

# *Labour Market Information and Analysis: Their Contribution to Economic Prosperity*

## *Recent Examples and Future Paths for Québec*



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# Presentation Outline

- **Structure of Emploi-Québec**
- **Government Employment Plan**
- **Standard of living determinants**
- **Employment rates as levers**
- **Three concrete examples of LMI's contribution to increasing the employment rate**
- **Challenges**

# Structure of Emploi-Québec

- Government agency within the *Ministère de l'Emploi et de la Solidarité sociale*
- Important role of labour market partners: Commission des partenaires du marché du travail (CPMT), Regional boards (17), Sectorial committees (29)
- Decentralized management: 17 Regional offices and 154 local employment centres (CLE) and service points
- Close to 2 800 employees (90% serving the population directly)
- In 2004-2005:
  - A \$1-billion budget
  - Helped 260 000 persons
  - Helped 37 000 employers
  - 132 000 Quebecers obtained employment following Emploi-Québec intervention

# Government Employment Plan

- Adopted in January 2005, the Government Employment Plan results from joint efforts between government and partners.
- It seeks to attenuate the effects of population aging and its repercussions on the Québec economy.
- Plan guidelines were defined based on standard of living determinants.



## Currently, our demographic profile is our main advantage among standard of living determinants

Concept	Unité de mesure	Valeur au Québec (2002)*	Classement Québec vs OCDE (2002)**	Classement Québec vs G-7 (2002)***
NIVEAU DE VIE ▶	PIB par habitant	25 302 \$	11 / 21	4 / 9
= Profil démographique ▶	Population 15-64 ans / Population totale	= 69,5 %	1 / 21	1 / 9
X Taux d'emploi ▶	Nb. de travailleurs / Population 15-64 ans	X 69,4 %	14 / 21	6 / 9
X Durée du travail ▶	Heures travaillées / Nb. de travailleurs	X 1721,2	7 / 21	5 / 9
X Productivité du travail**** ▶	PIB / heure travaillée	X 30,50 \$	16 / 21	7 / 9

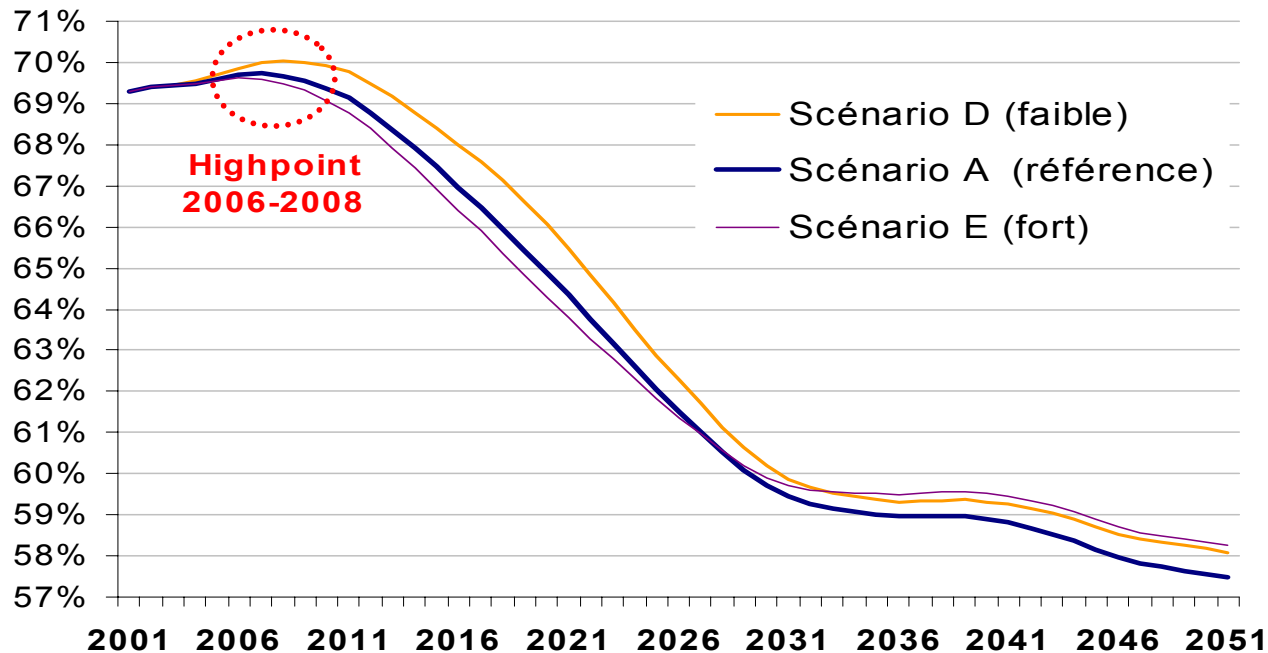
\*Sources: Ministère des Finances and University of Groningen – Compilation: Emploi-Québec

