# BC FEDERATION OF LABOUR RECOMMENDATIONS REGARDING YOUTH EMPLOYMENT

Submitted to the Government of Canada's Expert Panel on Youth Employment

January 2017



## Authority

This document is respectfully submitted on behalf of the Executive Officers of the BC Federation of Labour and represents the view of more than 500,000 affiliated members across the province of British Columbia.

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## BC Federation of Labour recommendations regarding youth employment

## Introduction

The BC Federation of Labour (BCFED, Federation) appreciates the opportunity to provide our submission with respect to the Government of Canada's Expert Panel on Youth Employment.

The Federation represents more than 500,000 members of our affiliated unions, from more than 1,100 locals, working in every aspect of the BC economy. The BCFED is recognized by the provincial and federal governments as a major stakeholder in advocating for employment rights and the labour standards affecting workers in BC.

The BCFED's recommendations were prepared in consultation with its Young Workers' Standing Committee.

## Make education a priority

#### Recommendation #1

Make post-secondary education more affordable and reduce student debt by offering student grants instead of loans, replacing education tax credits with student grants, and increasing funding for post-secondary institutions with the specific goal of reducing tuition fees.

#### Background

Today's young workers are facing record levels of student debt. The Canadian University Survey Consortium reported that the average student debt in Canada exceeds \$25,000. Last spring, the Okanagan College Faculty Association (FPSE Local 9) sponsored an OpentheDoors campaign event on student debt offering \$1,000 grants to students with high levels of debt. The first place winner had amassed \$89,000 in debt over eight years to attain a diploma and a degree. The 30<sup>th</sup> place recipient owed \$42,000. Such massive debt is a crippling burden for those entering the job market.

Low and middle income students are not sufficiently benefiting from student loan programs. According to the Parliamentary Budget Officer's report on Federal Spending on Post-Secondary Education, "roughly 60% of post-secondary students belonged to higher-income families (that is, the two highest after-tax or disposable income quintiles)." <sup>1</sup>The report also notes that, "nonrefundable tax credits such as the tuition tax credit, as well as RESP savings grants, disproportionately benefited wealthier and higher income families."

Though the government announced that those with Canada Student Loans will not be required to pay them back until they are earning \$25,000 per year, the program only defers repayment, it does not eliminate the amount owed.

If we want to ensure that post-secondary education is accessible to all Canadians, we must reduce tuition fees and replace the current student loan program.

#### Recommendation #2

Work with the Indigenous community and provide sufficient funding and support to address the elementary, secondary, and post-secondary educational needs of Indigenous people and to improve Indigenous graduation rates and university completion.

#### Background

In too many cases, Canada's education system is not meeting the needs of Indigenous students. The federal government must work with Indigenous communities and provide the necessary funding and supports to address the challenges facing Indigenous youth in the education

<sup>&</sup>lt;sup>1</sup> Federal Spending on Postsecondary Education, Office of the Parliamentary Budget Officer, 5 May 2016 www.pbodpb.gc.ca

system including systemic barriers such as discrimination, poverty, and the ongoing need for action on reconciliation.

These measures are necessary because there continues to be an unacceptable gap between the educational achievement rates of Indigenous and non-Indigenous students. In 2011, Aboriginal graduation rates were 62% whereas non-Aboriginal graduation rates were 80.6%. Additionally, a disproportionate number of Indigenous students have been streamed into non-graduation Evergreen Certificates instead of Dogwood Graduation Diplomas.

Only 48% of the Aboriginal population has some form of post-secondary qualification as compared to 65% of the non-Aboriginal population, a 17-point gap.<sup>2</sup> Many Indigenous students find that they lack the required prerequisites for post-secondary programs and that once they enter a post-secondary institution, there is a lack of support to navigate the system resulting in low completion rates.

Yet, in order to be equipped to enter the job market, most Indigenous Canadians will require post-secondary qualifications. According to the BC 2022 Labour Market Outlook, within the next decade it is projected that one million new jobs will be available in BC and that 78% of these new jobs will require some form of post-secondary education (43% will require a trades or technical training, and 34% will require a university degree).<sup>3</sup> Improving Indigenous education rates are therefore critical to improving youth employment rates.

