



## CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS ALLIANCE CANADIENNE DES ASSOCIATIONS ÉTUDIANTES

### **Backgrounder: Continuing Support for Youth Employment Strategies**

With nearly 60% of students in Canada working an average of 18 hours per week while enrolled, working while studying has become the norm for Canadian students.<sup>1</sup> Unfortunately, student earnings have not kept pace with the ever-increasing price of pursuing a post-secondary degree.

For students working to fund their studies, employment prospects have actually continued to worsen. Unemployment rates since the last recession have yet to fully recover. In June 2014, the youth employment rate stood at nearly 14%, which is double that of the general population.<sup>2</sup> Most growth in student employment tends to be concentrated in lower paying service industry jobs. As a result, students are working many hours, but gaining little meaningful work experience in return.

The Canadian Alliance of Student Associations (CASA) has put forward a policy paper asking for continued support by the federal government for youth employment strategies. While considerable efforts have been made to tackle this issue over the past decade, there remains a number of unresolved problems in the area of employment and underemployment of youth in Canada.

CASA supports a post-secondary system that is accessible, affordable, innovative and of the highest quality.

### **Policy solutions to support youth employment among Canadian students**

CASA believes that it is essential for the government to invest in employment strategies for Canada's youth, affirm its commitment to investment in human capital, and secure the future of our country. While there has been considerable progress with regards to implementing youth employment strategies through investments and programs, there is room for improvement in terms of effective policy to make a true and sustainable impact for all youth in Canada.

1. Conducting a nationwide study on the issue of youth unemployment and underemployment
  - CASA advocate that the federal government undertake a comprehensive study on the issue of youth employment and unemployment, with special attention paid to the incidence of it, regional and provincial contexts, historical trends, and concrete solutions to the issue.
  - CASA recommends the federal government convene a provincial roundtable to discuss best practices on the issues of youth unemployment and underemployment.

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<sup>1</sup> Prairie Research Associates for Canadian University Survey Consortium, 2011.

<sup>2</sup> Labour Force Survey June 2014.

- *Commissioning a nationwide study will provide us with the information we need to build stronger employment policies, programs, and strategies.*
2. Addressing the issue of unpaid internships for Canada's youth through a national leadership
    - CASA advocate that the Senate put forward a comprehensive nation-wide study on this issue of unpaid internships.
    - CASA recommends the federal government convene a provincial roundtable to discuss best practices on the issues of unpaid internships, and encourage provincial cooperation on this issue.
    - *Legislation on what defines an intern, and whether or not they are legally required to receive pay, varies from province to province. Ensuring that all Canadians, regardless of the provincial residency, are protected from unfair internships exploitation is of the utmost importance, and the federal government must step up to provide leadership on this issue, and foster interprovincial cooperation.*
  3. Improving labour market data by tackling information-gathering problems
    - CASA advocate that the federal government review the way it collects labour market information and how it establishes high-demand fields, in an attempt to help youth make informed decisions as to the programs they will pursue in post-secondary education.
    - CASA recommends the federal government in consultations with provincial governments, experts, and other stakeholders, re-evaluate the way it collects national data on employment for youth.
    - CASA advocate the federal government implement the recommendations made by the Advisory Panel on Labour Market Information pertaining to data collection in their report "Working Together to Build a Better Labour Market Information System for Canada".
    - *The difficulty associated with tackling the problem of national underemployment lies in the fact that the data surrounding this issue is lacking, both in quantity and relevancy, due to the fact that a large portion of the available information is out of date.*
  4. Improving the income study exemption for students through a fair and impartial assessment
    - CASA advocate that the federal government increase the amount of employment income that students can earn before their financial assistance under the Canada Student Loan Program is reduced.
    - CASA recommends that the federal government create an exemption for summer student earnings in the needs assessment in the Canada Student Loan Program in the amount of \$4160.
    - CASA recommends that the cost of living while working be included in the loan assessment formula so that a more accurate picture of one's financial position is reflected when a loan is being awarded.
    - *Summer earnings are an important part of the financial mix that goes into funding ones post-secondary education. Unfortunately, the assessment fails to account for the costs*

*incurred during the work period to live, thus giving a false financial picture, causing students to receive a small amount that they need.*

Overall, the issue of youth employment requires greater clarity. Some organizations state that the issue is a skills gap, while some believe that the problem stems from having an older generation working longer. Others still maintain that employers are unable to find those with adequate soft skills. The issue requires immediate attention, but government action must be evidence-based, and address the issue concretely. Governments need to work together to more adequately understand the issue, initiate valuable youth employment programs, and implement strong public policy in this area.

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