## There are only two ways (not exclusive) to prevent population aging from adversely affecting our standard of living:

1. Try to curb it: act on birthrate and immigration
2. Strengthen other standard of living determinants: employment rate, hours worked, productivity

## Curbing population aging: all scenarios point to rapid, significant reduction in the weight of the working-age population

**Projection of the population aged 15 to 64 as a proportion of total population (2001-2051): baseline scenario, reference scenario and ISQ high scenario**

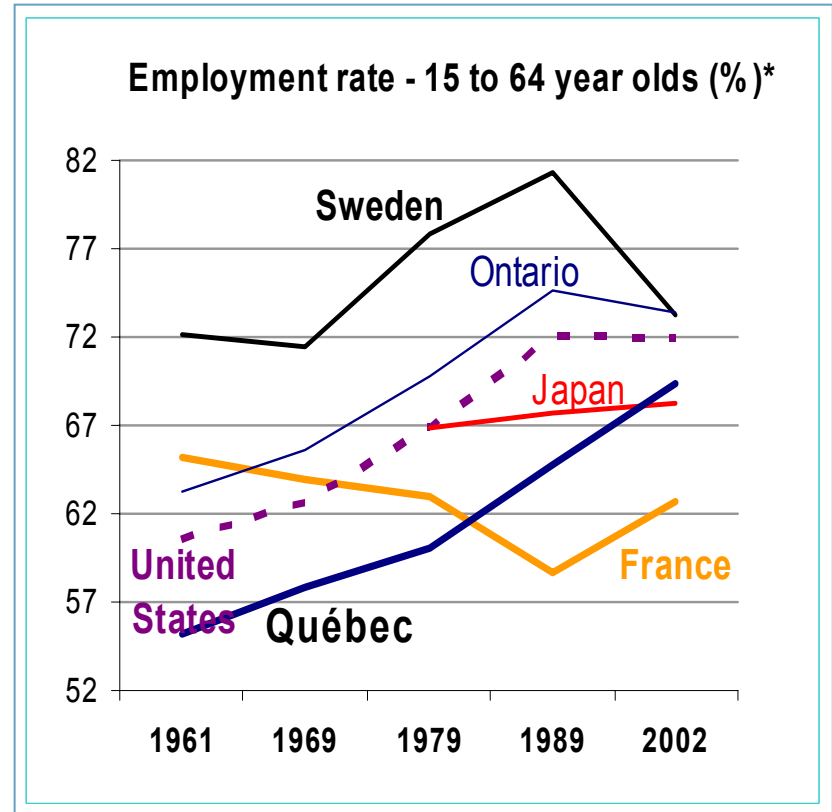
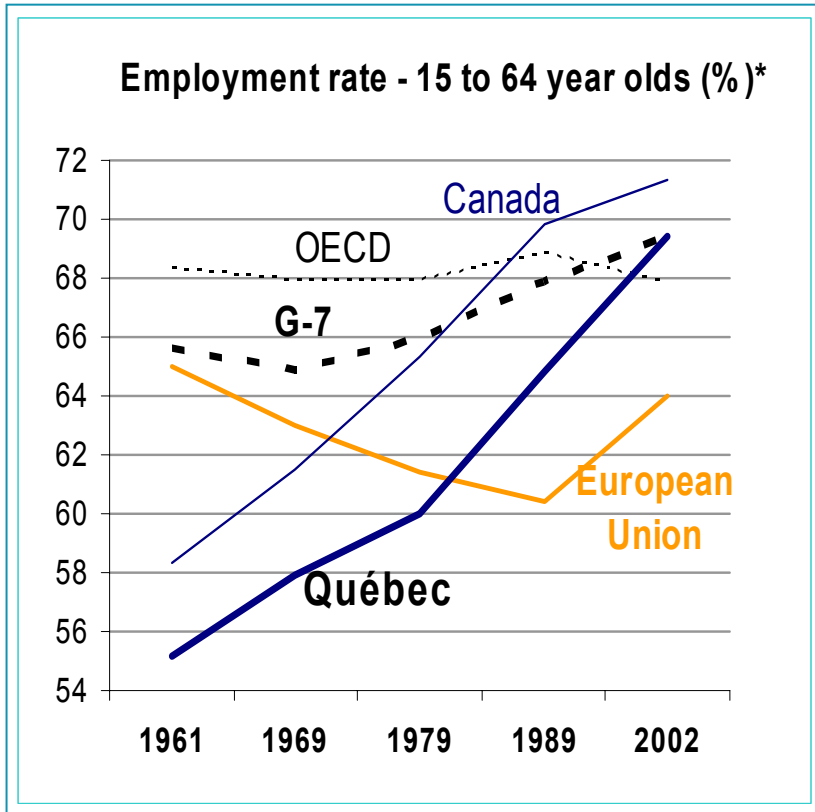


