

The Issue

Getting Albertans back to work and making life better for Albertans remain two great challenges for our province. Unfortunately, for many Albertans good jobs remain out of reach. More can be done to ensure *all* Albertans—including low-skilled individuals, women, immigrants, Indigenous persons, young men, and the long-term unemployed—can access the training opportunities they need to acquire in-demand skills, secure stable employment, and contribute to our province’s economic prosperity. Civil society organizations have a key role to play in supporting vulnerable Albertans to get good jobs.

Key Opportunities

Create a new workforce development strategy

Alberta’s workforce development system has strong foundations but is lacking vision and coordination. The province’s approach is divided among four ministries with distinct mandates, and then further fragmented across various programs and initiatives. Without a strategy and system for measuring outcomes, the auditor general has warned that, “long-term results will succumb to short-term needs and not support the needs of vulnerable Albertans.”

Alberta’s last workforce development strategy expired in 2016. In developing and implementing a new Alberta-made strategy, we ask that the government work closely with civil society and include the perspectives of employers, training providers, post-secondary institutions, and unemployed Albertans. There are numerous potential cost savings and red tape reduction opportunities resulting from a strengthened workforce development vision and clearer strategic direction.

Workforce development includes skills and employment training; job search assistance and placement services; economic development programs and labour market partnerships; support for foreign qualification recognition; labour market information and forecasting; among other policies.

Create a made-in-Alberta approach for federal funding allocations

Each year, Alberta receives funding (\$500 million over two years) from the federal government to provide skills training programs, including work Integrated Training (see back). Recent updates to the Labour Market Transfer Agreements (LMTAs) give Alberta more autonomy and flexibility in how it uses this money. Yet, Alberta is not fully exercising this autonomy. An Alberta-made strategy can enable the creation of more training opportunities for those who are unemployed, those with low skills, those with and weak labour market attachment, including immigrants. A new workforce development strategy can support the **Alberta Advantage Immigrant Strategy** and the **Skills for Jobs Task Force**. Increased opportunities for Albertans with low skills and weaker labour market attachment must be a central component of a new workforce development strategy.

The Economic Argument for Investments in Work Integrated Training

Investing in workforce development is sound economic policy, particularly when it increases opportunities for individuals with employment barriers. On the one hand, the limited labour force participation and unequal access to jobs for people with barriers to employment can hinder economic growth; on the other, both productivity and GDP rise as a result of investments in training for the least educated members of the workforce. In fact, analyses show that raising literacy and numeracy for people at the bottom of the skills distribution is more important to economic growth than producing more highly skilled graduates.

As an example, the province’s financial contribution to Momentum’s Trades Training program for immigrants and Indigenous persons is **returned to the treasury in just three years** due to graduates wage increases—and paying higher taxes as a result.

The Work Integrated Skills Training Gap

Integrated Training works well to connect people with barriers to employment to the labour market. This is due to the combination of foundation and technical skills training; job-specific skills training; and experiential learning with employers.

Integrated Training is funded by the Ministries of Labour & Immigration (contract) and Advanced Education (tuition) and delivered by community-based and private training providers.

An emerging programming gap is limiting access for those who benefit most from this training. There are currently fewer training spots than there are eligible applicants, due to high demand but limited funding.

Momentum recently had over 600 qualified applicants for fewer than 100 available training spots.

Increased investments in work Integrated Training programs can be achieved through strategic allocation decisions and program redesign for greater effectiveness and efficiency.

Policy Priorities for a new Workforce Development Strategy

1. Identify labour market inclusion for those with barriers to employment as a priority
2. Strategically allocate federal LMFTA workforce development funding:
 - Prioritize allocation in work Integrated Training, a proven pathway to good jobs for people with barriers to employment, such as immigrants, Indigenous people and longer-term unemployed
 - Redesign the Canada Alberta Job Grant since the program funding currently benefits Albertans that are already employed.
3. Maintain provincial investments in apprenticeship and work integrated training
4. Support employers to train and hire the unemployed and lower-skilled workers
5. Leverage social procurement approaches to build a skilled and inclusive workforce
6. Proactively address emerging economic and social trends, like automation and demographic shifts

Contact our Public Policy team at publicpolicy@momentum.org or 403 204 6184. For more detailed analysis, visit https://momentum.org/wp-content/uploads/2019/06/Labour-Market-Policy-Report-2_Final.pdf