

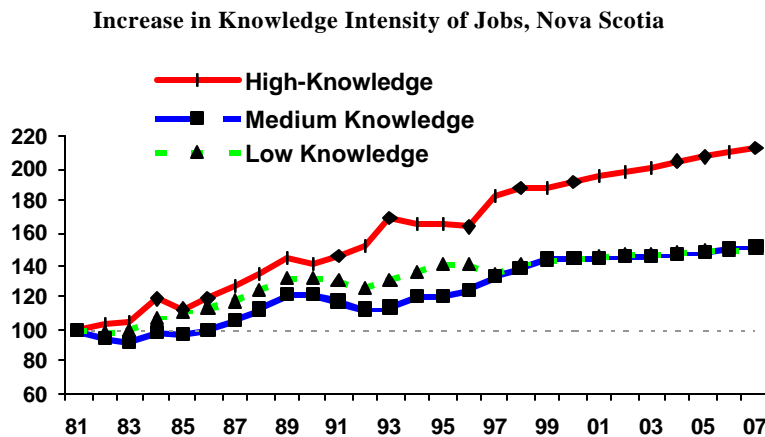
## Nova Scotia Economic Growth Strategy – Working group Discussion paper on Labour Market Development, Sept. 19, 2000

A highly skilled and qualified work force is a key component of an effective economic growth strategy. Ensuring that Nova Scotians can develop the right skills and qualifications to participate in the labour market requires a full understanding of what skills business and industry need, now and in the future; what institutions and programs are available to best serve those needs; and how skills oriented training should be configured to maximize the benefits to individuals and their potential employers.

### **Context: Nova Scotia Labour Market Trends**

There are a number of significant demographic factors and trends which should be considered in planning a strategy for the development of Nova Scotia's labour force. These include:

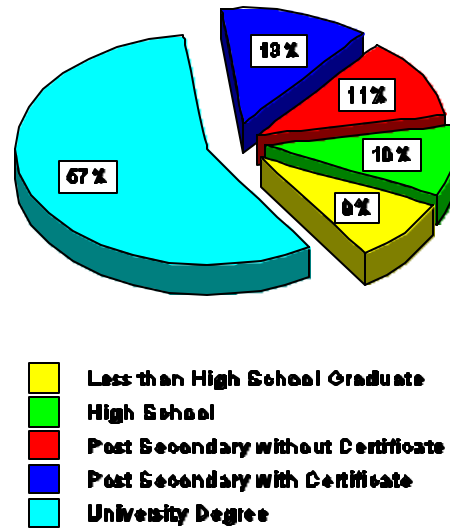
- C Generally, the Nova Scotia population is getting older – fewer youth and more older workers - in some cases such as aboriginal communities, the reverse is true.
- C The economy has shifted from largely industrial to primarily service based – new developments in oil and gas will mean a continued mix of need for training in many sectors and for a wide variety of skills
- C Most county populations are declining while a few are increasing – continuing urbanization of the population presents economic development challenges for rural communities



Source: APEC/Infometrica

- C There continues to be net out-migration from Nova Scotia – need to continue analyzing whether youth and well educated are those leaving
- C Immigration is down about 50% since 1997 – increased immigration of skilled workers is one possible strategy for filling skills gaps

Net Outmigration to the rest of Canada by level of educational attainment 01-0



- C Labour Force participation varies – lower participation in rural communities and Cape Breton due to local economies
- C Unemployment rates have been declining since 1997 – confidence about the local economy may help stem out-migration trends
- C Workers with less education are being displaced from the labour force as most new job creation requires high levels of skill and education

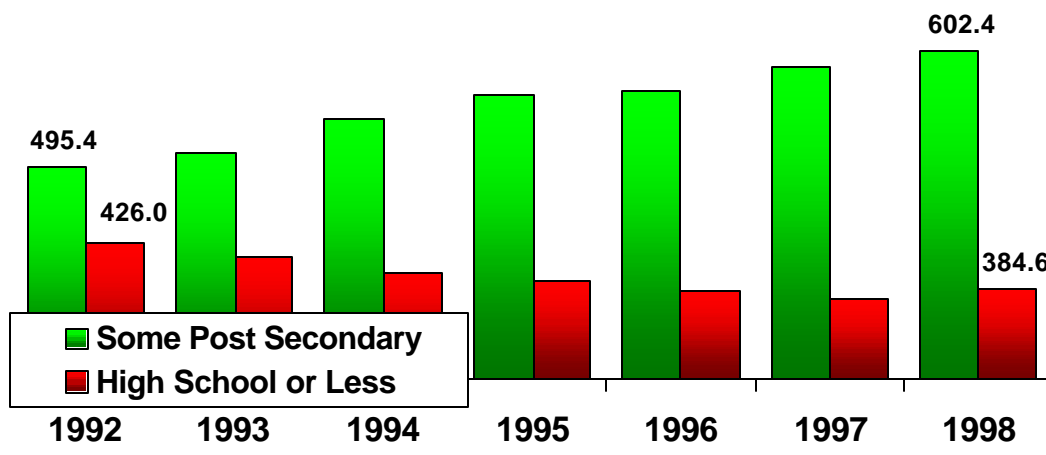
***Changes in total employment and educational level required***

