

**CSLS Roundtable on Creating a More Efficient Labour Market in Canada
Feb. 26-27, 2001, Chateau Laurier, Ottawa, Ontario**

Participants' Discussion

Session 1 Improving the Effectiveness of Sector Councils

Moderator: Thank you very much Margaret. Now we're going to turn it over to general discussion. I might point out I guess with the aging population our eyesight is deteriorating and we might not be able to all read the signs of who you are. So I'd ask people to just identify themselves with their name before they begin. I think we've had a lot of food for thought in terms of the five presentations and so I'd like to get the discussion going. Any volunteers of persons that would like to go first. Yes, Jim?

Jim Lahey (Associate Deputy Minister, HRDC):

Well I just want to thank the initial speakers for their great presentations and for their remarkable adherence to your time limits. I've been interested in and a supporter of sector councils since I started as ADM Policy in the Department of Labour in 1990 and I was impressed with them then and continue to be impressed with them as remarkable institutions in that contrary to some of the theory of how business and labour can't get along or how companies are busy competing all the time, they have shown that it is possible to find common ground and to accomplish goals which, as Professor Charest said, address gaps that neither the market nor the governments seem to be able to address.

If I go to the comments that were made by both the speakers from CSTEAC and the speaker from the Alliance of Sector Councils, if I oversimplify, they seem to be saying we don't want to just be precarious institutions funded sort of under increasingly restrictive terms and conditions to pursue kind of broad public policy objectives, we want to be able to access significant funds that will allow us to do significant things to advance sort of skills and adaptation and so on in our sectors. And I - you didn't actually say it, but the implication could be that unless the government, the federal government or the provincial governments or both governments together find a way to make that possible, your continued existence may not be something that can be counted on and I'd be interested to know whether that in fact is your message.

Now but pushing it further, in my view we are sort of, as a country, we're sort of caught between two moderately stable worlds. The first one, which existed for a long time even though there was lots of rhetorical battles, was the federal government had the bulk of the money for sort of what we could loosely call training. And it could spend it in a variety of ways and one of the ways eventually was through sector councils. We're now sort of partly into another model where in effect the money available for training and adaptation is largely in the control of

the provinces even though significant amounts may come through the federal system.

Now this means that the federal government has found itself migrating as you've identified towards focussing on individuals, something that can be done through the tax system or the EI system or otherwise and not directly so to speak confronting the fact that most of the direct training tools are in the hands of the provinces. On the other hand, the provinces, with the exception of Quebec and perhaps one or two others, haven't generally bought into the sectoral approach partly because it's "national" so it doesn't sort of fit easily with the provincial sort of scale of operation, and secondly partly for ideological reasons in some provinces. So what we need to do, it seems to me, is move to another, perhaps more stable, arrangement whereby there's actually a common view of what is required to have a successful labour market in Canada and what roles the two orders of government can play in cooperation with business and labour. I don't think we're there yet and in fact some of my colleagues who are around the table from the FLMM will probably, privately at least, be willing to admit that we haven't made a lot of progress recently in getting there even between governments. We may need - maybe one of the contributions of sector councils, private sector, academics and others can make is to push all of us to build that more stable approach. Anyway I didn't respect your time limits, I apologize for that but I thought I'd offer that to the conversation.

Moderator: Would anyone like to add to those comments or develop them further? Yes, okay. Paul Swinwood?

Paul Swinwood (Exec. Dir., Software Human Resources Council):

For those people who don't know me, my name is Paul Swinwood. I'm President of the Software Human Resource Council and so have the other side of the picture. First of all I'd like to say to Professor Charest, thank you for the work you've done in the identification. Your points are accurate and certainly something that I live every day. In responding to Margaret on the six items that she is challenging the councils on, I think what the biggest challenge we've got of course is the survival of the councils and as private, not-for-profit organizations, we have to run a business, and as I keep joking with people, I have to run a private consulting company under Treasury Board guidelines. What I would really appreciate for the effectiveness of the council is first of all having the government partners, both at the federal and the provincial level, understanding what it is they want to accomplish. Sustainability of the council is something that I live every day and given the changes that swing from the training being devolved out to the provinces - we were put together with the concept that we could develop training and that would be the value to our sector. What's happened on that with the devolution, what's happened to that especially in my IT sector is there's now 4876 IT training companies in Canada averaging a half a million dollars a year of revenue which translates to just over \$2 billion of IT

training going on. I can't compete with them but I sure as heck can complement them or I sure as heck can become a value added to them. We need to figure out how we do that.