Source : Institut de la statistique du Québec – Compilation : Emploi-Québec.

# Strengthen other standard of living determinants:

1. Employment rate
2. Hours worked
3. Productivity

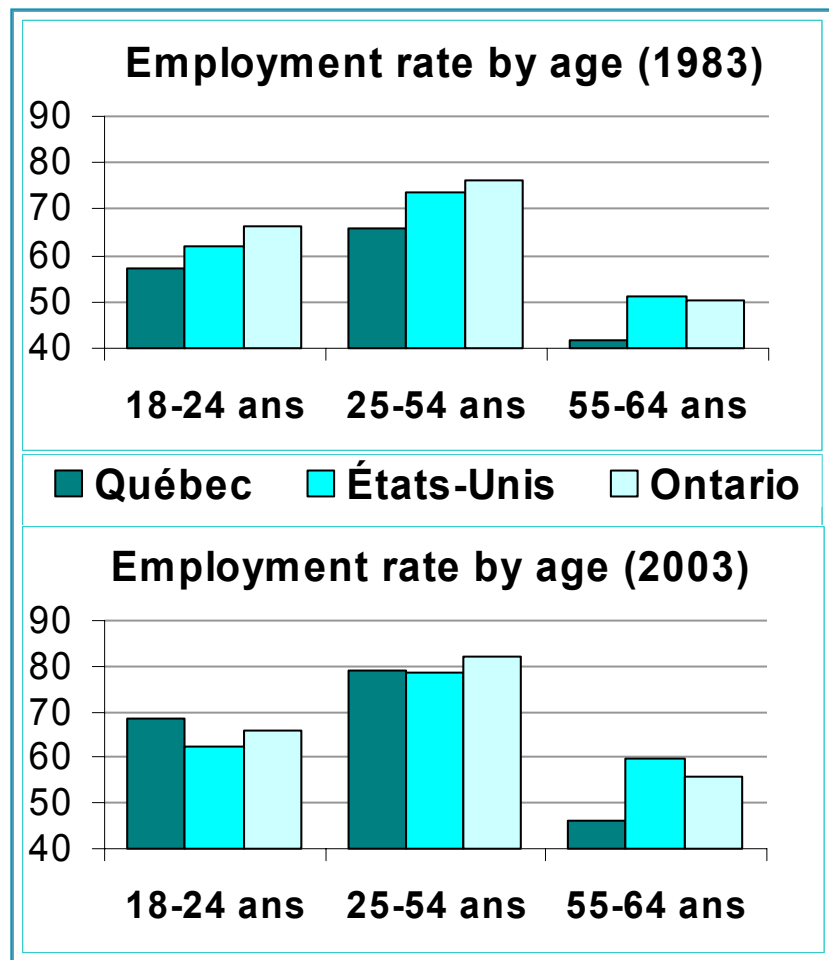
# Employment rate: Québec has now passed OECD and caught up with G-7



