

Intelligence MEMOS



From: Rosalie Wyonch
To: Concerned Canadians
Date: March 23, 2017
Re: CANADA'S INVESTMENT IN A NOT SO INNOVATIVE SKILLS INNOVATION ORGANIZATION

Yesterday's "skills and innovation" [federal budget](#) (p. 57) creates a new organization that will work with provincial governments, educational institutions, and the private sector to explore new approaches to skills development. The details are scarce but this organization will be tasked to identify skills sought by employers, and share information to inform future investment in skills programs. The creation of such an organization – a "FutureSkills Lab" – was recommended by the [Advisory Council on Economic Growth](#). Indeed, Canada faces many challenges related to skills development, education and innovation and encouraging collaboration is a step in the right direction. Unfortunately, the Lab's effectiveness may be compromised at the outset because the government did not follow its own Council's advice.

When the Council recommended the creation of the organization it also warned that it would have limited impact if not accompanied by strengthened data collection. "[First and foremost, Statistics Canada should be given increased funding](#)" (p. 17) to expand its labour market surveying capacity, coverage, and analysis. The Budget did not contain any such strengthening of Statistics Canada for the purposes of labour market information.

The proposed Lab will not be the only organization tasked with identifying gaps in the measurement, collection and analysis of skills data. A new [Labour Market Information \(LMI\) Council](#) will make recommendations on strategic initiatives to improve labour market information, and identify future trends and opportunities to improve knowledge sharing. The LMI Council will also act as an advisory to the Forum for Labour Market Ministers. Further, [the Council of Ministers of Education Canada](#) assesses the skills and competencies of Canadian students, develops and reports on education indicators, and sponsors research in education-related statistics. Therefore, there will be considerable overlap with other organizations. As such, the new Lab would primarily serve an advisory role. Advice will not be very helpful, however, if Statistics Canada has no capacity to expand its surveys.

Another role for the proposed FutureSkills Lab is to solicit proposals for and fund 30 to 90 percent of new training programs. The Lab would offer advice on implementation and require that participating organizations have metrics to measure the success of outcomes. While this sounds great, [existing training programs](#) are already either funded or subsidized by the government and in some cases, fully funded by private enterprise and corporate sponsorship. Which forces the question: will this incremental funding result in additional programs or less private investment in existing training programs?

In almost every instance the proposed Lab overlaps with existing government entities. This leads one to wonder what the lab will actually do other than issue cheques for pilot programs. The FutureSkills Lab, it turns out, may not turn out to be innovative after all, and instead may simply add another layer of bureaucracy to existing programs. What is gained by creating a new advisory structure to advise existing advisory councils? Not much, unless it results in net new investment and is supplied with more fulsome information by Statistics Canada.

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