In results, I think the councils have all demonstrated deliverable results but I will say to you, when putting together policy programs, when you look at what we're doing with contracts with HRDC or with the provinces, my council now has a rule, if I don't have 20% of the funding for communications, don't develop something. We develop more things and put them on a shelf because nobody can find out about them. So when you're looking at your development of policy, you're looking at development of your programs, include the communications network, telling people about it, getting out to the universities, getting to the colleges, letting them know what's going on.

When you talk about innovation and diagnostic tools, one of the challenges is understand the role your department plays as to whether it's a partner or a policeman. The major challenges we get are things like your current rule around \$250.00 for capital funds. If my server goes down on Friday night and I'm doing this under a project with the council, I need your permission to replace the hard drive. So look at the rules, look at the policies. When you look at the effectiveness of the councils, the amount of time that we spend working with you and the fact that we're - and for those people who are on the other side of it, that HRDC has not been doing a good job of monitoring, I would like to put that to bed, to sleep very, very soundly, that being monitored on an average once every three weeks down to the point where I get my cancelled cheque stubs gone through one by one means they're making sure I haven't gone overboard. So if you need someone on the other side, I'm willing to show up on that side. You're doing a fantastic job. However, I need that time to go and build relationships and partnerships rather than defending cheque stubs.

And in flexibility, one of the greatest things that the councils have done is being flexible. One of the things that we've proven is that we can be so much more flexible and I think my challenge is I know within the department I'm described as the one who we know where the sandbox is, if only we could get Paul to understand where the sides of it were, maybe we could work closer together. In my sector I have to work outside the sandbox. And so when I heard about two months ago that the project that we were looking at doing for career awareness for the primary school level was not something HRDC could do anymore, that sort of thing disturbed me. If HRDC is not doing it, who is? And so when we work on a national basis for career awareness, we had a major partnership pulled together with IBM, Cisco and a few others, but it needed the federal government participation. Your decision was no. We need to know what the rules are. So sustainability and effectiveness of the councils is very, very important if HRDC, Industry Canada, DFAIT, all of the other departments that are sector oriented can work together, and the provinces, and we need your support on that. When I have to do a project now, I work with 13 provinces and

territories, three departments in each of those provinces and territories, the Ministry of Education, the Ministry of Labour, the Ministry of Economic Development, and so when you talk about taking time to build partnerships, it's become very, very difficult to do that.

So just the other side of it, what we're looking for is a clear vision of where you want to go, your flexibility in dealing with us in where the sector might want to go, and working as a partner would be absolutely fantastic. Thank you.

Moderator: Noah, did you -

Noah Meltz (Prof. Emeritus, U. of T.):

As a member of the expert panel I'm delighted that this session on the sectoral skills councils has been included because we on the panel saw the unique role that these sectoral councils have played and the partnership with HRDC providing the seed money. But what we also saw, and this goes through the whole report, is the importance of the federal and provincial partnership in dealing with the whole skills issue. Where the sectoral councils come in is these are really public goods because the impact goes far beyond - obviously it relates far beyond individual firms and unions that are in partnership. It goes far beyond the sectors as well and so I guess a personal note of concern that - concern about the necessity of working out a longer term relationship so that the councils can continue. No one wants institutions to continue simply for the sake of continuing them. But I think in the situation we're in now and the demonstrated importance of these councils, and what I would call the uniquely Canadian model, these councils are really a uniquely Canadian model, the question of working out a partnership between the federal and provincial level and finding the funds to sustain the longer term existence in contribution to meeting the skills needs I think is essential.

Moderator: Doug, did you have a comment? Go ahead.