\*Ratio of employment of 15 to 64 year olds to population of 15 to 64 year olds (workers 65 and over are excluded).

Sources: Ministère des Finances and OECD – Compilation: Emploi-Québec

## The difference in the employment rate with our immediate neighbours is due almost exclusively to elderly workers

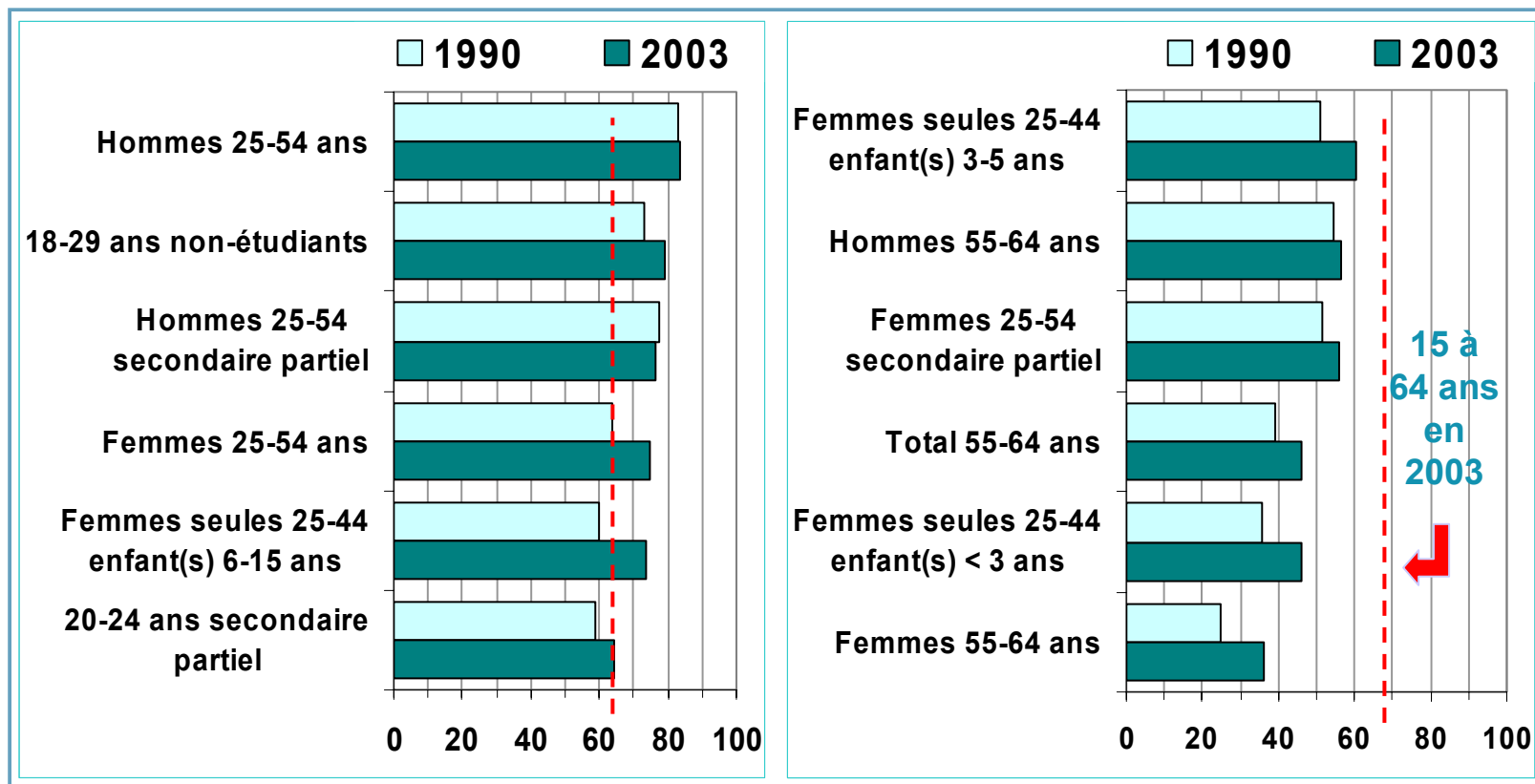


- The low employment rate among workers aged 55 to 64 is the main reason for the fact that we lag behind most other countries with higher employment rates (overall).
- Population aging will result in a significant drop in the demographic weight of the most active group in the work force (25 to 54) and a significant increase in the least active group (55 to 64).