#### Recommendation #3

Invest in and support apprenticeship and training programs by:

B.C.'s Skills for Jobs Blueprint: Re-Engineering Education and Training, 2014:

https://www.workbc.ca/WorkBC/media/WorkBC/Documents/Docs/Booklet BCsBlueprint web 140428.pdf.

<sup>&</sup>lt;sup>2</sup> https://www.aadnc-aandc.gc.ca/eng/1376329205785/1376329233875

<sup>&</sup>lt;sup>3</sup> British Columbia 2022 Labour Market Outlook, WorkBC:

https://www.workbc.ca/WorkBC/media/WorkBC/Documents/Docs/BC-LM-Outlook-2012-2022.pdf

- setting mandatory apprentice targets for all public-sector infrastructure projects and public-sector employers to ensure apprentice placements for youth;
- regulating safety-sensitive, skilled trades and occupations to ensure that employers are using apprentices and certified trades, opening up more opportunities for youth apprenticeship placements;
- engaging employers and workers to work with government to design and evaluate a national strategy for the development of apprenticeship opportunities for young workers through bodies like the Canadian Apprenticeship Forum; and
- increasing the profile of apprenticeship as a significant and viable post-secondary option for all young people, including underrepresented groups.

#### Background

Apprenticeship programs lead to good, family-supporting jobs and strengthen Canada's middle class. They provide career paths and job stability, especially for people from disadvantaged backgrounds. Apprenticeship programs benefit industry by providing a motivated and well-trained workforce, increasing competitive advantage, increasing public and workplace safety, and reducing turnover.

In most skills and trades' apprenticeships, 75% to 80% of training takes place on the job, and yet, finding the job placements for apprentices is the number one barrier to successful completion. The Canadian Apprenticeship Forum (CAF) reports that across Canada, rates of employer participation in apprenticeship programs remain at a shockingly low 19%.

This is difficult to understand when the advantages to employers taking on apprentices are numerous and well-documented. A 2009 study by CAF found that for every \$1 spent on apprenticeship training, an employer receives a benefit, on average, of \$1.47 or a net return of \$0.47.

The federal government can play a direct role in providing apprentices with jobs on publiclyfunded infrastructure projects, making apprenticeship quotas a mandatory condition of project tenders. As a responsible purchaser of building trade services, rather than the lowest-bid system, government should adopt value contracting as an efficient mechanism to obtain various policy objectives that will enhance economy, efficiency, workplace safety, public safety, competency, and quality in the construction industry.

#### Recommendation #4

Ensure that Adult Basic Education programs, providing high school equivalent literacy and numeracy courses, and Adult Special Education programs are available in all provinces and territories free of charge to those who have not completed a high school diploma or who need to upgrade high school courses to pursue further education.

Restore English as-a-Second Language funding to the public system of colleges and universities.

#### Background

Adult Basic Education, Adult Special Education programs, and ESL courses are critical stepping stones for those looking to enter the workforce or to secure a path to post-secondary education and better employment opportunities. Recently, the federal and provincial governments have put up obstacles that have made accessing these essential services more difficult.

On December 4, 2014, the BC provincial government announced a \$15.9 million cut to Adult Basic Education programming. They also removed a mandate that the courses be tuition-free. On May 1, 2015, the BC provincial government stopped funding upgrading courses for adults with a high school diploma. Previously, these courses had been offered free of tuition through various school board adult education programs and at twenty-five post-secondary institutions. These programs were recognized as an integral part of helping workers to upgrade their education so they could better participate in the economy. Institutions may now charge up to \$1,600 per term in tuition fees for full-time ABE courses. Government grants for low-income adults will not sufficiently make up the gap for many low-income British Columbians. Though Ottawa provides funding to each province for the provision of English as-a-Second Language (ESL) training for new Canadians, in 2013, the federal government, under Stephen Harper, cancelled the delivery agreement that saw this funding go to public institutions in provinces like BC. This change resulted in the implementation of fees for ESL courses at many provincial colleges and universities. As a result, many who require this training to enter the workforce have been unable to participate, programs have seen a decline in enrolment, and staffing has been cut. Others have been forced to pay a premium to acquire vital language skills through for-profit schools.