Doug McPherson (Asst. to Nat'l Director, United Steelworkers of America):

I wanted to address the sustainability issue and one of the earlier speakers did in fact question whether we were saying is this a survival issue and quite frankly it is a survival issue. And one just needs to look around at some of the other sector councils that have failed. And I, fortunately or unfortunately, I'm also a member of the Sector Skills Council in the electronics - in the electrical industry. And that council quite frankly because of the removal of direct funding, both from the federal and provincial level several years ago, is now in a wind-up mode. They just decided that they could no longer function as an effective council and are indeed winding the operation down. Most recently we heard that the grocery producers council is - and there may be other people here that could speak directly to that but they also have made a decision I understand to wind down. I

can tell you from CSTECC's perspective as we - we've maintained programs over the last three years by reaching outside the industry, by developing relationships that are in some cases international, but that takes away from the delivery of services to our core membership and of course there - so you've got this balance between how we service that and yet generate funds in order to continue to do that. We have increased our membership fees to our membership, to our member companies and our local unions to the point where it's beginning to hurt and they're looking at their investment and what they're receiving.

When one looks at the devolution from the federal to the provincial governments, whereas in the past we were able to deal with one or two departments at a federal level, we're now dealing as previous speakers said with each province and we are trying to establish relationships and no longer have you established a relationship when the person or the policy changes and you're back again. And that takes a huge amount of our resources. We're a very group small of people and a huge amount of time and effort and cost to maintain those relationships. There needs to be a lot of dialogue with the provincial governments and the federal government and the sector councils about the value of the councils and we have to find ways that we can do this much more efficiently than is currently being done. So it is very much a survival issue for us.

We are contemplating at the CSTECC board about reaching out beyond the steel industry, you know, downstream. Now how far do you go with that where you become so diluted if you will in that sector that you're no longer able to meet the needs of it and I saw that was one of the failings I think of the sector council in the electrical industry is they almost - you know if you had electricity in your workplace you could become a member. And that of course to try and deliver services to such a broad spectrum of different interests perhaps was an impossible task that we set ourselves. So we should learn from that. But very clearly we are concerned that over the short term are we going to be able to survive. And so it is very much a survival issue.

Moderator: Thank you very much. Carla?

Carla Lipsig- Mummé (Prof. and Director, Centre on Work and Society, York University):

Two questions. Jean Charest said, and I think it's been a focus for - some of our discussion is that what the sectoral councils do is what neither the market nor the state does or can do. Recognizing this I think is of profound importance and shouldn't simply be paid lip service to either passionately or painfully. It's of ideological importance. It's political importance and it is also of policy importance. I'm not - I'm fairly sure that in Quebec the government and the community, and I want to stress that, understand and recognize that there is a space between market and government that has to be filled and to some degree the sectoral councils, and I'm thinking way back to the 1980s and the Forum sur

l'emploi in Quebec, that the community also has to do. I am not sure the federal government has come to terms with owning up to the ideological importance of what this represents. I think that needs to be done.

The second point/question that I want to add is I'm struck by the fragmented nature of what we're discussing, that the councils are struggling, often on their own. Each speaker spoke about linkage and outreach but one speaker or one respondent said but when I want to disseminate; I have to go struggle for the money to do so. I'm wondering why there isn't some central additional funding for getting the message out and there was a silence that I didn't hear - or how do you - well you hear or you don't hear a silence, that's a question - about the message of what sectoral councils are. Is it going anywhere internationally? It should be. Is there an international flow of information into the sector councils from other countries? Is there an international profile being developed for them? It seems to me that for survival the sectoral councils are going to have to anchor in civil society and the community so that when the government looks at their survival they see something that is part of and reflects the community.

Moderator: Okay. George?

George Nakitsas (Exec. Dir., Canadian Steele Trade and Employment Congress):

That's a critical point. I can tell you from our experience as Doug and Mike have said, by necessity, because we jacked up our membership fees to \$400,000 a year from I think it was \$30,000 and we've also had to get revenues outside, by accident we bumped into the international potential of sectoral approaches and we've got significant work that we're working with the Canadian Labour Business Centre on in Brazil and Argentina and Chile not with the steel industry. Our board has decided that's a potential conflict of interest but with whom? With state or federal governments that had very centralized state centred approaches where they needed those buffers that you were talking about and they went to France, they went to Britain, they went to Germany, they went to different countries and guess where they came? They came to Canada. But again, they are raising those types of issues. It's not just start-up, it's not just start-up to start up the council, to start up services but as some of our board members have said we have worked with HRDC and the provinces for seven years.