Sources: Statistics Canada and U.S. Bureau of Labor Statistics  
Compilation: Emploi-Québec

# Québec would also benefit if other sociodemographic groups posted higher employment rates

Employment rates by sociodemographic characteristics in Québec

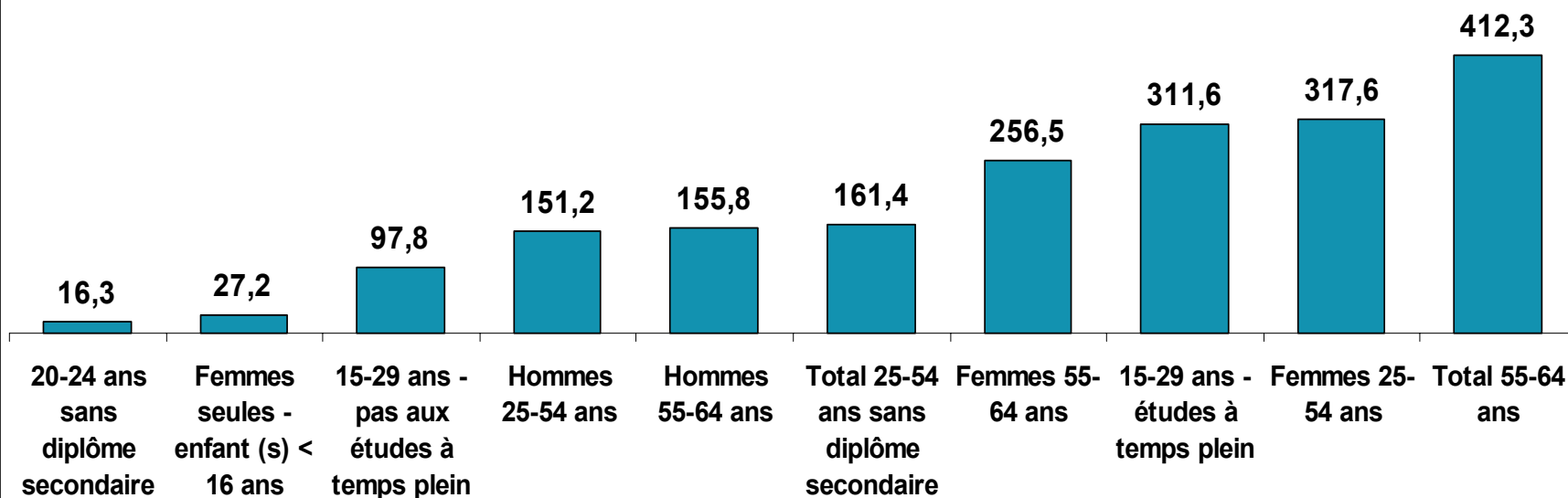


\*The status of other groups that are under-represented on the labour market (e.g. immigrants and persons with disabilities) is not shown here because data comparison is difficult. The status of immigrants will be discussed elsewhere in the presentation.