### Make work safer

#### **Recommendation #5**

Ensure adequate health and safety protections for young and new workers, and rigorous health and safety training before they start work.

#### Background

Young and new workers are at a greater risk of workplace injury. According to the Workers' Compensation Board of BC, young and new workers are at a higher risk of injury for the following reasons:

- inexperience;
- lack of training, orientation, and supervision;
- lack of understanding of their workplace;
- lack of preparation for the workplace; and
- exposure to more dangerous jobs.

Workplace injuries and fatalities are preventable. To ensure that young and new workers come home safely from their jobs, employers must provide rigorous safety training and orientation programs. They must also develop a workplace climate where raising health and safety concerns is valued rather than punished. There must also be stiff penalties for employers who shirk their responsibilities or employers who permit or encourage unsafe practices that result in injury or even death.

#### Recommendation #6

#### Implement education, for both employers and employees, on mental health in the workplace.

The Canadian Mental Health Association finds that 20% of Canadians will personally experience a mental illness in their lifetime. Suicide accounts for 24% of all deaths among those aged 15-24, making it one of the leading causes of death of young people.<sup>4</sup> Studies have also shown that 70% of mental health problems arise during childhood or adolescence making this a critical time for treatment and awareness.<sup>5</sup>

There is an economic cost to mental illness totaling an estimated \$51 billion per year in health care costs, lost productivity, and reductions in health-related quality of life. Mental illness can also result in higher instances of unemployment. <sup>6</sup>

Unfortunately, stigma and lack of understanding of mental illness continue to be prevalent, especially in the workplace. The Centre for Addiction and Mental Health found that two-thirds of Ontario workers would be concerned about how work would be affected if a colleague had a mental illness.

The federal government needs to support Canadians by ensuring that both employers and their employees receive education about mental illness, self-care strategies, and how to help themselves, a friend, or colleague who may be experiencing a mental illness.

<sup>&</sup>lt;sup>4</sup> Canadian Mental Health Association, http://www.cmha.ca/media/fast-facts-about-mental-illness/#.WIkuyPkrLRY <sup>5</sup> Centre for Addiction and Mental Health.

http://www.camh.ca/en/hospital/about\_camh/newsroom/for\_reporters/Pages/addictionmentalhealthstatistics.as px

<sup>&</sup>lt;sup>6</sup> Centre for Addiction and Mental Health.

http://www.camh.ca/en/hospital/about\_camh/newsroom/for\_reporters/Pages/addictionmentalhealthstatistics.as px

## Ensure that all jobs are good jobs

#### Recommendation #7

Make it easier for workers to join a union by:

- ratifying ILO Convention No. 98: Right to Organize & Collective Bargaining; and
- adding a provision to the *Canada Labour Code* to make it illegal to use replacement workers during a labour conflict.

#### Background

Over the past year, the majority of jobs created in Canada have been part-time.<sup>7</sup> Jobs growth has also shifted from goods-producing industries to the service sector. Whereas manufacturing jobs have traditionally had higher unionization rates at 24.4%, unionization in accommodation and food services have been significantly lower at 6.7%.<sup>8</sup>

In 2012 in Canada, only 14.8% of workers aged 17 to 24 were unionized.<sup>9</sup> This number has dropped from 26.4% in 1981. Though general unionization rates have declined, the rate for young workers aged 17-24 has seen a significantly greater decline.<sup>10</sup>

The *Canada Labour Code* and government policies set the stage for the ability of workers to form a union. And over the last several decades, due to increasing globalization, changes to labour laws, government interference in the bargaining process, and anti-union animus from employers, it has become more difficult for workers to form a union.