You convinced us not to work just as individuals but to work collectively on common issues and three years ago that broke and I guess the question they're asking us again is that a conscious policy decision, that we've gone away from sectoral approaches not only in development and in terms of initiation, but in delivery whereas I think both Mike and Doug said that's where we've gotten our greatest value added in terms of quality improvements, reduction of duplication, economies of scale and delivery and a whole range of issues like that and outside we've got the "About CSTE" document which lists a lot of our programs

and the results and they're very significant. But that's happening - I don't want to digress - not only here in Canada this debate but we've got a huge international audience that basically has looked at an approach that devolves decisions but devolves them in a framework where you have competing - what used to be seen as competing interests that have become complementary interests and it's a huge potential, that if we can make it survive and grow in Canada I think could go well beyond as a unique Canadian innovation that we can deal with other countries with. Thank you.

Moderator: Thank you George. Derwin?

Derwin Sangster (Dir. Business, Canadian Labour and Business Centre):

Just to comment, there's a great deal of discussion about communication with federal/provincial governments from the perspective of the sector councils and building those bridges. I'd just like to also mention that when I hear discussions around the sector councils, I really do get a sense sometimes that they are with the best will in the world still a little bit in a world of their own. And I also talk in another life to business and sometimes labour leaders at a CEO level, a different level and I must say I do sense something of a disconnect in awareness between business leaders at large, heads of national associations and so forth and the sector council movement if you want to call it that. There doesn't seem to be a really sort of, if you will, broad based understanding of some of the successes and some of the issues that the sector councils are dealing with which obviously are, you know, obviously very - often very technical, very specialized.

And I think in addition to the kinds of communications we've been talking about, that Paul was talking about in terms of linking to governments, there may well be a need to keep in mind, a need to link within the business and even the labour constituencies, certainly the business constituency to promote the value of sector councils to promote their successes and possibly even develop some highly visible senior level champions if you will of this kind of approach to dealing with issues. So just another line of communication I thought I'd mention.

Moderator: Thanks very much Derwin. Sherri.

Sherri Torjman (Vice-President, Caledon Institute of Social Policy):

My questions are to Mike. Mike you opened by talking about the difficulties, because of the devolution of labour market policy to the provinces and I'm wondering what role the sector councils have played or can play with respect to labour market mobility and Margaret Biggs made reference to this but in particular to any input on the agreement on internal trade.

My second question had to do with how easy it is really to form partnerships with local colleges and universities around some of the training and educational

issues. Our organization was involved in a local partnership called Partners for Jobs in which all sectors sat around the table and the biotechnology sector in particular said, you know, we've had real difficulty with our local college because they claim that they can't offer biotechnology courses right now, there's no economy of scale right now around emerging areas. If there were current skills that would be great, but in emerging areas it's not in their interest. And so how can we move that forward even if sector councils identify areas of need they can't in fact match that with the training at the local level.

Mike Carr:

One of the very interesting things that CSTEAC has been able to do has been to develop programming that is transportable, that is recognized by the industry as the standard for specific skill sets. For example, the operation of overhead cranes, we developed significant training modules around that, use of forklifts, WHMIS, safety standards and safety analysis, basic steelmaking, rolling, and we've developed a whole series of courses that are recognized within the industry as being the standard for training and we did that through partnerships with the community colleges in each steel community and CSTEAC had a tremendous ability to bring the colleges together and say look, we'll share the risks, we'll share the development costs, we'll make it possible for intake to occur in one community and be able to attract and draw interested parties from other communities to take that training in that community because we knew it would be applicable back home.

In terms of mobility, the programming that we've done has been to say to people affected by adjustment we want to deliver courses to you that will value add your employability to other prospective employers either in the community or in other communities. So the focus of CSTEAC on a sectoral basis has been a powerful motivator to get colleges around the table and to develop a consensus around what curriculum should look like and how it should be delivered.

Sherri Torjman:

Just on that question, Mike, I was wondering about the recognition of credentials, you know, so that you effectively remove provincial accreditation barriers.

Mike Carr:

One of the discussions we've had, for example, around skilled trades development has been the development of training curricula that do recognize the differences by having a standard that would be equate to, for example, in a trades environment the red seal. And that type of interaction has been quite important for us being able to sell employers and the union and the local training committees on the value of this type of training because one of the things we've learned through painful experience in the steel industry is that the market cycles

and when the market is moving up, everybody's focussed on getting something out the door. When the market moves down, suddenly we've got layoffs and that's a perfect time to train but what about displacement? What happens when people have to go seek employment in other areas? They want skills that are attractive to those employers, those potential employers. So we've found it very useful to train to a standard that's recognized.