Source: Statistics Canada – Compilation: Emploi-Québec

# The highest inactivity rate is found among the most elderly persons

Population inactive selon certaines caractéristiques socio-démographiques au Québec (2003, en milliers)

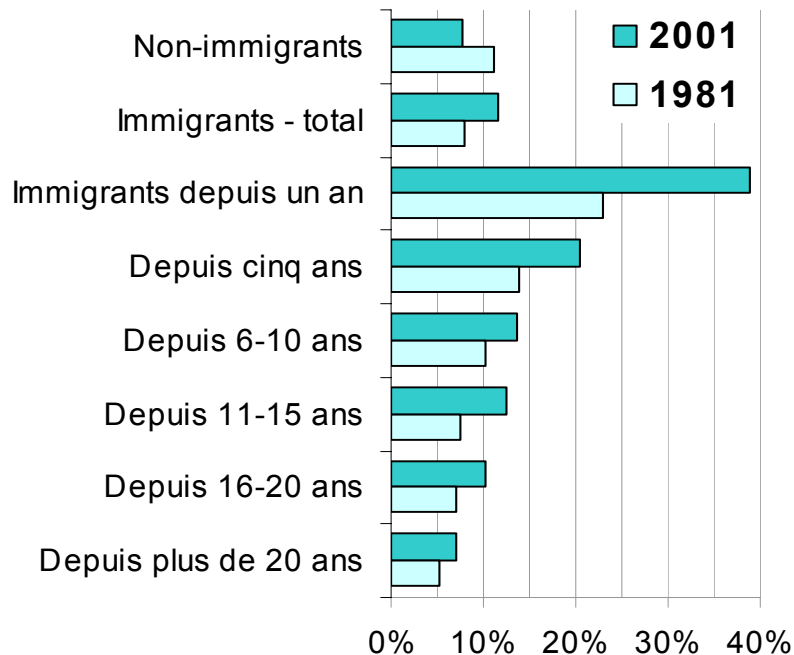


NOTE: Data on student status (young people aged 15 to 29) refers to the average of the eight school months.

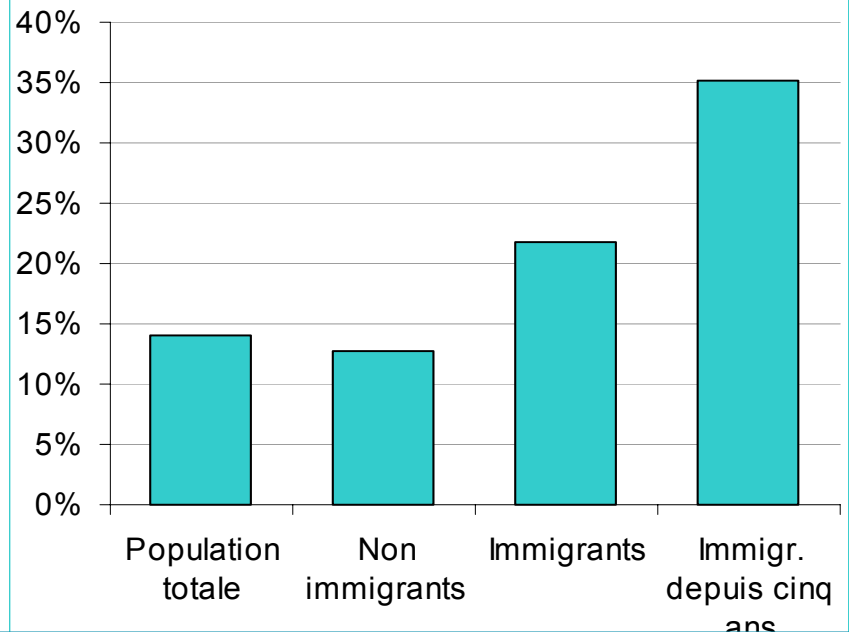
Source: Statistics Canada – Compilation: Emploi-Québec