But union jobs are good jobs. There are direct and demonstrable benefits for workers who are members of a union. The Canadian Labour Congress finds on average union workers earn \$5.28 per hour more than non-union workers. Unionization helps to combat the pay gender gap as women are treated more equally in unionized workplaces and earn \$7.10 more per hour than

<sup>&</sup>lt;sup>7</sup> Statistics Canada, http://www.statcan.gc.ca/daily-quotidien/170106/dq170106a-eng.htm

<sup>&</sup>lt;sup>8</sup> Statistics Canada 2012, http://www.statcan.gc.ca/pub/75-006-x/2013001/article/11878-eng.htm#a6

<sup>&</sup>lt;sup>9</sup> Statistics Canada, http://www.statcan.gc.ca/pub/75-006-x/2013001/article/11878-eng.htm#a3

<sup>&</sup>lt;sup>10</sup> Statistics Canada, http://www.statcan.gc.ca/pub/75-006-x/2013001/article/11878-eng.htm#a6

those who are not in unions. The benefit also extends to young workers under the age of 25 who earned an additional \$3.74 more per hour, an increase of 27% when working in jobs covered by a collective agreement.<sup>11</sup>

The government should ratify ILO Convention 98 (Right to Organize and Collective Bargaining), which is one of the core conventions of the ILO Fundamental Principles and Rights at Work. No. 98 is the only core ILO convention that Canada hasn't adopted, and involves no cost.

The use of replacement workers unnecessarily prolongs labour disputes, makes it more difficult for workers to attain a first contract, and creates an unfair power imbalance in the workplace.

#### Recommendation #8

#### Strengthen employment standards laws by:

- implementing the recommendations of the 2006 Arthurs Commission examining reforms to Part III of the *Canada Labour Code*;
- significantly increasing enforcement in industries that use a high percentage of youth workers, such as food, hospitality, and retail sectors;
- limiting the definition of independent contractors to ensure that more workers are covered by the *Labour Code* and ensure that solo self-employed, freelance, and contract workers have access to better pay and benefits such as Employment Insurance, and protections;
- putting an end to unpaid internships outside of educational programs that require them (practicums). Include interns in educational programs in the employment protections of the *Canada Labour Code* and ensure that such programs primarily benefit the intern, not the employer, and are not used as a mechanism to replace paid work;
- requiring employers to post information in the workplace outlining the minimum standards in the *Canada Labour Code*; and

<sup>&</sup>lt;sup>11</sup> Canadian Labour Congress, http://canadianlabour.ca/why-unions

• providing employment rights courses to educate workers about their basic rights and responsibilities in the workplace.

#### Background

Current labour laws are insufficient to adequately protect workers from exploitation. Laws need to be rewritten to strike a more equitable balance between the rights of workers and their employers. Further, workers need to be educated about their rights and the federal government must do its part in enforcing its laws. As it stands, too many workers refrain from raising workplace issues for fear of reprisal from their employer. The Arthurs Commission provides a thorough examination of the Code and makes significant suggestions for its reform to better reflect today's workplaces.

The report acknowledges that current definitions of employees and independent contractors are insufficient. The report recommends defining a new category of worker, the autonomous worker, in order to extend coverage under Part III of the Code. This would greatly assist workers who are currently unfairly termed as independent contractors for the sole benefit of the employer.

A review of the Employment Insurance program is also necessary to ensure that more Canadians can contribute to and benefit from the program, specifically those who are solo selfemployed, freelance, and contract workers.

Further, all workers should be paid for the work they perform. Internships, disguised as resume building opportunities, are little more than exploited labour. These workers deserve not only fair pay, but also the protection of the *Labour Code*.

#### Recommendation #9

Establish a federal minimum wage of \$15 per hour and ensure that the wage remains above the poverty line.

#### Background

Young workers are overrepresented in low-wage jobs. In BC, 44% of low-wage workers earning \$15 per hour or less were 15-24 years old<sup>12</sup>. In cities like Vancouver and Toronto, current minimum wage rates equate to poverty wages, leaving even full-time workers thousands of dollars below the poverty line. Setting a \$15 per hour federal minimum wage could lift more than 100,000 workers out of poverty and set a precedent for provincial minimum wage rates.