Colleges have been quite open and they've been quite willing to look at who's going to take the lead. If you look at here in Ontario we had Mohawk College, we had Sioux College, we had Durham College, we've had a variety of colleges come together and say well one college will take the lead in the development of this particular curriculum but we'll deliver it at all of our colleges. In Saskatchewan, the Saskatchewan Institute of Applied Sciences developed a whole number of curricula for the steel industry and the steel industry is not the largest industrial sector in Saskatchewan by any means but they were able to develop some things and deliver them to CSTEC and CSTEC has adopted those programs and delivered them across the country.

Sherri Torjman: Okay, thank you.

Moderator: Thank you very much. Yes, do you have just a quick follow-up?

Doug McPherson:

Just a quick follow-up in terms of the college certificate programs that we have developed with the colleges, they are creditable courses and there is an agreement between the different colleges in the different provinces to recognize credits that may be obtained here in Ontario have a certain value or in a CEGEP in Quebec and then that individual goes to another province, another community college, that that credit is recognized on an exchange basis. We have sort of a chart that says, you know, two credits in Quebec are equal to 1.5 in wherever and so that you have this transferability between colleges across the country.

Mike Carr:

Just to follow-up even more, one of the things that CSTEC has done that's become nationally recognized is the work we've done around prior learning recognition and so that there's a whole area there that CSTEC on a sectoral basis was able to challenge community colleges to do exactly what Doug has said. And so I think that's an important initiative that needs to be carried further.

Moderator: Okay. Any other interventions? Yes, Jean.

Jean Charest:

Juste rapidement je veux revenir sur la question du partenariat, du partnership qui à mon avis est un enjeu crucial dans la discussion. Au tout début de la politique des conseils sectoriels le partnership était surtout vu comme étant un enjeu patronal syndical. On se demandait si on pourrait réussir à créer une culture de coopération entre les acteurs patronaux et syndicaux Canada. Actuellement la discussion semble plutôt indiquer que l'enjeu du partenariat tourne plutôt autour de la collaboration entre le gouvernement fédéral, les provinces et les conseils sectoriels eux-mêmes, ce qui est un peu ironique. Je pense qu'il faut être ouvert à différentes formes de collaboration possible entre les paliers de gouvernement et les conseils sectoriels. J'ai mentionné le cas du Québec et je ne veux pas évidemment suggérer ici que c'est le modèle idéal. Le gouvernement du Québec a décidé de mettre sur pied ses comités sectoriels de main d'oeuvre mais qui ont beaucoup de collaboration avec les conseils sectoriels canadiens. En particulier, je pense au cas du tourisme qui est un secteur très important dans l'économie canadienne. Il y a une étroite collaboration entre le conseil sectoriel canadien du tourisme et son équivalent au Québec. Et je pense qu'il faut tirer des leçons de cette forme de collaboration-là.

Comme je l'ai indiqué, il ne faut pas penser que tout est idéal aussi dans l'expérience québécoise. Les tensions, par exemple, même les conflits entre les fonctionnaires de l'appareil gouvernemental d'Emploi-Québec avec les comités sectoriels sont souvent assez importantes aussi. À tout de moins je pense que l'évaluation qu'on est en train de faire au Québec de la politique démontre une volonté d'améliorer le processus. À cet égard-là je pense que en termes de modèles, si je peux dire, je pense que la situation de l'Ontario m'apparaît passablement plus préoccupante et là je ne veux surtout pas faire d'ingérence politique mais je pense que la situation est plus problématique en regard des soutiens aux conseils sectoriels.

Dans tous les cas, et je termine là-dessus, je pense que s'il n'y a pas de soutien gouvernemental des provinces aux conseils sectoriels, ce qui est problématique dans une période de dévolution des programmes vers les provinces, je crois que c'est la responsabilité de Développement ressources humaines Canada de poursuivre le soutien aux conseils sectoriels parce que ce sont des institutions importantes pour l'ensemble du marché du travail ou des marchés du travail au Canada et si, pour toutes sortes de raisons, les conseils sectoriels disparaissaient graduellement dans les prochaines années, je suis assez convaincu que dans 10, 15 ou 20 ans on va être à nouveau réuni autour de la table pour se demander quel genre d'institutions on devrait créer pour améliorer l'efficacité des marchés du travail.