# Our immigrant population is experiencing more difficulty than in the past obtaining jobs despite the fact that it is increasingly educated

**Employment rate by immigration status in Québec, 1981 and 2001**

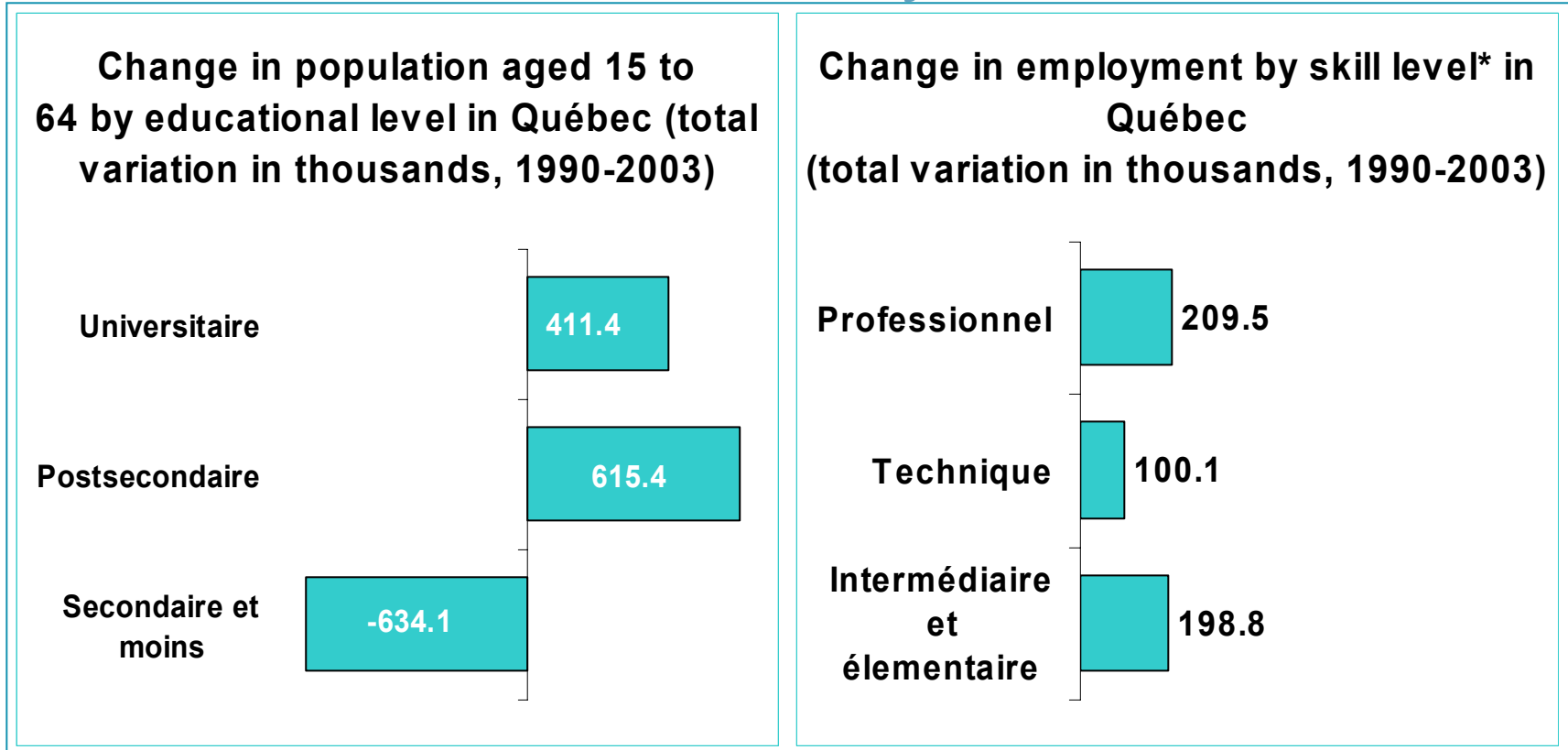


**% of university graduates by immigration status, Québec, 2001 (population aged 15 and over)**



Source : Statistique Canada, recensement 2001.