Recent increases to the minimum wage in cities like Seattle have shown that there is a direct benefit to low-wage workers with little risk of job losses. Low-wage earners are also more likely to spend their earnings in their home community and provide needed economic stimulus. The up-side of such a lift clearly makes such a policy decision necessary.

#### Recommendation #10

Adopt the recommendations of the Canadian Coalition for the Rights of Children in the 2012 report *Right in principle, right in practice,* to ensure children are free from exploitation in the workplace. Their recommendations on youth employment are as follows:

- establish a consistent minimum age of 16 for employment (consistent with age 16 for compulsory education), while allowing for light employment between ages 13 and 16, with appropriate safeguards on hours and working conditions;
- develop national guidelines for the regulation of hours and conditions of work for young people that protect their health, safety, and educational participation;
- monitor and report annually on the situation of working children across the country as a form of public accountability for protection of the rights of children; and
- use federal/provincial labour agreements to support training for employers and young
  people on workplace safety and the rights of young workers, including enforcement of
  protective regulations, respect for rights, and access to appropriate mechanisms for
  young people to report and resolve complaints about violence, abuse, and exploitation
  in the workplace.

<sup>&</sup>lt;sup>12</sup> Statistics Canada, Labour Force Survey 2015.

#### Background

In June of 2016, an eleven-year-old boy was discovered working on a blueberry farm in Surrey. The story and subsequent tribunal decision once again raised questions about the lack of enforcement of child labour laws. The farm owner said he did not realize the child was working, nor did he know that he was required to have special authorization to have a child of that age work on the farm. This case demonstrates the clear need for more leadership from all levels of government on child labour standards, firmer laws, and better enforcement to protect children.

Child labour laws in Canada should be strengthened to meet UN standards. Currently, Canada is not in compliance with ILO standards around minimum age of employment, hours of work, and working conditions.<sup>13</sup> Children must be protected from workplace exploitation, injury, and the primary focus of their adolescence should be on their education and development. These protections keep our children safe and best set up our young people to be successful in their future working years.

#### Recommendation #11

Reinstate a fair wages policy for federal procurement. Re-establish wage floors on governmentprocured projects so that contractors meet or exceed the regional living wage.

Ensure that employers, hiring through the Canada Summer Jobs program, comply with these wage floors by requiring payment of the regional living wage and by funding employment at 50% of the regional living wage for students employed by small businesses and public sector employers, and 100% of the living wage for not-for-profit employers.

#### Background

Government is a role model for businesses in our country. Yet by using a bid model without wage protections for government-procurement projects, the Canadian government is sending

<sup>&</sup>lt;sup>13</sup> Canadian Coalition for the Rights of Children, http://www.cccabc.bc.ca/res/pubs/pdf/CCRC\_Report\_UN\_CRC.pdf

the wrong message. It is devaluing skilled labour, encouraging unsafe work practices, and potentially promoting the underground economy.

*The Fair Wages and Hours of Labour Act,* which was repealed by the Conservative government in 2012, applied to all construction, remodeling, repair, and demolition work paid for by federal funds. It established wage floors for 36 trades and occupations. Though the Act required revision, it provided significant guidance for employers and protection for workers that is now lacking.

Ensuring that workers on federal projects are paid a fair wage, or at least the regional living wage, will deliver several important benefits. According to the CCPA's 2014 report, *A Case for Stronger Fair Wage Policy in Ontario*,

Such a policy would promote positive competition based on raising the skills and productivity of the workforce rather than destructive competition based on reducing labour costs by cutting workers' pay. Fair wage policies improve workers' wages and benefits and are associated with improved apprenticeship outcomes and fewer injuries. Furthermore, if implemented correctly, fair wage policies can help tackle the underground economy.<sup>14</sup>

Further, the government should ensure that when young workers are employed through the Canada Summer Jobs program that students receive a minimum of the regional living wage to support their educational and living costs.

