians, believe they need to improve certain essential skills such as their reading skills, and 5.4 million want to improve their math skills.

We also polled Canadians on the usefulness of a personal training account to increase training. More than half of the respondents think that a personal training account, like the Registered Education Savings Plan in which the government and/or the employer would contribute, would be useful for increasing training, and 4 out of 10 of the respondents are ready to contribute to it.

This last result complements the results of a survey that I conducted with CROP in 2014 to the effect that a vast majority of Canadians, indeed 8 out of 10, would be interested in taking training to develop their skills if the latter was funded by Employment Insurance.

[Translation]

These results clearly show that a vast majority of Canadians are aware of the challenges they must face. Most of them want to develop their skills and would welcome a public strategy to that effect. The more detailed results also indicate a need to adopt targeted measures for the more vulnerable groups, who are less prepared to take training.

Let's come back to January 31, 2020. As I was saying, the day was a success. The participants agreed on basic principles that could arrange and coordinate the multiple initiatives already being undertaken into a coherent and comprehensive skills development strategy. These principles include universality, equal opportunity and inclusivity, constitutionality, accessibility and simplicity, effectiveness and relevance, to name a few.

The discussions were respectful of the participants' points of view and everyone expressed a desire to participate in future exchanges. While the first meeting focused more on the current situation, the implications and financial challenges, the next meeting should primarily deal with a shared interpretation of needs.

It was clearly established that the considerations of this round table should be aligned with, but not limited to, ongoing government initiatives. It was also pointed out that a round table cannot exist indefinitely in an informal manner and in parallel with government action. However, even if future collaboration with government representatives seems desirable, this does not necessarily require that they participate in the informal round table. There are avenues of communication with the Minister of Middle Class Prosperity, the Honourable Mona Fortier, who came to greet participants at lunch, and also with the Minister of Employment, Workforce Development and Disability Inclusion,

the Honourable Carla Qualtrough, who was represented at lunch by her parliamentary secretary, Irek Kusmierczyk.

Clearly, by its very nature and the fact that its members are appointed for a period longer than an electoral term, the Senate is in a position to contribute to the development of social dialogue in Canada.

In closing, I wish to thank all those who participated in the day, and also the translators, Senate staff, the Office of the Black Rod, my advisor, Julie Labelle-Morissette, and also Éline Hu and Amélie Crosson, who worked on this project and, finally, Benoît Hubert, from PGF, for his consulting services.

Dear colleagues, thank you for listening to me. It will be a great pleasure to provide you more information about the results of this day. Thank you.

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