(Source: APEC/Statistics Canada)

- C There are growing skill shortages in many occupations and industries. These skills include high demand for High-Tech /Highly skilled entrepreneurially minded individuals, and a growing number of technical, vocational and technological occupations.

**Context: Supply and Demand in the Nova Scotia Labour Market**

The notion of supply in the labour market can be seen as the collective supply of people’s skills and knowledge which they contribute to the economy by participating in the labour force and by making contributions of their time and talent to voluntary and community activities. In addition, the pool of knowledge and skills should generate a critical mass of support for new and expanding entrepreneurial activity. By enhancing traditional knowledge with an appropriate mix of new skills, supply is well matched with the needs of new and existing businesses and communities are

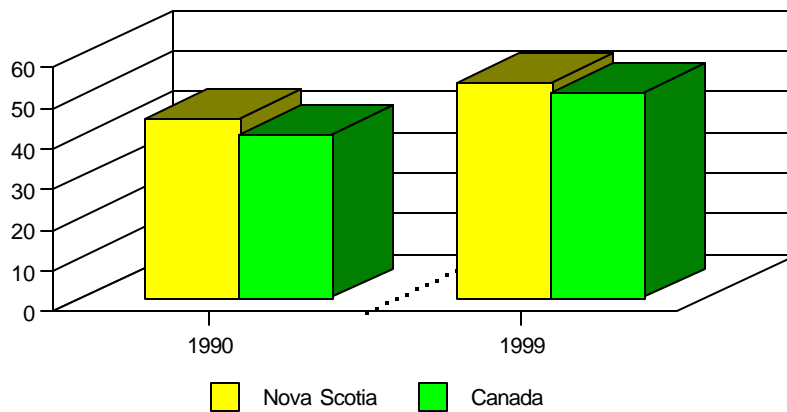


sustained.

A robust economic strategy seeks to correctly match the pool of skills and knowledge to the

current and future needs of the labour market. The primary vehicle for ensuring that this happens in any economy is the education and training system, whether comprised of public or private sector

Percent of Labour Force with Post Secondary Degree, Diploma or Certificate



institutions or a combination of the two.

A growing proportion of the labour force in Nova Scotia have completed a post secondary degree,

diploma or certificate and Nova Scotia is further is slightly ahead of the Canadian average.

There is a province wide network of universities, community colleges and private trades institutions with a capacity to admit approximately 15,000 new students each year. Nova Scotia's system of post secondary education is built on a strong foundation based on the traditions of university education and a newly evolving modern approach to post secondary education in its community colleges.

The historical development of the post secondary system in Nova Scotia resulted in an abundance of universities, and late development of a community college system, leaving an imbalance in the system. (University enrollment is about 80% of the total enrollment in public institutions, while in the rest of Canada there is more balance, with university enrollment comprising about 55 % of the seats available)

Criticisms of the post secondary system which were heard in these and other consultations focused primarily on the disconnect between the needs of individuals to receive training in specific skills and the unresponsiveness of post secondary institutions to this need.

The system has also been criticized for its unresponsiveness to changing industry and employer needs. In the absence of enough college seats where education and training are more closely aligned to labour market and industry needs, students and employers hold higher expectations of the universities to deliver these requirements.

The public and private institutions making up the post secondary system function largely as a free-market pool of autonomous suppliers, each responding to specific needs for education and training as they see them. Therein lies a key challenge in developing a labour market strategy for

*Nova Scotia – defining provincial goals for human capital capacity building that are responsive to the economy’s (industry and employers’) needs and that make the best possible use of educational resources.*

But Nova Scotia also faces an educational paradox that threatens the ability of many people here to stay in the labour force. While Nova Scotia has among the highest attainment of college and university credentials in the world, it also has higher numbers of people with significant deficits in basic literacy. Many of the comments in the consultations spoke of needs related to providing educational opportunities to these people, throughout their adult lives.

Development of the labour force in Nova Scotia will be a critical enabler of a successful economic development strategy. Many of the comments in the consultations spoke of the importance of people, suggesting that any economic development model should place the development of human capital at its core. Nova Scotia is well positioned with respect to its human capital producing infrastructure – high level of educational attainment and a well developed post secondary education and training system – but there are still some significant challenges which compromise many individuals’ access to quality jobs.