Moderator: Thank you very much Jean for those remarks. Would anyone like to comment? Yes, Bruce.

Bruce Baldwin (Dir., Ontario Ministry of Training, Colleges and Universities:

One of the places where HRDC isn't hindered by a devolution agreement and is free to deal with sector councils at its will. Certainly one of the strong themes from the representatives of sector councils has been the - I guess the complication of having to deal with more governments and more ministries within governments as a result of transfers of responsibility to provincial governments and I think from a provincial perspective, at least an Ontario perspective, there's a similar issue of resourcing, not simply in terms of core funding but in terms of capacity and time of policy and program people and how they deal with sectors. I think there is a strong commitment to a sector approach in Ontario and I think part of our discussion today, we've kind of confused the distinction between a commitment to sectors and a commitment to sectoral councils created by HRDC to provide national advice or advice to the federal government on labour market issues. And I think we need to be clear about that particular distinction.

As I say there is a strong commitment to working with sectors in terms of developing policies and delivering programs in Ontario. Certainly our apprenticeship system is led by industry representatives, business, labour reps and every occupation that we train through apprenticeship to help us set standards, develop curriculum and provide advice on the delivery of apprenticeship. We work regularly with sector representatives from right across the economy. The question becomes what is the - who do we talk to? I mean how do we make decisions about how to invest time in terms of seeking that advice. One of the issues that will help drive that question is what is the decision-making authority of the group that we're talking to? How do we have conversations that lead to actions and commitments and on both sides? The point Derwin made about the disconnect often between business and labour leaders and the work of councils is a troubling one if you want to have conversations that lead to cooperation and joint action.

So I think part of the discussion about the future of councils has to be a conversation about a focus, an area of expertise and an ability for provincial governments to be able to deal with sector councils in those areas of expertise. Certainly the prior learning assessment is an issue that we're deeply interested in and recognize the specific role that councils can play in helping to move that agenda forward. I don't know that we're looking to get into new delivery arrangements using councils or anybody else right now, we're sort of still recovering from a recent experience in terms of a training and adjustment board in Ontario, but if we're clear about what the dialogue can be about and where the focus can be, I think it's going to help both sides in having more - in maintaining an ongoing commitment and relationship.

Moderator: Thanks very much Bruce. Any other interventions on any of these issues? George, do you want to just follow up quickly?

George Nakitsas:

Just a small one. I want to return to Jim's question. I think it's a critical one Jim and I think the answer is yes and it touches on the comment, some of our greatest relationship has been with the Ministry of Economic Development in Ontario and with them your ministry of colleges and where we have looked at sectoral approaches. But the key question is are employers and unions going to act individually or individually where they have competitive advantages and collectively where they have potential for adding value as collective approaches. Jim's question is a critical one and it involves not only start-up but delivery as well. I guess I'd be remiss if I didn't say to you from our experience and I think from other councils not only is that the critical question but we didn't answer quickly because I know and Mike and Doug will tell you, at our board meetings, which happen every three months and every CEO is there from the steel producers and the national and regional directors of the steelworkers, the question is a simply one. Are governments who have had, to use a Pavlovian example, had incentives and they've become juliennes of carrot, they used to be big carrots, now they're juliennes. It's not necessarily a problem. They used to be individual. They used to be community based; they used to be sectoral. They've noticed that the sectoral and community bases have been pulled out for the most part and the question they're asking is are we going back to sectoral approaches as an option or community based or should we act as individuals where each company goes at it on its own, the unions go at it on its own.

So whatever the decisions of governments are federally, provincially, I think I'm not remiss in saying we need an answer quickly because it's been three years where it's been up in the air and they've got to make decisions. They had a great time at CSTEAC and other councils but maybe the time has passed and they all have to go back. So it's not a question of us asking for subsidies or whatever. Frankly on the cost delivery ones I think our kick-in has been six to one on our training agreements and adjustment agreements. We've leveraged six dollars of industry training for each dollar of public. So we're not talking subsidies here. It's the capacity to access generally available programs individually, sectorally, community basis; whichever makes most sense at a given point in time for an industry. So I think that's a challenge but I think again it would be unfair to leave this conversation not answering Jim's question. You're right, Jim, that is the question and I think the answers are needed fairly quickly.