#### Recommendation #12

Only enter trade agreements that promote economic equality, encourage the creation of good jobs, support the interests of working people, and ensure ecological sustainability.

#### Background

<sup>14</sup> CCPA,

https://www.policyalternatives.ca/sites/default/files/uploads/publications/2014/05/Fair\_Wage\_FINAL.pdf

Trade agreements like CETA and TPP do not include sufficient protections for workers and will contribute to the growth of precarious and temporary work in Canada. Young workers will suffer because of lost opportunities.

For example, Chapter 12 of the TPP will permit corporations to bring their own workers to Canada without requiring fair compensation. The agreement will also permit the transfer of skilled trades and technical employees to Canada. However, there is no requirement to hire or train Canadians for these jobs. Sectors like the automotive industry and dairy farms will likely see job losses as production shifts to other countries.

## Eliminate barriers to employment

#### Recommendation #13

Champion strong laws and enforce them to protect workers against discrimination in the workplace.

Establish targeted programs to increase the employment rate of:

- Aboriginal youth;
- young workers with disabilities;
- young workers of immigrant backgrounds and from visible minorities; and
- young workers who identify as LGBTQ2S\*.

#### Background

Statistics Canada data shows that there is a significant gap in the unemployment rates of young workers from marginalized communities. Strong laws and enforcement are necessary to protect workers from discrimination at the time of hire and throughout their employment. Canadian workplaces must be welcoming of diversity and celebrate it as a strength of our communities. Both workers and employers must understand human rights law. The government must demonstrate significant leadership to overcome the systemic barriers that remain in place for too many Canadians.

 Table 3 – Youth Unemployment Rate, Canada, by Selected Demographic Group, 2011 or 2012 (%)<sup>15</sup>

Characteristic	15 to 19 Years – 2011	20 to 24 Years – 2011
Aboriginal identity	25.9	22.6
Non-Aboriginal identity	19.5	14.4
Immigrant	24.9	16.9
Non-immigrant	19.3	14.4
Visible minority	26.7	17.7
Not a visible minority	18.6	14.1
Characteristic	15 to 24 Years – 2012	
With a disability	25.9	
Without a disability	15.3	

2) Note: Data for "with a disability" or "without a disability" are not available by five-year age groups (15 to 19 years and 20 to 24 years).

3) Sources: Aboriginal identity and immigrant status: Statistics Canada, "2011 National Household Survey," Data Tables, Labour Force Status by <u>Aboriginal identity</u>, <u>immigrant status</u> and <u>visible minority</u> status; Presence of disability: Statistics Canada, "2012 Canadian Survey on Disability."

#### Recommendation #14

Eliminate the requirement to disclose a criminal conviction on all job application forms, and only conduct checks for jobs where there is a bona fide occupational requirement to do so.

#### Background

All Canadians deserve to have a chance to find employment without facing discrimination.

Canadians with past convictions are sometimes made to disclose their history on job application

forms. This practice presents a huge barrier for formerly-incarcerated people as it makes it very

<sup>&</sup>lt;sup>15</sup> Youth Employment in Canada: Challenges and Potential Solutions, Parliament of Canada, http://www.parl.gc.ca/HousePublications/Publication.aspx?DocId=6658485&Language=E&Mode=1&Parl=41&Ses= 2&File=225

difficult to attain employment. Without adequate housing and employment, it is challenging to return successfully to the community. The practice of requiring the disclosure of past convictions potentially adds another layer of discrimination against those who already face higher rates of incarceration due to systemic discrimination.

The *Canadian Human Rights Act* protects against discrimination for only a "conviction or an offence for which a pardon has been granted or in respect of which a record of suspension has been ordered." This means in the absence of a pardon or suspension, employers can discriminate. Provincial human rights laws differ. For example, in both Alberta and Saskatchewan, there is no human rights legislation protecting from discrimination on the basis of criminal convictions.

The federal government has the ability to set an example for the country.

## Protect the environment and create jobs

#### Recommendation #15

Invest in the transition to a green economy through building retrofits, the development of clean energy sources, expanded transit, and sustainable forestry.