- C Have/have not paradox – high levels of university and college attainment but also high levels of adults with inadequate literacy skills and/or outdated job specific skills
- C Despite abundance of post secondary graduates – some mismatch to the specific needs of employers, particularly in IT sector. There are also some shortages of people with specific skills in other sectors, including a growing need for technicians and technologists across several sectors, and in growing industries in Biotechnology and cultural industries.
- C Wholesale displacement of communities (and their people) as some industries and sectors wane while others are burgeoning
- C New entrants to the labour force are having difficulty breaking the no experience – no job – no experience cycle

## **STRATEGIES FOR LABOUR MARKET DEVELOPMENT**

### *ONE: TARGETED PATHWAYS SUPPORT LIFELONG LEARNING*

Pathways:

- C are well mapped helping new entrants to the labour force navigate school to work transitions
- C are designed and attuned to specific local/sectoral needs, current and future
- C exist for current labour force participants to complete high school, upgrade skills, improve literacy
- C exist for current labour force participants to make transitions without displacement as nature

of jobs change

- C are flexible enough that life long learning is achievable

Activities addressing lifelong learning:

- C Partnerships with secondary schools to deliver technical courses preparing students for a smoother transition into college programs (Tech-Prep)
- C Co-op, apprenticeship and other earn-and-learn programs
- C Expand literacy and upgrading programming – facilitate workplace access
- C Provide incentives for industries in transition to retrain, upgrade skills of employees, particularly in transition times
- C Ensure adults access to programs where they can complete high school or its equivalent
- C Seek the advice of employers and industry in the evolution of program content to continue to ensure the relevance of programs available to learners.

### ***TWO: EDUCATION PROVIDERS ARE PARTNERS IN COMMUNITY/SECTORAL DEVELOPMENT***

Labour Market needs are carefully identified and serviced within each sectoral/community strategy – the existing strengths of every sector/community are leveraged by economic development partnerships that include a labour market strategy.

Educational and community infrastructure is used to build and resource incubation centres for applied research, technology transfer and targeted training in entrepreneurship, information technology, business development and support.

Activities to address community /sectoral development:

- C Use Nova Scotia educational infrastructure to build and resource incubation centres for applied research, technology transfer and targeted training in entrepreneurship, information technology, business development and support.
- C Include community educational partners in CED/RDA or sectoral planning
- C Understand and target the right training mix for local/sectoral needs
  - C Educational institutions actively participate in sectoral/community development initiatives
  - C Educational Institutions provide leadership in terms of trend analysis – built in responsiveness to program development cycle

### ***THREE: INCREASE QUANTITY AND ACCESS TO TECHNOLOGICAL EDUCATION & SKILLS DEVELOPMENT***

Skill shortages are emerging and growing, primarily in areas of technological education and training. Government's roles include addressing shortages and mismatches between training opportunities; and ensuring that all Nova Scotians have equal access to quality jobs. Equality of

access to quality jobs is primarily delivered when individuals can access the specific education or training they need in the best location and time at a reasonable cost

Activities to address growth

- C build college infrastructure – more college seats are needed
- C design college program structures/locations to facilitate entry in smaller communities
- C government – commitment to access through training support, funding

### **STRATEGIES LINKED TO OTHER ENABLERS**

Labour market and labour force cannot be developed in a vacuum – explicit linkages (partnerships) with a private sector and sectoral/community development nexus are critical success factors for the global plan and should be integrated with labour market development. Such linkages will also help ensure that there is strategic alignment of labour market strategies with other aspects of this plan, notably in the areas of infrastructure, innovation and improvement of business climate.

### **INFRASTRUCTURE: BUILD INFRASTRUCTURE TO DEVELOP PEOPLE**

- C Develop partnerships and linkages with others to enhance educational, technology and telecommunications infrastructure

### **INNOVATION: EDUCATIONAL INSTITUTIONS ARE A WELLSPRING OF INNOVATION**

- C develop of applied research capabilities colleges and universities
- C develop capacity of education system, public and third sectors to lead in innovation in human resource development

### **INCENTIVES: MATCHED TO SPECIFIC NEEDS**

- C individual incentives to access training specific to a local or industry need
- C incentives to educational institutions to partner with private sector to commercialize new technology or innovation

### **BUSINESS CLIMATE: ENABLE NEW BUSINESS CAPACITY**

- C Build capacity to deliver industry or business specific “customized training”
- C Design educational programs to enhance fit with employer needs
- C Provide value added services to employers: e.g. smart workforce centre, workplace literacy and skills time-outs
- C Expert consulting resources of colleges and universities accessible to SME’s