Moderator: Does anyone have any answers? Anyone want to comment on George's intervention?

Mike Carr:

If I could just pick up on one comment that Bruce made with respect to the Ontario experience. Certainly CSTEAC has found that relationship extremely beneficial. The problem we have when we move outside of Ontario is that other provincial jurisdictions define sectors differently and that's basically a fundamental of what the economies in those provinces look like. I know in my

own experience in Saskatchewan there's no such thing as a steel sector because there's only one employer there. The challenge that you have when you try and do things on a provincial basis is that you can't derive the economies of scale, you can't derive the synergies of working with colleges to manage risk. And so you end up in a situation where nothing gets done so this is a very critical issue for folks in Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia in this industry, in the steel industry because there just isn't a synergy that will allow that to go forward on a provincial basis. It's got to be done nationally and it's got to be sectoral based because that's the most effective delivery model.

Moderator: Okay, any other interventions. Yes, Bert?

Bert Pereboom (Research Coordinator, Expert Panel on Skills and Peartree Solutions):

I've worked with - I counted actually about 10 of these sector councils over the, I guess the last decade. One of the questions I guess that comes to me with respect to the question of funding is should every sector council survive? Should the funding model somehow build in a test for the industry commitment to this education, skills, training agenda and so on? And it seems to me not every sector is either ready to establish a sector council or, you know, having tried it, has demonstrated the level of commitment required to deal with that. So it's - I think the funding model has to build in some part of the public goods aspect that sector councils deliver because individual firms won't necessarily realize those benefits. But on the other hand there does have to be some sort of mechanism to say look, the industry just isn't playing ball here. They're not, you know, engaging, and I think it has to be at the CEO level. And so the industry clearly has to demonstrate their commitment to the ongoing enterprise. So some councils I think should fail so it's not a matter of the government sort of guaranteeing that every council would continue perpetually but the model has to build in some sort of, you know, obviously shared cost between public and private.

Moderator: Thanks very much Bert. Any follow-up to that point or anything else. Noah?

Noah Meltz:

Just on George's point and what Bert added. I mean it sounds like somebody on the government side really has to take the initiative. You have a partnership but in a sense with respect to the - on the sectoral councils there has to be almost a senior partner and HRDC having started the process, if there are really different provincial views on this and because of the nature of industry that some span beyond and some are like the steel industry, one firm, is the message here that HRDC really has a major role to play in terms of the continuation and the support that's necessary? Obviously along with provincial agreement. But that

somebody has to take a primary lead on this. It sounds like it's HRDC and it sounds like it really has to be done soon.

Moderator: Okay. Any other comments on this issue from any aspect of it? Yes, Margaret?

Margaret Biggs (Assistant Deputy Minister, National Delivered Programs. HRDC):

I just wanted to pick up on what Bert mentioned because I think it's a really key point and I was trying to get at it a bit maybe a bit euphemistically when I talked about results. I talked about sustain and then I talked about results and the challenges that I was talking about weren't just for the council. I think it is for government to figure out how best to do this. If we know what sector approaches and sector councils can achieve in their optimum way, then we have to figure out whether we've got a proper basis for making them deliver on what they're really good at doing and they're really good at identifying what common objectives and common needs are so we need to have a common sense of what that kind of model and funding practice should be. But it doesn't mean that all councils need to live in perpetuity because they aren't all producing equal results. And so I think as governments we need to figure out how we can better serve and deliver on the public good that the councils are very, very good at delivering on. At the same time we have to figure out what's the prudent best way to invest public dollars. And that means that not all councils and sectors are equally able to do that and so that it's sort of a bit of a yin and a yang there and I don't think that we want to give the impression that everything sectoral necessarily has to survive forever and ever. We have to put it on the basis of effectiveness and results. But we have to make sure that the way we do this isn't part of the problem rather than part of the solution.

Moderator: Any other comments? Yes? Paul?