Convene a working group of union, employer, environmental organizations, community, and Indigenous representatives to design a just transition framework for inclusion into the National Climate Change Strategy. Ensure that plans include investment in retraining, income support programs for workers impacted by job change, and supports for communities moving to a low carbon economy.

Global climate change is a reality that will significantly impact young Canadians. Canada must lead on this issue and rapidly prepare to shift our economy.

Greening our workplaces and creating new low carbon jobs as we transition out of fossil-fueldependent jobs provides a massive economic opportunity, one that global leaders estimate to be around \$1 trillion dollars. This means that the transition to a low carbon economy could provide an opportunity to address two of the most pressing issues of our time – climate change and inequality.

However, just transition has had a very negative connotation for working people and their communities and for very good reason. All too often workers are the last to learn what is happening to their industry, that their industry is shutting down, and they are going to be out of work. Often these jobs are good paying, family supporting, union jobs which have allowed workers and their families to root themselves in a community sometimes for generations. This is especially true in the resource sectors like fishing, forestry, mining or construction, and manufacturing.

In Canada's transition to a green economy we can and we must do better than that.

A transition cannot and should not happen without the input and ongoing participation of the labour movement, Indigenous organizations, environmental organizations, and communities. There are many examples of how we can move forward in developing a low carbon economy and not leave workers and their communities behind in the process.

For example, the Canadian Labour Congress and the David Suzuki Foundation are working together on the One Million Climate Jobs campaign. Canada can support the training of workers and invest in green energy projects such as renewable energy, transit, high-speed rail, building retrofits, and forestry. It can also ensure that government leads by example by building government facilities to high-energy efficiency standards.

We must address climate change and shift to a green economy and the federal government has a responsibility to ensure that workers and their families are not left behind in the process of transition.

## Address affordability

#### Recommendation #16

Work with provincial governments and make significant investments in affordable housing through a National Housing Strategy so that young workers and their families have an opportunity to live where they work.

Act to fix the on-reserve housing crisis.

#### Background

More and more young Canadians are being pushed out of communities. Housing prices and rents are rising at a much greater rate than salaries. In 2016 in Metro Vancouver, average rent increased by 6.4% from the previous year to \$1,223 with extremely low vacancy rates.<sup>16</sup> In Toronto, average rent was \$1,233.<sup>17</sup> These numbers reflect the average cost of what people are currently paying, not the average of what is being offered on the market. Finding the right type of unit for a young family is an even greater challenge. There is an acute shortage of three-bedroom units, leading some to describe them as "unicorns."

In November of 2016, the Canada Mortgage and Housing Corporation released a report on its consultations with Canadians on a National Housing Strategy. Consistent with that report, the federal government must take action to address the housing needs of low-income and vulnerable Canadians. It must also ensure a robust social housing sector and act to limit the escalation of housing and rental prices in major cities.

The housing crisis for Indigenous Canadians living on reserves has been well-documented, yet action has been slow. Too many young Indigenous Canadians and their families have been abandoned by successive governments and have had to grow up in unacceptable conditions. An estimated 20,000 new homes are needed on reserves. So far, the government has only

<sup>&</sup>lt;sup>16</sup> Canadian Mortgage and Housing Corporation, https://www.cmhc-

schl.gc.ca/odpub/esub/64487/64487\_2016\_A01.pdf?fr=1485389248479

<sup>&</sup>lt;sup>17</sup> CMHC, https://www.cmhc-schl.gc.ca/odpub/esub/64507/64507\_2016\_A01.pdf?fr=1485389127422

committed to building 300. The federal government must work with Indigenous communities to provide sufficient funding and revise programs so that much-needed housing and infrastructure is built at the levels necessary to put an end to this crisis.

## Conclusion

The Federation appreciates the opportunity to provide these recommendations regarding youth employment. There is a significant leadership role that government can play to improve the employment rates of young people and ensure that they are best equipped for success in our future economy. We are confident that the Government of Canada's Expert Panel on Youth Employment will seriously consider these recommendations in developing an action plan to support youth employment.