## We have developed our human capital significantly, but have not used it fully



\*Professional-level jobs generally require a university degree. Technical jobs generally require a post-secondary diploma (vocational or technical training according to Statistics Canada definition). Intermediate- or elementary-level jobs require completion of a general secondary course. Management jobs have been redistributed throughout the three levels according to whether they were held by persons with a university degree (professional level), post-secondary diploma (technical level) or without a post-secondary diploma (intermediate or elementary level).

Source: Statistics Canada – Compilation: Emploi-Québec

# Observations

- Work is the cornerstone of our standard of living.
- Work's contribution to our standard of living depends on both its quantity and quality.
- Population aging will curb the growth of our standard of living unless we strengthen the other determinants (employment rate, hours worked, productivity).
- Our employment rate must continue to grow, notably among certain groups that are generally absent from the labour market, especially among elderly persons.
- It appears possible, but more difficult (work-family balance, etc.), to increase the average number of hours worked.

# Ways of increasing the employment rate

1. Action strategy for elderly workers
2. Government immigration action plan
3. Training-job matching

# Emploi-Québec's Strategy for workers aged 45 and over

## OBJECTIVES

- Raise awareness of general population and labour market partners.
- Adapt human resource management planning.
- Adapt employment services and programs.
- Invest more in improving and acknowledging skills.

# Emploi-Québec's Strategy for workers aged 45 and over (2)

## LMI CONTRIBUTION

- Regional surveys of declining labour-force numbers;
- Publications on demographic change and work requiring highly qualified workers, a dynamic portrait of the labour market, etc.;
- Many seminars on the aging labour force delivered across Québec and in the various regions: Force Jeunesse, Provincial Federation of Chambers of commerce, etc.;
- Awareness activities for Emploi-Québec personnel;
- Training for business advisors (HR management planning).

# Government immigration action plan

- In recent years, immigration has helped expand Québec's work force.
- However, although the immigrant population is more educated, it posts a higher unemployment level than the population as a whole.
- Various measures have been or will be implemented to promote immigrants' labour market entry:
  - Make labour market information more available through the creation of a government employment portal;
  - Make further training available so that skilled immigrants can exercise a regulated occupation.

# Government immigration action plan (2)

- Agreement signed in 2004 between Emploi-Québec and the Ministère de l'Immigration et des Communautés culturelles (MICC):
  - Make MICC aware of occupations currently in demand and medium-term job prospects in order to enhance candidate selection abroad;
  - Promote use of LMI Online and Online Placement abroad.

# Adequate match between training and jobs

## OBJECTIVES

- Increase employment rate of future graduates;
- Reduce human resources imbalances;
- Optimize the impact of public investments in vocational and technical training.

# Adequate match between training and jobs (2)

## CHARACTERISTICS

- Lead by the *Ministère de l'Éducation, du Loisir et du Sport*;
- Ensures “correspondence” between two areas:
  - Occupations
  - Training programs;
- Establishes order of magnitude of number of persons to be trained to ensure sufficient human resources in Québec, based on needs estimated by Emploi-Québec.

# Challenges

- Increasing the employment rate and the number of hours worked will not suffice to maintain past rates of growth: we also need to increase our productivity, which is relatively low, more quickly than in the past.
- In a context in which the working-age population will decrease, it is imperative to fully use the potential we have acquired or developed (immigration, education, etc.).
- It is also imperative that we solve the structural problems that have long prevented our economy from operating at full capacity (unemployment, dependency, exodus of young people from resource regions, cities built up around a single industry, etc.).

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## Conclusion:

# How do labour market analysis and information contribute to economic prosperity?

- Labour market analysis helps define issues and develop strategies.
- Making LMI available to partners (government and others) promotes convergent actions.
- Universal access to LMI affects individual choices.

# Thank you for your attention.