Paul Swinwood:

I'd just like to respond on that with both Bert and Margaret that from the sector councils' point of view I don't think there's one of us that are sitting out there saying support us because we're a sector council. I think what we're asking for is contract with us to deliver, to deliver sectoral information to deliver what I call labour market intelligence. Contract with us to provide you with recommendations and input towards your policy people. Contract with us to provide something and if we can't deliver, then don't recontract, it's as simple as that. And so when people talk about core funding, I'm not talking core funding for the councils, I'm talking a contract that will allow the government to buy something of value to it. And so that would be my approach as to what we'd be looking for. And on more than a six-month basis. I mean give us a chance for a three-year contract that I negotiate once and we review each year for renewal,

not six-month pieces that we go from here to here. So contract with us, tell us what you want, put our feet to the fire and make us deliver. And I guarantee you that a lot of the councils will be able to do that. Some of them won't. Some of them will not be able to do that in their sector but most of us will and I think that will strengthen HRDC and it will strengthen the federal/provincial relations.

Moderator: Yes, any other additional comments? Okay. No other comments. We've solved the problems of sector councils which is before the time actually. We're very efficient today. Okay, well if there's no additional comments then I'm going to - oh, David did you want to make a comment?

David Slater (Dir. Gen., Skills and Learning Task Force, HRDC):

I really just want to raise a question. With the devolution of training responsibility to the provinces, are there things other than training which the sector councils carry out which HRDC could legitimately be in even though the training elements are a provincial responsibility or is there another possibility that there might be some fund put up and which would then be distributed with some provincial input? I'm trying to make my way through this, the Gordian knot of the devolution of training. Clearly the sector councils are very important in training but they must be engaged in other things too. How can HRDC and the federal government and the provinces cohabit this area?

Moderator: Anyone want to take that up, that challenge up? George, do you want to just briefly?

George Nakitsas:

I can give you a very quick example from our experience. I don't think devolution's been the problem. It's a question of coordinating a federal/provincial new environment. I think if there's goodwill and there's agreement on two things, a series of principles around where sectoral approaches are useful and are not, and an agreement on results as opposed to rules based programming, a really innovative world could be where we sit down with a province or a department of the province and with HRDC and look at who's got jurisdiction over who, kick in our six to one or five to one or four to one and the carrot should be smaller and smaller over time - I think everybody would agree with that - and look at - but it has to be beyond development, it has to be in delivery as well. I mean we're being very blunt here. If we don't get into delivery you're not getting 99% of the benefits that you'll get on quality, cost, access, everything else. So that's a small thing. But the more and more we talk to each other, the more and more we could look at the mechanics of how we operate this. We have great ideas. We have traditional approaches of how we administer them. We are missing that middle part which says let's take a great idea, let's be creative on how we work together in these partnerships.

Moderator: Okay. Are there any other comments? Paul, you want to follow up?

Paul Swinwood:

Just responding on that one. When you talk about training, from my Software Council's point of view, one of the nominal parts that we've been involved in is training. What we're really involved in is career information at the high school, we tried the primary school and the post-secondary level as well as people who are looking at career changes. We're heavily involved in the immigration process where we've created a new process that we'll be talking about this afternoon for temporary workers from my high tech community. We are heavily involved in the school to work or that first job which everybody is aware that the challenges are getting that first job is probably the biggest issue facing all college and university graduates who haven't participated in co-op and of course you'll get me into that lecture on a whole other time.

But the interesting thing is what we've been trying to do is to plan nationally but act locally and so we work right down with the individual community associations, right from coast to coast in all of the apprenticeship programs we're doing. And by the way there is an apprenticeship program unfolding for the IT sector. We just received the contract from British Columbia on Friday for implementation by September. So welcome to some of the challenges. So when you ask is there something else other than training, there's lots of things. And some of those are for the public good. Some of those are national issues and that's where we need the support of both the federal and the provincial organizations to get it started. Some of my small companies couldn't care less about, you know, contributing to a training program to happen in another province. But I need to do that. And so there's where I need the national support while we're acting locally. And so we need to bring in the provinces, the associations, the industry right across the country. I don't know if you've flown lately but it's getting more and more and more expensive to get across this country. Thank you.

Moderator: Okay, if there's any other final comments. Well, I think we've touched on a lot of the key issues and challenges in this area and certainly there's been a lot of - really like to thank the lead speakers for their very useful interventions as well as all the other participants. So we'll break now. We'll reconvene at 10:30 to discuss labour market information. Thank you.